UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 25-3265

IN RE: BL SANTA FE, LLC; REORGANIZED DEBTOR BL SANTA FE, LLC,
Debtors

Reorganized Debtor BL Santa Fe, LLC,
Appellant

On Appeal from the United States District Court, D. Del.
Judge Jennifer L. Hall, No. 1:24-cv-01077

Before: PHIPPS, FREEMAN, and ROTH, *Circuit Judges*
Submitted: Oct. 19, 2026; Filed: Nov. 27, 2026

NONPRECEDENTIAL OPINION*

PHIPPS, *Circuit Judge*.

A reorganized bankruptcy debtor disputed two general unsecured proofs of claim filed against it by the same creditor in a bankruptcy proceeding. *See* 11 U.S.C. § 502. The first claim sought an amount owed under a promissory note, but the creditor lost the original copy of the note. The second claim was for a success fee that the creditor claimed to have earned by finding financing for the reorganized debtor as part of its prepackaged bankruptcy plan. The financing involved two transactions – one lender refinanced its secured debt, and another lender converted its debt to equity. After a two-day evidentiary hearing, the Bankruptcy Court approved the claims and ordered the reorganized debtor to pay both of them. Through a notice of appeal, the reorganized debtor invoked the appellate jurisdiction of the District Court, which affirmed the order. And through a timely notice

* This disposition is not an opinion of the full Court and pursuant to I.O.P. 5.7 does not constitute binding precedent.

of appeal, the reorganized debtor invoked this Court's appellate jurisdiction. *See* 28 U.S.C. § 158(d)(1). For the reasons below, we will affirm.

DISCUSSION

From 2014 until its subsequent reorganization through bankruptcy, BL Santa Fe, LLC, owned and operated Bishop's Lodge, a luxury resort in Santa Fe, New Mexico. After acquiring Bishop's Lodge, BL Santa Fe began renovating it to expand its capacity and to add amenities like a trout fishing stream and an amphitheater. To help raise capital for those and other projects, it retained Realty Financial Resources, Inc., a financial advisor and broker.

In 2019, Realty Financial Resources brokered financing from creditors – $43 million from a senior lender and $15 million from a mezzanine lender. Under Realty Financial Resources' agreement with BL Santa Fe, it was owed a fee of $880,000 for its efforts securing financing. BL Santa Fe paid $730,000 up front and signed a promissory note for the remaining $150,000.

As a result of financial difficulties, delays, and cost overruns, BL Santa Fe fell behind on its debts. In December 2020, BL Santa Fe turned again to Realty Financial Resources to help it refinance its loans. The agreement promised Realty Financial Resources a success fee if it secured commitments for 'Financing,' which it defined as:

> [E]quity or debt, in whatever form, provided in any single transaction or a combination of transactions, including, but not limited to equity, secured or unsecured loans, secondary or subordinate financing, guarantees or other credit enhancements, mezzanine financing, bridge loans, lease or lease financing, or any other vehicle by which borrowed money or credit is raised[.]

Agreement ¶ 1 (App. 346).

After that agreement was signed, BL Santa Fe's creditors restructured their loans as part of a prepackaged bankruptcy plan. The senior lender refinanced its loan, while the mezzanine lender agreed to swap the debt it was owed for 100% of BL Santa Fe's equity.

BL Santa Fe filed for bankruptcy under Chapter 11 of the Bankruptcy Code on August 30, 2021. *See* 11 U.S.C. §§ 1101–1146. The bankruptcy plan was approved on October 21, 2021. Later, Realty Financial Resources filed two general unsecured proofs of claim for the amounts owed under the 2019 promissory note and from the success fee from the refinancing. *See id.* § 501. Together, those two claims totaled $920,742.96. BL Santa Fe objected to the claims.

With both parties' consent, the Bankruptcy Court proceeded to resolve the disputed claims. *See* 28 U.S.C. § 157(b)(2)(B); *Wellness Int'l Network, Ltd. v. Sharif*, 575 U.S. 665, 669 (2015) (holding that "Article III is not violated when the parties knowingly and voluntarily consent to adjudication by a bankruptcy judge"); *Langenkamp v. Culp*, 498 U.S. 42, 44 (1990) (holding that a party "subject[s] himself to the bankruptcy court's equitable power" by "filing a claim against a bankruptcy estate"). BL Santa Fe argued that Realty Financial Resources could not prove the existence and terms of the promissory note because the original copy was lost in an office move and that the restructuring transactions did not count as 'Financing' under the agreement. After a two-day evidentiary hearing, the Bankruptcy Court rejected those contentions and ordered BL Santa Fe to pay Realty Financial Resources the entire amount claimed. *See In re BL Santa Fe, LLC*, 2024 WL 4174388, at *14 (Bankr. D. Del. Sep. 12, 2024).

The District Court, pursuant to its appellate jurisdiction under 28 U.S.C. § 158(a)(1), affirmed the Bankruptcy Court's order on October 31, 2025. *See In re BL Santa Fe, LLC*, 2025 WL 3043349, at *15 (D. Del. Oct. 31, 2025).

We will affirm for substantially the same reasons as the District Court. As to the first claim, the Bankruptcy Court did not commit clear error in finding that Realty Financial Resources proved the existence and terms of the promissory note supporting the claim by a preponderance of the evidence. *See id.* at *6–9. And with respect to the second claim, the Bankruptcy Court correctly interpreted 'Financing,' as that term was defined, to include the loan refinancing and the debt-for-equity swap, *see id.* at *10–13, and the Bankruptcy Court did not clearly err in finding that the agreement between Realty Financial Resources and BL Santa Fe was still in place when Realty Financial Resources solicited, and BL Santa Fe accepted, the loan refinancing and the debt-for-equity swap, *see id.* at *13–14.

CONCLUSION

For the reasons above, we will affirm.