

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

| | | |
|---|---|-----------------------------------|
| In re: |) | Chapter 11 |
| |) | |
| RC SOONER HOLDINGS, LLC, <u>et al.</u> , ¹ |) | Case No. 10- 10528 () |
| |) | |
| Debtors. |) | (Jointly Administered) |

**APPLICATION OF DEBTORS FOR ENTRY OF AN ORDER
(I) AUTHORIZING THE EMPLOYMENT AND RETENTION OF BMC GROUP, INC.
AS CLAIMS, NOTICING, AND BALLOTING AGENT FOR THE DEBTORS AND
(II) APPROVING FORM AND MANNER OF NOTICE OF SECTION 341 MEETING**

RC Sooner Holdings, LLC (“RC Sooner” or the “Company”) and the above-captioned debtors and debtors in possession (collectively, the “Debtors”), hereby submit this application (the “Application”) for entry of an order pursuant to section 341 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2002 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), 28 U.S.C. § 156(c), and Rule 2002-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”) (i) authorizing the employment and retention of BMC Group, Inc. (“BMC”) as claims, noticing and balloting agent for the Debtors, (ii) approving the form and manner of notice of the initial meeting of the Debtors’ creditors, and (iii) granting certain related relief, and in support thereof respectfully state as follows:

¹ The Debtors and the last four digits of their taxpayer identification numbers are: RC Sooner Holdings, LLC (7904); RC Brixton Square Owner, LLC (8002); RC Cedar Crest Owner, LLC (7914); RC Fulton Plaza Owner, LLC (8011); RC Magnolia Owner, LLC (7998); RC Pomeroy Park Owner, LLC (7939); RC Salida Owner, LLC (7947); RC Savannah South Owner, LLC (7983); RC Southern Hills Owner, LLC (7958); Brixton Square Apartments, LLC (1844); CC Apartments, LLC (1798); Fulton Plaza Apartments, LLC (4344); Magnolia Manor Apartments, LLC (4486); Pomeroy Park Apartments, LLC (1649); Salida Apartments, LLC (1915); Savannah South Apartments, LLC (8586); and Southern Hills Villa Apartments, LLC (1721). The business address for each of the Debtors where notices should be sent is 1515 Broadway, 11th Floor, New York, New York 10036-8901.

Jurisdiction and Venue

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of these chapter 11 cases and the Motion is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).

Factual Background

2. On or about February 22, 2010 (the “Petition Date”), each of the Debtors filed their respective voluntary petitions for relief under the Bankruptcy Code. The Debtors thereafter have continued to manage their business and properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. The Debtors own, operate and maintain a portfolio of 796 multi-family residential units divided among eight (8) separate apartment complexes (collectively, the “Apartments”) for lease in Tulsa, Oklahoma. RC Sooner is the direct parent of eight (8) Oklahoma limited liability companies (collectively, the “RC LLCs”², and together with RC Sooner, the “Purchasers”) that were formed in October 2009 for the purpose of acquiring 100% of the membership interests of eight (8) existing Oklahoma limited liability companies that own the Apartments (collectively, the “Apartment LLCs”³). The purchase price of the acquisition included the assumption of approximately \$27 million in outstanding loans and mortgages (the

² The RC LLCs consist of the following co-debtor subsidiaries of RC Sooner: Brixton Square Owner, LLC; RC Cedar Crest Owner, LLC; RC Fulton Plaza Owner, LLC; RC Magnolia Owner, LLC; RC Pomeroy Park Owner, LLC; RC Salida Owner, LLC; RC Savannah South Owner, LLC and RC Southern Hills Owner, LLC. RC Sooner is also the direct parent of non-filing entity RC Old South Owner, LLC, whose real estate assets are not subject to loans held by the Federal National Mortgage Association.

³ The Apartment LLCs consist of the following co-debtor indirect subsidiaries of RC Sooner: Brixton Square Apartments, LLC; CC Apartments, LLC; Fulton Plaza Apartments, LLC; Magnolia Manor Apartments, LLC; Pomeroy Park Apartments, LLC; Salida Apartments, LLC; Savannah South Apartments, LLC and Southern Hills Villa Apartments, LLC. RC Sooner is also the ultimate parent of non-filing entity Old South Apartments, LLC, whose loan is not held by the Federal National Mortgage Association.

“Loans and Mortgages”) currently held by the Federal National Mortgage Association (“Fannie Mae”).

