UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

In re:

TAYLOR, BEAN & WHITAKER
MORTGAGE CORP.,
REO SPECIALISTS, LLC, and
HOME AMERICA MORTGAGE, INC.

Debtors.
_____/

Chapter 11

Case No. 3:09-bk-07047-JAF
Case No. 3:09-bk-10022-JAF
Case No. 3:09-bk-10023-JAF

APPLICABLE DEBTOR

TAYLOR, BEAN & WHITAKER
MORTGAGE CORP.
(Case No. 3:09-bk-7047-JAF)
_____/

Jointly Administered Under
Case No. 3:09-bk-07047-JAF

DEBTOR'S MOTION FOR ORDER APPROVING ABANDONMENT OF CERTAIN REAL ESTATE OWNED PROPERTY

Taylor, Bean & Whitaker Mortgage Corp., as debtor and debtor-in-possession ("**TBW**" or the "**Debtor**"), by and through its undersigned attorneys, hereby files this Motion for Order Approving Abandonment of Certain Real Estate Owned Property (the "**Motion**"). In support of the Motion, the Debtor respectfully represents as follows:

Jurisdiction and Venue

1. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§157 and 1334. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409. This is a core proceeding within the meaning of 28 U.S.C. §157(b)(2).

2. The predicates for the relief requested herein are Bankruptcy Code Sections 363, 554 and Rule 6007 of the Federal Rules of Bankruptcy Procedure.

Background

A. Chapter 11 Filing

3. On August 24, 2009, (the "**Petition Date**"), TBW filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

4. TBW continues to operate its business and manage its property as a debtor in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

5. No trustee or examiner has been appointed in this case. On September 11, 2009, the Office of the United States Trustee appointed an Official Committee of Unsecured Creditors.

B. Company Background

6. Until prior to the Petition Date, TBW was the largest independent (i.e. non-depository owned) mortgage lender in the United States. Headquartered in Ocala, Florida, TBW employed approximately 2,400 people across the country. The largest offices were in Ocala, Florida; Atlanta, Georgia; and Tampa, Florida. TBW's principal business was comprised of:

- Origination, underwriting, processing and funding of conforming conventional and Government-insured residential mortgage loans;
- Sale of mortgage loans into the "secondary market" to government-sponsored enterprises such as the Federal Home Loan Mortgage Corporation or the Government National Mortgage Association; and
- Mortgage payment processing and loan servicing.

7. For a detailed description of the Debtor's business operations and the reasons for this bankruptcy filing, please see the description contained in the Debtor's Emergency Motion For Entry of Interim and Final Orders Authorizing Use of Cash Collateral and Granting Replacement Liens Pursuant to 11 U.S.C. §§ 105(a), 361, 363, 541 and 552 and Bankruptcy Rule 4001 (Docket No. 5).

8. Prior to the Petition Date, TBW appointed a new board of directors. The new board appointed an independent Chief Restructuring Officer to manage the business operations of TBW, and members of prior management resigned[1].

Real Estate Owned Assets

9. In connection with its mortgage originations and servicing business, TBW holds title to an extensive portfolio of foreclosed real property assets ("**REO Assets**") throughout the United States. On or about October 22, 2009, the Debtor filed a motion for authority to sell a large majority of the REO Assets to Selene RMO REO Acquisition II LLC pursuant to a proposed real estate purchase and sale agreement. In addition, the Debtor has continued to sell its remaining REO portfolio in the ordinary course. In connection with such ordinary course sales, the Debtor has determined that certain of the remaining REO Assets have very little value, if any, and are burdensome for the Debtor to administer. The Debtor files this Motion for authority to abandon certain of the remaining REO Assets, as further discussed below.

Proposed Abandonment of REO Assets Listed on Exhibit A

10. In order to reduce costs and preserve the assets of the Debtor's estate, TBW requests authority to abandon certain REO Assets, as set forth on Exhibit A. The Debtor has determined in its business judgment that the REO Assets on Exhibit A cost more to

[1] TBW's General Counsel has been retained by the CRO.

administer than the benefits they provide to the estate. Indeed, as further set forth on Exhibit A, it is anticipated that the expenses associated with preserving the REO Assets on Exhibit A will exceed the estimated recoveries from such assets by approximately $91,000.00.

11. In an abundance of caution, TBW seeks an order from this Court approving the abandonment of the REO Assets listed on Exhibit A. Abandoning the non-essential REO Assets will result in substantial cost savings to the estate.

Basis for Relief

12. Rule 6007 of the Federal Rules of Bankruptcy Procedure authorizes TBW, without a hearing or order of the Court, to abandon the non-essential REO Assets listed on Exhibit A upon notice to the United States Trustee, indenture trustees, all creditors, and committees if no party in interest files an objection.

13. Moreover, Section 554 of the Bankruptcy Code authorizes the Debtor, after notice and a hearing, to "abandon any property of the estate that is burdensome to the estate or that is of inconsequential value to the estate." The primary concern in a request for abandonment is whether the proposed abandonment is in the best interests of creditors. *See In re Wilson*, 94 B.R. 886 (Bankr. E.D. Va. 1989).

14. TBW files the instant motion in an abundance of caution and seeks the entry of an order approving its proposed abandonment of the REO Assets listed on Exhibit A. As further discussed above, the REO Assets on Exhibit A are burdensome and are of inconsequential value to the estate. It is in the best interests of creditors that the Debtor abandon burdensome and costly REO Assets such as the ones on Exhibit A.

