

ENTERED ON DOCKET  
5/23/07

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

IN RE: : CHAPTER 7  
: :  
SOUTHSTAR FUNDING, LLC, : CASE NO. 07- 65842 -pwb  
: :  
Debtor. :  
\_\_\_\_\_:

ORDER SHORTENING NOTICE AND SCHEDULING  
EXPEDITED HEARING ON MOTION FOR AN ORDER ON EXPEDITED BASIS APPROVING  
PROCEDURES TO SELL CERTAIN ASSETS FREE AND CLEAR OF LIENS, CLAIMS, AND  
ENCUMBRANCES WITHOUT FURTHER COURT ORDER

On May 22, 2007, the Trustee in the above-captioned Chapter 7 case filed his "Motion for an Order on Expedited Basis Approving Procedures to Sell Certain Assets Free and Clear of Liens, Claims, and Encumbrances Without Further Court Order" (the "Motion"), wherein the Trustee requested that the Court schedule a hearing on an expedited basis to consider the relief requested in the Motion.

After considering the Motion, it appears to the Court that (a) the Court has jurisdiction over these proceedings; (b) this is a core proceeding; (c) the request for expedited hearing as sought in the Motion is in the best interests of the Debtor's estate and its creditors; and (d) good and sufficient cause exists for scheduling a hearing on an expedited basis to consider the relief requested in the Motion.

Accordingly, it is hereby ORDERED as follows:

1. The request for an expedited hearing in the Motion is hereby GRANTED.
2. A hearing will be held on the **30th day of May, 2007 at 11:30 a.m., in Courtroom 1401 of the Richard B. Russell Federal Building, 75 Spring Street, Atlanta, Georgia** on the "Motion for an Order Shortening Notice and Scheduling Expedited Hearing on Motion for an Order on Expedited Basis Approving Procedures to Sell Certain Assets Free and Clear of Liens, Claims, and Encumbrances Without Further Court Order"
3. **YOU ARE HEREBY NOTIFIED** that, in the Motion, the Trustee requests that the Court enter an Order:
  - (i) approving sale procedures on sales of the interest of the estate of Debtor in: mortgage loans, real estate owned, and other real estate interests; and personal property of Debtor such as equipment, furniture, computer equipment and programming, intellectual property, and other personal property.
  - (ii) approving procedures as follows:
    - a. The Trustee will give notice of the proposed sale to the creditors listed on Debtor's Schedule D, the Office of the United States Trustee for the Northern District of Georgia, any entity who formally appears and requests service in this case pursuant to Bankruptcy Rule 2002, and any party directly affected by the proposed sale of any of the Assets or the Personal Property, including the holders, if any, of an ad valorem tax lien or any other lien on the Assets or Personal Property being sold (the "Notice Parties") either by facsimile, electronic mail or overnight mail. The notice date will be the date the Trustee serves or transmits the notice. The

notice will specify the asset to be sold, the identity of the proposed purchaser, the proposed sale price, and the anticipated net sale proceeds. A proposed form of notice is attached as Exhibit "A" to the Motion.

b. The Notice Parties will have five business days after the notice date to object to, or request additional time to evaluate, the proposed transaction. If counsel for the Trustee receives no written objection or written request for additional time prior to the expiration of such period or if counsel for the Trustee receives timely written objection or timely request for additional time and the written objection or request is withdrawn, the Trustee will be authorized to consummate the proposed sale transaction and take such actions as are reasonably necessary to close the transaction and obtain the sale proceeds, including execution of such documents as may reasonably necessary to close the transaction and payment of ordinary closing costs.

c. The lien, claim or encumbrance of any party on any sold Asset or Personal Property shall attach to the proceeds of the sale with the same priority as held in the Asset or Personal Property, subject to any claims or defenses that the Debtor or Trustee may possess with respect thereto.

d. If a Notice Party objects to the proposed transaction within five business days after the notice date, the Trustee and the objecting party shall use good faith efforts to resolve the objection, but if no resolution is reached, the Trustee may not consummate the proposed transaction without first obtaining Bankruptcy Court approval of the proposed transaction upon notice and hearing.

**YOUR RIGHTS MAY BE AFFECTED BY THE MOTION.** YOU SHOULD READ THESE PAPERS CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY, IF YOU HAVE ONE IN THIS BANKRUPTCY CASE. (IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.)

IF YOU DO NOT WANT THE COURT TO GRANT THE RELIEF SOUGHT, OR IF YOU WANT THE COURT TO CONSIDER YOUR VIEWS ON THE EMERGENCY MOTION, THEN YOU AND/OR YOUR ATTORNEY MUST ATTEND THE HEARING SCHEDULED ABOVE. YOU MAY ALSO FILE A WRITTEN RESPONSE TO THE MOTION WITH THE CLERK AT THE ADDRESS STATED BELOW, BUT YOU ARE NOT REQUIRED TO DO SO. IF YOU FILE A WRITTEN RESPONSE, YOU MUST ATTACH A CERTIFICATE STATING WHEN, HOW, AND ON WHOM YOU SERVED THE RESPONSE. THE ADDRESS OF THE CLERK'S OFFICE IS: CLERK, UNITED STATES BANKRUPTCY COURT, SUITE 1340, 75 SPRING STREET, ATLANTA, GEORGIA 30303. YOU MUST ALSO SERVE A COPY OF YOUR RESPONSE TO THE COUNSEL FOR THE TRUSTEE AT THE ADDRESS STATED BELOW.

4. Counsel for Trustee is hereby directed to serve a copy of this Order via regular mail, overnight delivery, email, facsimile, or hand delivery, on (a) the United States Trustee; (b) the secured lenders scheduled by Debtor on the addresses listed on its Schedule D; and (c) counsel for Debtor; and (d) any entity that has formally appeared and requested service in these cases under Bankruptcy Rule 2002.

5. The Court shall retain jurisdiction to hear and determine all matters arising from implementation of this Order.

PLEASE TAKE NOTICE that a copy of the Motion may be obtained: (a) by visiting the Office of the Clerk of the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division at Room 1340, 75 Spring Street, Atlanta, Georgia during normal business hours; (b) online, by parties with internet and access to electronic case filing, by visiting the Court's website at <http://ecf.ganb.uscourts.gov> (registered users) or at <http://pacer.psc.uscourts.gov> (unregistered users); or (c) by contacting Linda W. McLane at the office of counsel for the Trustee, at Lamberth, Cifelli, Stokes, Ellis & Nason, P.A., at 3343 Peachtree Road, Suite 550, Atlanta, Georgia via telephone at (404) 262-7373.

IT IS SO ORDERED this 23 day of May, 2007.

  
PAUL W. BONAPPEL  
UNITED STATES BANKRUPTCY JUDGE

Prepared and presented by:

LAMBERTH, CIFELLI, STOKES,  
ELLIS & NASON, P.A.  
Attorneys for Debtor

By: /s/ William D. Matthews  
J. Michael Lamberth  
Georgia Bar No. 431975  
William D. Matthews  
Georgia Bar No. 470865  
3343 Peachtree Road NE, Suite 550  
Atlanta, GA 30326-1022  
(404) 262-7373