4. Unbeknownst to the Purchasers, however, the sellers of the Apartment LLCs and their brokers had engaged in a pattern of intentional misconduct and fraudulent misrepresentation from the very outset of negotiations for the sale of the Apartments and the Apartment LLCs, which misrepresentations included the failure to inform the Purchasers that the Loans and Mortgages had been in default since approximately September 2, 2009, and remained in default as of the closing on or about October 29, 2009.

5. Fannie Mae was not informed of the Purchasers’ purchase of the Apartment LLCs until late January, 2010, and the Company was not made aware of the existence of the defaults under the Loans and Mortgages until that same time, the sellers having actively concealed such facts from both Fannie Mae and the Company as recently as the final week of January, 2010.

6. Upon learning of the purchase of the Apartment LLCs, Fannie Mae declared a non-monetary default on account of the transfer of the Loans and Mortgages to the Company without Fannie Mae’s consent. Fannie Mae subsequently initiated state court actions in Oklahoma against the Apartment LLCs and certain of the sellers petitioning for foreclosure and the appointment of a receiver against all the Apartments. Hearings for the appointment of a receiver with respect to the Apartment LLCs have been scheduled for February 23, 2010.

7. Due to the imminent threat of Fannie Mae’s state court actions, the Debtors commenced these cases on the Petition Date in order to provide sufficient time for them to, among other things, pursue claims against the sellers and their brokers and negotiate a resolution of the Loan and Mortgage defaults with Fannie Mae, all of which efforts will enable

the Debtors to preserve and maximize the value of their business for the benefit of their creditors and other interested parties.

8. Additional factual background regarding the Debtors, including their current and historical business operations and the events precipitating these chapter 11 filings, is set forth in detail in the Affidavit of Daniel Gordon in Support of Chapter 11 Petitions and First Day Pleadings, and is incorporated herein by reference.

9. No trustee, examiner, or committee has been appointed in any of the Debtors' cases.

RELIEF REQUESTED AND BASIS THEREFOR

10. By this Application, the Debtors request the entry of an order: (i) authorizing the retention of BMC as the claims processing, plan balloting, and noticing agent pursuant to 28 U.S.C. § 156(c), Fed. R. Bankr. P. 2002, and Del. Bankr. L.R. 2002-1(f); (ii) approving the form and manner of notice of the meetings required by 11 U.S.C. § 341(a); and (iii) granting certain other related relief, including authorizing the Debtors (or their authorized agent) to mail initial notices.

A. Retention of BMC as Claims, Noticing, and Balloting Agent

11. There are approximately 700 creditors in this case. The number of creditors involved favors the utilization of an outside agent to perform various administrative services in this case to alleviate the burden that such services otherwise would impose on the Clerk of this Court.

12. The relief requested herein is appropriate under 28 U.S.C. § 156(c), which governs staffing and expenses of the Bankruptcy Court and states as follows:

Any court may utilize facilities or services, either on or off the court's premises, which pertain to the provision of notices, dockets, calendars, and other administrative information to parties

in cases filed under the provisions of title 11, United States Code, where the costs of such facilities or services are paid for out of the assets of the estate and are not charged to the United States. . . .

28 U.S.C. § 156(c). Furthermore, Local Rule 2002-1(f) requires debtors with more than 200 creditors to request authority from the Court to retain a claims and noticing agent to assist with such functions. See Del. Bankr. L.R. 2002-1(f). The Debtors believe that the employment of BMC as proposed herein will (i) relieve the Clerk of significant administrative burdens, (ii) avoid delay in the management and processing of proofs of claim, and (iii) reduce expenses that would otherwise be incurred in connection with retrieving proof of claim copies from the Clerk and responding to numerous claim-related inquiries. In addition, the Debtors' management and professionals will coordinate responsibilities with BMC to avoid the unnecessary duplication of services.

13. BMC will provide, at the request of the Debtors or the Clerk's Office the following services as Claims, Noticing, and Balloting Agent:

- a. Prepare and serve required notices in these chapter 11 cases, including:
 - i. notice of the commencement of the cases and the initial meetings of creditors under § 341(a) of the Bankruptcy Code;
 - ii. notice of the claims bar date;
 - iii. notice of any hearings on a disclosure statement and confirmation of a plan of reorganization; and
 - iv. other miscellaneous notices to any entities, as the Debtors or the Court deem necessary or appropriate for an orderly administration of these chapter 11 cases.
- b. Within five (5) days after the mailing of a particular notice, file with the Clerk's Office a certificate or affidavit of service that includes a copy of the notice involved, an alphabetical list of persons to whom the notice was mailed and the date of mailing;
- c. Docket all claims received by the Clerk, maintain the official claims registers (the "Claims Registers") for the Debtors on behalf of the Clerk,

and provide the Clerk with a duplicate unofficial Claims Register on a monthly basis, unless otherwise directed.

