
Seventh Circuit Affirms Secured Creditors' Right to Credit Bid in Sale of Collateral Under Cram-Down Plans in Split from Third Circuit Decision in *Philadelphia Newspapers*

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In *In re River Road Hotel Partners, LLC*, the United States Court of Appeals for the Seventh Circuit recently affirmed a lower court's decision not to confirm two "cram-down" plans of reorganization that provided for the sales of assets free and clear of secured creditors' liens with sale procedures that did not permit the secured creditors to "credit bid" their secured claims. At odds with the recent decision of the United States Court of Appeals for the Third Circuit in *Philadelphia Newspapers*, the decision appears to be a victory for secured creditors. The debate regarding a secured creditor's right to credit bid in this context will continue, however, until the Supreme Court decides the issue.

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