- d. Specify in the Claims Registers the following information for each claim docketed:
 - i. the claim number assigned;
 - ii. the date received;
 - iii. the name and address of the claimant who filed the claim; and
 - iv. the classification(s) of the claim (e.g. secured, unsecured, priority, etc.) asserted in the claim.
 - e. Record all transfers of claims and provide any notices of such transfer required by Rule 3001(e) of the Federal Rules of Bankruptcy Procedure;
 - f. Make changes to the Claims Registers pursuant to Court order;
 - g. Maintain the official mailing list of all entities that have filed proofs of claim, which list shall be available upon request by the Clerk or upon request and payment of an appropriate copying charge by a party in interest;
 - h. Assist the Debtors, if necessary, in the clerical preparation of their schedules, and statements of financial affairs and any amendments or supplements thereto, and maintain a mailing list of the parties included therein;
 - i. Perform all balloting services that may be required in these cases, including, to the extent necessary, identifying voting and nonvoting creditors, preparing class-specific ballots, distributing ballots and accompanying documents, serving as balloting agent to receive and tabulate voting results, and providing such other ballot related services requested by the Debtors;
 - j. At the close of the cases, box all original documents in the proper format, as determined by the Clerk, and make arrangements for the long-term storage of same as instructed by the Clerk; and
 - i. Promptly comply with such further services as the Debtors or the Clerk shall request.
14. BMC is well qualified to perform the various services set forth above.

BMC specializes in providing consultation and data processing services to chapter 11 debtors in

connection with administration, reconciliation, and negotiation of claims, as well as administration of balloting with respect to plans of reorganization.

15. As compensation for the services provided, BMC will bill the Debtors in accordance with its standard hourly rates and/or pricing schedule which schedule is attached hereto as Exhibit A. No fee application or other filing with the Court will be required. As set forth in the Affidavit of Myrtle H. John in Support of Debtors' Application for Entry of an Order Under 28 U.S.C. § 156(c) Authorizing the Employment and Retention of BMC Group, Inc. as Claims, Noticing, and Balloting Agent for the Debtors (the "John Affidavit"), attached as Exhibit B hereto, the fees charged by BMC are similar to those charged by BMC in other comparable chapter 11 cases and by other entities engaged in the same or similar businesses.

16. Except as set forth in the John Affidavit, neither BMC nor any officer, director or employee of BMC has any connection or relationship with the Debtors, their creditors, the Court, the Office of the United States Trustee, or any other parties in interest in these cases.

17. Based on BMC's experience in providing similar services in large chapter 11 cases, the Debtors believe that BMC is eminently qualified to serve it in these chapter 11 cases and that the retention of BMC as the Claims, Noticing and Balloting Agent is in the best interest of the Debtors' estates and creditors.

18. By this Application, the Debtors request that the Court release all claims, if any, filed in this case directly to BMC.

B. Approval of Form and Manner of Notice of Creditor's Meeting

19. By this Application, the Debtors seek approval of the form and manner of notice of the commencement of these chapter 11 cases and the initial meetings of the Debtors' creditors (the "Creditors' Meetings") pursuant to 11 U.S.C. § 341(a) (the "Case Commencement Notice"). A true and correct copy of the form of Case Commencement Notice is attached hereto as Exhibit C. Additional notice of a bar date and plan confirmation will also be required and is not being sought by this Application.

20. The Debtors anticipate that BMC will effect service of the Case Commencement Notice within ten (10) business days after the Debtors receive notice from the Office of the United States Trustee of the time and place of the Creditors' Meetings. The Debtors further anticipate that BMC will, among other things, serve the Case Commencement Notice by regular United States mail, postage prepaid, on those persons who are entitled to receive the Case Commencement Notice pursuant to Bankruptcy Rule 2002.

21. The Debtors submit that the form and manner of service of the Case Commencement Notice is adequate under the circumstances and that no further notice of the commencement of these chapter 11 cases or the Creditors' Meetings is required.

C. Authorization for the Debtors or their Claims, Noticing and Balloting Agent to Mail Notices

22. The Debtors propose to undertake (or to have their authorized agent undertake) service by mail of all notices directed by the Court or the United States Trustee, or required by the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the District of Delaware, or the orders of this Court. The Debtors submit that proceeding in this manner will help conserve judicial resources by relieving the Clerk of the Court of the substantial burden of contending with the mailings that will be required in these chapter 11 cases.

WHEREFORE, the Debtors respectfully request that the Court enter an order substantially in the form attached hereto: (a) authorizing the retention and employment of BMC as the Claims, Noticing, and Balloting Agent for the Debtors; (b) approving the manner of serving the Case Commencement Notice; (c) authorizing the Debtors (or their agent, BMC) to mail notices; and (d) granting the Debtors such other relief as the Court deems just and proper.

Dated: February 22, 2010
Wilmington, Delaware

Respectfully Submitted,
BALLARD SPAHR LLP

By: /s/ Christopher S. Chow
Tobey M. Daluz, Esquire (No. 3939)
Sean J. Bellew, Esquire (No. 4072)
Christopher S. Chow, Esquire (No. 4172)
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Telephone: (302) 252-4465
Facsimile: (302) 252-4466
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bellews@ballardspahr.com
chowc@ballardspahr.com

- and -

Matthew G. Summers, Esquire⁴
300 East Lombard Street, 18th Floor
Baltimore, MD 21202-3268
Telephone: (410) 528-5600
Facsimile: (410) 528-5650
Email: summersm@ballardspahr.com

Proposed Counsel for the Debtors and Debtors in
Possession

⁴ Admitted in Maryland. Admission to Delaware pending. A motion seeking *pro hac vice* admission in this case will be filed.

EXHIBIT A



2010 Standard Pricing: Restructuring Support Services

Claims Management and b-Linx Claims Management Platform

| | |
|---|--|
| Claim Receipt, Process & Docketing | \$2.50 per claim (no per hour charges) |
| Claim Imaging and b-Linx Association | \$0.12 per image |
| b-Linx Access and Maintenance | \$0.07 per record/mo (\$250 min/cap at \$850, no per user fee) |
| Claim Analysis, Reconciliation, Objection Support | upon request at applicable Case Management rates |

Print Mail and Noticing Services

| | |
|--|--|
| Create/maintain Noticing Database & Service Lists | at applicable Case Management rates |
| Production Setup | \$0 - \$25 per file |
| Copy/Print | \$0.04 - \$0.10 per image based on volume |
| Personalization | \$0.08 per personalized image |
| Finishing (Fold or Collate, Insertion, Seal, Mail) | \$0.05 per document |
| Postage | at cost (includes optimization recommendations) |
| Certified Electronic Noticing Service | \$20 per 500 (\$0.04 per notice, no per page charge) |
| Certified Fax Noticing Service | \$0.15 per image |
| Prep, Notarize, File Standard Proof of Service | \$25.00 (no hourly charges) |
| Processing Undeliverables | \$0.25 each |
| Legal Notice Experts/Publication | Quote |

Document and Information Management

| | |
|--|-------------------------------------|
| Live Operator Call Center | \$45 per hour |
| Custom Website Hosting | \$330 set up, plus \$250 per month |
| Secure Virtual Data Room | \$0.90/page per six months |
| Physical Document Storage | \$1.45 per box/month |
| Document Analysis, Website Maintenance | at applicable Case Management rates |

Solicitation

| | |
|---|---|
| Solicitation Materials Print and Notification | at applicable Print Mail and Noticing Rates |
| Ballot Receipt, Processing, Tabulation | at applicable Case Management rates |
| Solicitation to Public Securities Holders | at applicable Case Management rates |

Distribution

| | |
|---|-----------------|
| Check issuance or tax reporting (1099, W-2) | \$1.50 each |
| Issuance Stock, Notes, Warrants | \$1.25 each |
| Registrar of new issue(s) | \$250 per month |

Case Management

| | |
|------------------------------------|---------------------------|
| Data Entry/Administrative Support | \$25 - \$65 per hour |
| Analysts | \$80 - \$110 per hour |
| Consultants | \$110 - \$145 per hour |
| Project Managers | \$175 - \$250 per hour |
| Director/Principal | \$250 - \$275 per hour |
| Average Overall Hourly Rate | <\$125 per hour |

EXHIBIT B

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
RC SOONER HOLDINGS, LLC, et al.,¹) Case No. 10-10528()
)
Debtors.) (Jointly Administered)

**AFFIDAVIT OF MYRTLE H. JOHN IN SUPPORT OF DEBTORS'
APPLICATION FOR ENTRY OF AN ORDER UNDER 28 U.S.C. § 156(c)
AUTHORIZING THE EMPLOYMENT AND RETENTION OF BMC GROUP, INC. AS
CLAIMS, NOTICING, AND BALLOTING AGENT FOR THE DEBTORS**

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

Myrtle H. John, being duly sworn, deposes and says:

1. I am a Director of BMC Group, Inc. ("BMC"), which is engaged in chapter 11 administrative and claim consulting and analysis. I submit this affidavit in support of the Application of the above-captioned debtors and debtors in possession (the "Debtors") for entry of an order authorizing the employment and retention of BMC as claims, noticing, and balloting agent for the Debtors in these chapter 11 cases.

2. BMC specializes in providing consulting and data processing services to chapter 11 debtors in connection with administration, reconciliation, and negotiation of claims as well as administration of balloting with respect to plans of reorganization. BMC has provided substantially similar services at similar rates to other chapter 11 debtors in this and other

¹ The Debtors and the last four digits of their taxpayer identification numbers are: RC Sooner Holdings, LLC (7904); RC Brixton Square Owner, LLC (8002); RC Cedar Crest Owner, LLC (7914); RC Fulton Plaza Owner, LLC (8011); RC Magnolia Owner, LLC (7998); RC Pomeroy Park Owner, LLC (7939); RC Salida Owner, LLC (7947); RC Savannah South Owner, LLC (7983); RC Southern Hills Owner, LLC (7958); Brixton Square Apartments, LLC (1844); CC Apartments, LLC (1798); Fulton Plaza Apartments, LLC (4344); Magnolia Manor Apartments, LLC (4486); Pomeroy Park Apartments, LLC (1649); Salida Apartments, LLC (1915); Savannah South Apartments, LLC (8586); and Southern Hills Villa Apartments, LLC (1721). The business address for each of the Debtors where notices should be sent is 1515 Broadway, 11th Floor, New York, New York 10036-8901.

jurisdictions. Accordingly, I believe that BMC is well qualified to act as agent for the Debtors in these matters.

3. In preparing this declaration, I have conducted a good-faith investigation of the books and records of BMC concerning the facts set forth herein.

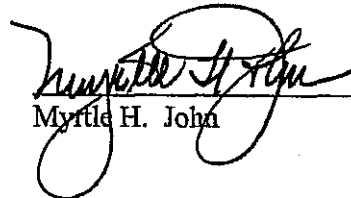
NO CONFLICTS OF INTEREST AND DISINTERESTED

4. BMC and employees of BMC may have unrelated business associations with the Debtors or certain parties in interest. For example, (a) certain law firms who are creditors or parties in interest may represent BMC or BMC employees in matters unrelated to these bankruptcy cases; (b) banks associated with the Debtors may be BMC business banking providers or personal banking providers of BMC employees; and in addition (c) BMC may have rendered, and may render in the future, services to certain of parties in interest or clients of these parties in interest in matters unrelated to these bankruptcy cases. I do not believe associations of this nature to be adverse or disqualifying.

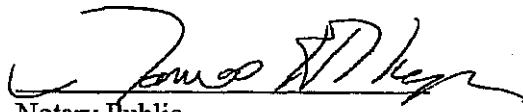
5. Further, I believe that BMC is disinterested within the meaning of 11 USC §101(14) because BMC : (A) is not a creditor, an equity security holder, or an insider; (B) is not and was not, within 2 years before the date of the filing of the petition, a director, officer, or employee of the debtor; and (C) does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the debtor, or for any other reason. In this regard, if I or any member of BMC discovers any additional information that requires disclosure, a supplemental declaration will be filed with the Court.

6. To the best of my knowledge, neither BMC nor any employee of BMC represent any interest adverse to the Debtors' estates with respect to any matters upon which my firm is to be engaged.

7. BMC will comply with all requests of the Clerk of Court and follow the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c).


Myrtle H. John

Sworn to before me this 18th
day of February, 2010.


Notary Public
My Commission Expires: 7/19/2013

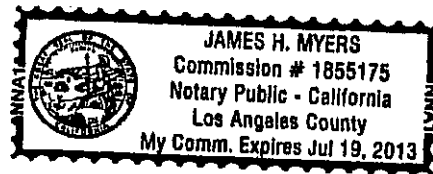


EXHIBIT C

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
 RC SOONER HOLDINGS, LLC, et al.,¹) Case No. 10-____ ()
)
 Debtors.) (Jointly Administered)

**NOTICE OF COMMENCEMENT OF CHAPTER 11 BANKRUPTCY CASES,
MEETING OF CREDITORS AND FIXING OF CERTAIN DATES**

On February 22, 2010, the debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”) filed their respective voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101 through 1532 (the “Bankruptcy Code”). The Debtors and their respective addresses, case numbers and federal tax identification numbers are as follows:

| <u>DEBTOR</u> (Other names, if any, used by the Debtor in the last 6 years appear in brackets) | <u>ADDRESS</u> | <u>CASE NO.</u> | <u>EID #</u> |
|--|---|------------------------|---------------------|
| RC Sooner Holdings, LLC | 108 West 13 th Street Wilmington, DE 19801 | | 27-1187904 |
| RC Brixton Square Owner, LLC | 5313 East 47 th Place Tulsa, OK 74135 | | 27-1188002 |
| RC Cedar Crest Owner, LLC | Cedar Crest 403-B South Cedar Owasso, OK 74055 | | 27-1187914 |
| RC Fulton Plaza Owner, LLC | Fulton Plaza 4646 South Fulton Ave. Tulsa, OK 74135 | | 27-1188011 |
| RC Magnolia Owner, LLC | Magnolia Manor 4747 South Darlington Ave. Tulsa, OK 74135 | | 27-1187998 |
| RC Pomeroy Park Owner, LLC | Pomeroy Park 6805 South Lewis Ave. Tulsa, OK 74136 | | 27-1187939 |
| RC Salida Owner, LLC | Salida Creek 10149 East 32 nd Street Tulsa, OK 74146 | | 27-1187947 |

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| | | | |
|--------------------------------------|---|--|------------|
| RC Savannah South Owner, LLC | Savannah South 4631 South Braden Tulsa, OK 74135 | | 27-1187983 |
| RC Southern Hills Owner, LLC | Southern Hills Villa 6609 South Lewis Ave. Tulsa OK 74136 | | 27-1187958 |
| Brixton Square Apartments, LLC | 5313 East 47 th Place Tulsa, OK 74135 | | 26-3451844 |
| CC Apartments, LLC | Cedar Crest 403-B South Cedar Owasso, OK 74055 | | 26-3451798 |
| Fulton Plaza Apartments, LLC | Fulton Plaza 4646 South Fulton Ave. Tulsa, OK 74135 | | 26-2564344 |
| Magnolia Manor Apartments, LLC | Magnolia Manor 4747 South Darlington Ave. Tulsa, OK 74135 | | 26-2564486 |
| Pomeroy Park Apartments, LLC | Pomeroy Park 6805 South Lewis Ave. Tulsa, OK 74136 | | 26-3451649 |
| Salida Apartments, LLC | Salida Creek 10149 East 32 nd Street Tulsa, OK 74146 | | 26-3451915 |
| Savannah South Apartments, LLC | Savannah South 4631 South Braden Tulsa, OK 74135 | | 26-2568586 |
| Southern Hills Villa Apartments, LLC | Southern Hills Villa 6609 South Lewis Ave. Tulsa OK 74136 | | 26-3451721 |

DATE, TIME AND LOCATION OF MEETING OF CREDITORS. [Insert date & time], (insert appropriate address or use - 844 King Street, Room 2313, Wilmington, DE 19801).

DEADLINE TO FILE A PROOF OF CLAIM. Notice of a deadline will be sent at a later time.

NAME, ADDRESS AND TELEPHONE NUMBER OF THE UNITED STATES TRUSTEE.

Thomas Patrick Tinker, Esq.
Office of the United States Trustee
844 King Street
Suite 2207
Lockbox 35
Wilmington, DE 19801
Telephone: (302) 573-6491
Facsimile: (302) 573-6497

COUNSEL FOR THE DEBTOR(S).

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- and -

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300 East Lombard Street, 18th Floor
Baltimore, MD 21202-3268
Telephone: (410) 528-5600
Facsimile: (410) 528-5650
Email: summersm@ballardspahr.com

*Admitted in Maryland. Admission to Delaware pending.

COMMENCEMENT OF CASES. Petitions for reorganization under chapter 11 of the Bankruptcy Code have been filed in this Court by the Debtors listed above, and orders for relief have been entered. You will not receive notice of all documents filed in these cases. All documents filed with the Court, including lists of the Debtors' property and debts, are available for inspection at the Office of the Clerk of the Bankruptcy Court. In addition, such documents may be available at www.deb.uscourts.gov or at www.bmcgroup.com/rcsooner.

PURPOSE OF CHAPTER 11 FILING. Chapter 11 of the U.S. Bankruptcy Code enables a debtor to reorganize pursuant to a plan. A plan is not effective unless approved by the court at a confirmation hearing. Creditors will be given notice concerning any plan, or in the event the case is dismissed or converted to another chapter of the Bankruptcy Code. The Debtors will remain in possession of their property and will continue to operate any business unless a trustee is appointed.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS. A creditor is anyone to whom a debtor owes money or property. Under the Bankruptcy Code, a debtor is granted certain protection against creditors. Common examples of prohibited actions by creditors are contacting a debtor to demand repayment, taking action against a debtor to collect money owed to creditors or to take property of a debtor, and

starting or continuing foreclosure actions or repossessions. If unauthorized actions are taken by a creditor against a debtor, the Court may penalize that creditor. A creditor who is considering taking action against a debtor or the property of a debtor should review section 362 of the Bankruptcy Code and may wish to seek legal advice. The staff of the Clerk of the Bankruptcy Court are not permitted to give legal advice.

MEETING OF CREDITORS. The Debtors' representative, as specified in Rule 9001(5) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), is required to appear at the meeting of creditors on the date and at the place set forth above for the purpose of being examined under oath. Attendance by creditors at the meeting is welcomed, but not required. At the meeting, the creditors may examine the Debtors and transact such other business as may properly come before the meeting. The meeting may be continued or adjourned from time to time by notice at the meeting, without further written notice to the creditors.

CLAIMS. Schedules of creditors will be filed pursuant to Bankruptcy Rule 1007. Any creditor holding a scheduled claim which is not listed as disputed, contingent, or unliquidated as to amount may, but is not required to, file a proof of claim in these cases. Creditors whose claims are not scheduled or whose claims are listed as disputed, contingent, or unliquidated as to amount and who desire to participate in the cases or share in any distribution must file their proofs of claim. A creditor who desires to rely on the schedule of creditors has the responsibility for determining that the claim is listed accurately. **Separate notice of the deadlines to file proofs of claim and proof of claim forms will be provided to the Debtors' known creditors.** Proof of claim forms also are available in the clerk's office of any bankruptcy court. Proof of claim forms are also available from the Court's web site at www.deb.uscourts.gov. BMC Group, Inc. ("BMC") is the claims agent in these cases and can provide a proof of claim form if you cannot obtain one from your local bankruptcy court. BMC can be reached as follows:

BMC Group, Inc.
Attn: RC Sooner Claims Processing
P.O. Box 3020
Chanhassen, MN 55317-3020
Tel: (800) 909-0100
<http://www.bmcgroup.com/rcsooner>

DISCHARGE OF DEBTS. Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See Bankruptcy Code § 1141(d). A discharge means that you may never try to collect the debt from the debtor, except as provided in the plan.

For the Court: _____
Clerk of the U.S. Bankruptcy Court

Dated: _____

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
RC SOONER HOLDINGS, LLC, et al.,¹) Case No. 10-10528()
)
Debtors.) (Jointly Administered)

**ORDER APPOINTING BMC GROUP, INC.
AS CLAIMS, NOTICING, AND BALLOTING AGENT**

Upon the Application² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (i) appointing BMC Group, Inc. (“BMC”) to perform certain claims, noticing, and balloting services pursuant to Federal Rule of Bankruptcy Procedure 2002, Local Rule of Bankruptcy Procedure 2002-1(f) and 28 U.S.C. § 156(c), (ii) approving the form and manner of notice of the initial meeting of the Debtors’ creditors as required by section 341(a) of title 11 of the United States Code (the “Bankruptcy Code”) and (iii) granting certain other related relief; and upon the Affidavit of Myrtle H. John in Support of Debtors’ Application for Entry of an Order Under 28 U.S.C. § 156(c) Authorizing the Employment and Retention of BMC Group, Inc. as Claims, Noticing, and Balloting Agent for the Debtors (the “John Affidavit”); and upon consideration of the Affidavit of Daniel Gordon in Support of Chapter 11 Petitions and First Day Pleadings; and the Court being satisfied with the representations made in the Application and the John Affidavit that BMC represents no interest

¹ The Debtors and the last four digits of their taxpayer identification numbers are: RC Sooner Holdings, LLC (7904); RC Brixton Square Owner, LLC (8002); RC Cedar Crest Owner, LLC (7914); RC Fulton Plaza Owner, LLC (8011); RC Magnolia Owner, LLC (7998); RC Pomeroy Park Owner, LLC (7939); RC Salida Owner, LLC (7947); RC Savannah South Owner, LLC (7983); RC Southern Hills Owner, LLC (7958); Brixton Square Apartments, LLC (1844); CC Apartments, LLC (1798); Fulton Plaza Apartments, LLC (4344); Magnolia Manor Apartments, LLC (4486); Pomeroy Park Apartments, LLC (1649); Salida Apartments, LLC (1915); Savannah South Apartments, LLC (8586); and Southern Hills Villa Apartments, LLC (1721). The business address for each of the Debtors where notices should be sent is 1515 Broadway, 11th Floor, New York, New York 10036-8901.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

adverse to the Debtors' estates with respect to the matters upon which BMC is to be engaged, that BMC is a "disinterested person" as that term is used in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that BMC's appointment is necessary and in the best interests of the Debtors, their estates and creditors, and it appearing that proper and adequate notice has been given and that no other or further notice is required; and upon the record herein, and after due deliberation; and sufficient cause appearing therefor; the Court finds good cause exists for entry of the following order.

IT IS THEREFORE ORDERED that BMC is appointed as the Claims, Noticing, and Balloting Agent in these chapter 11 cases pursuant to 28 U.S.C. § 156(c), and is authorized to perform the following services as requested by the Office of the Clerk of the Court (the "Clerk's Office") or the Debtors:

- a. Prepare and serve required notices in this chapter 11 case, including:
 - i. notice of the commencement of the case and the initial meeting of creditors under § 341(a) of the Bankruptcy Code;
 - ii. notice of the claims bar date;
 - iii. notice of any hearings on a disclosure statement and confirmation of a plan of reorganization; and
 - iv. other miscellaneous notices to any entities, as the Debtors or the Court deem necessary or appropriate for an orderly administration of these chapter 11 cases.
- b. Within five (5) days after the mailing of a particular notice, file with the Clerk's Office a certificate or affidavit of service that includes a copy of the notice involved, an alphabetical list of persons to whom the notice was mailed and the date of mailing;
- c. Docket all claims received by the Clerk, for whom BMC is hereby appointed as agent, maintain the official claims registers (the "Claims Registers") for the Debtors on behalf of the Clerk, and provide the Clerk with a duplicate unofficial Claims Register on a monthly basis, unless otherwise directed.

- d. Specify in the Claims Registers the following information for each claim docketed:
 - i. the claim number assigned;
 - ii. the date received;
 - iii. the name and address of the claimant who filed the claim; and
 - iv. the classification(s) of the claim (e.g. secured, unsecured, priority, etc.) asserted in the claim.
- e. Record all transfers of claims and provide any notices of such transfer required by Rule 3001(e) of the Federal Rules of Bankruptcy Procedure;
- f. Make changes to the Claims Registers pursuant to Court order;
- g. Maintain the official mailing list of all entities that have filed a proof of claim, which list shall be available upon request by the Clerk or upon request and payment of an appropriate copying charge by a party in interest;
- h. Assist the Debtors, if necessary, in the clerical preparation of their schedules, and statements of financial affairs and any amendments or supplements thereto, and maintain a mailing list of the parties included therein;
- i. Perform all balloting services that may be required in this case, including, to the extent necessary, identifying voting and nonvoting creditors, preparing class-specific ballots, distributing ballots and accompanying documents, and serving as balloting agent to receive and tabulate voting results, and providing such other ballot related services requested by the Debtors;
- j. At the close of the case, box all original documents in the proper format, as determined by the Clerk, and make arrangements for the long-term storage of same as instructed by the Clerk; and
- k. Promptly comply with such further services as the Debtors or the Clerk shall request.

IT IS FURTHER ORDERED that BMC is authorized and directed to serve the Case Commencement Notice substantially in the form attached as Exhibit C to the Application, subject to any revisions agreed to by the U.S. Trustee, no later than ten (10) business days after the Debtors receive notice from the Office of the United States Trustee of the time and place of the Creditors' Meetings to be held pursuant to Bankruptcy Code section 341(a). BMC shall

serve the Case Commencement Notice by regular mail, postage prepaid, on those entities entitled to receive the Case Commencement Notice pursuant to Bankruptcy Rule 2002. Service of the Case Commencement Notice in accordance with this paragraph is approved in all respects and shall be deemed sufficient notice of the commencement of these chapter 11 cases and the Creditors' Meetings under the Bankruptcy Code, the Bankruptcy Rules and the Local Rules.

IT IS FURTHER ORDERED that the fees and expenses of BMC incurred in the performance of the above services shall be treated as administrative expenses of the Debtors' chapter 11 estates and shall be paid by the Debtors in the ordinary course of business. To the extent BMC performs any non-administrative functions, the Debtors shall seek to retain BMC pursuant to section 327 of the Bankruptcy Code.

IT IS FURTHER ORDERED that BMC shall continue to perform all of the above listed duties until (i) it obtains an order from the Court, after notice and opportunity for a hearing, allowing it to be terminated or (ii) the case is closed.

Dated: _____

UNITED STATES BANKRUPTCY JUDGE