Accordingly, this Court should authorize the abandonment of the REO Assets on Exhibit A.

WHEREFORE, TBW respectfully requests the Court enter an order granting this Motion; approving TBW's proposed abandonment of the non-essential REO Assets listed on Exhibit A; authorizing TBW to take any and all actions with respect to the REO Assets which are consistent with the provisions of Rule 6007 of the Federal Rules of Bankruptcy Procedure; and granting such other and further relief as may be just and proper.

Dated this 8th day of July, 2010.

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Exhibit A

Item	State	Address	City	County	Data # of Properties	Total BPO Valu	Sum of Future T&I Spend	Est. Cost to Carry*	Est. Recovery
1	WI	1518-1520 N 33rd	Milwaukee	Milwaukee	1	$9,000	$8,352	$ 9,102	($102)
2	WI Total				1	$9,000	$8,352	$ 9,102	($102)
3	MS	4201 Pyle Ave	Jackson	Hinds	1	$2,500	$540	$ 1,290	$1,210
4	MS Total				1	$2,500	$540	$ 1,290	$1,210
5	MO	(VACANT LOT)5469	St Louis	St Louis	1	$800	$563	$ 1,313	($513)
6	MO Total				1	$800	$563	$ 1,313	($513)
7	MI	11144 Corbet St	Detroit	WAYNE	1	$2,000	$3,058	$ 3,808	($1,808)
8		11735 Hartwell St	Detroit	WAYNE	1	$2,000	$3,273	$ 4,023	($2,023)
9		120 Geneva St	Highland Park	Oakland	1	$5,000	$3,192	$ 3,942	$1,058
10		12734 Jane St	Detroit	WAYNE	1	$350	$3,710	$ 4,460	($4,110)
11		12790 Wade Stree	Detroit	WAYNE	1	$500	$1,856	$ 2,606	($2,106)
12		13003 Kilbourne St	Detroit	WAYNE	1	$4,000	$6,943	$ 7,693	($3,693)
13		13090 Flanders	Detroit	WAYNE	1	$2,500	$3,102	$ 3,852	($1,352)
14		13150 Longview St	Detroit	WAYNE	1	$2,500	$3,297	$ 4,047	($1,547)
15		137 W Hollywood	Detroit	WAYNE	1	$500	$2,878	$ 3,628	($3,128)
16		14105 Linnhurst	Detroit	WAYNE	1	$500	$2,335	$ 3,085	($2,585)
17		14123 Mapleridge	Detroit	Detroit City	1	$3,000	$3,179	$ 3,929	($929)
18		14660 Mayfield St	Detroit	WAYNE	1	$1,500	$2,710	$ 3,460	($1,960)
19		14676 Glenwood S	Detroit	WAYNE	1	$300	$2,844	$ 3,594	($3,294)
20		14901 Young St	Detroit	WAYNE	1	$1,000	$4,690	$ 5,440	($4,440)
21		15519 Rockdale St	Detroit	WAYNE	1	$2,500	$1,789	$ 2,539	($39)
22		15770 Robson St	Detroit	WAYNE	1	$450	$5,244	$ 5,994	($5,544)
23		15885 Normandy	Detroit	WAYNE	1	$900	$2,808	$ 3,558	($2,658)
24		18506 Plainview A	Detroit	WAYNE	1	$3,500	$3,801	$ 4,551	($1,051)
25		19566 Pelkey St	Detroit	WAYNE	1	$4,000	$7,693	$ 8,443	($4,443)
26		19633 Annott	Detroit	WAYNE	1	$4,000	$5,539	$ 6,289	($2,289)
27		20522 Ohio St	Detroit	WAYNE	1	$1,500	$4,771	$ 5,521	($4,021)
28		2527 Bewick	Saginaw	SAGINAW	1	$3,000	$1,139	$ 1,889	$1,111
29		4387 Somerset St	Detroit	WAYNE	1	$2,500	$6,275	$ 7,025	($4,525)
30		4785 Maryland St	Detroit	WAYNE	1	$4,000	$2,921	$ 3,671	$329
31		4826 Nottingham I	Detroit	WAYNE	1	$4,500	$4,947	$ 5,697	($1,197)
32		6734 Hartfort	Detroit	WAYNE	1	$3,000	$3,039	$ 3,789	($789)
33		9486 Wayburn St	Detroit	WAYNE	1	$1,900	$5,871	$ 6,621	($4,721)
34	MI Total				27	$61,400	$102,904	$ 123,154	($61,754)
35	IL	6231 S Campbell A	Chicago	COOK	1	$5,000	$3,673	$ 4,423	$577
36		6811 S Parnell Ave	Chicago	COOK	1	$5,000	$3,464	$ 4,214	$786
37	IL Total				2	$10,000	$7,137	$ 8,637	$1,363
38	GA	1115 Merril Ave SV	Atlanta	Fulton	1	$5,500	$4,385	$ 5,135	$365
39		3034 Melbourne A	Macon	Bibb	1	$3,000	$1,012	$ 1,762	$1,238
40		3106 Memorial Dr	Atlanta	Dekalb	1	$1,000	$3,291	$ 4,041	($3,041)
41		3106 Memorial Dr	Atlanta	Dekalb	1	$1,000	$29,432	$ 30,182	($29,182)
42	GA Total				4	$10,500	$38,119	$ 41,119	($30,619)
43	AL	7608 5th Ave Nort	Birmingham	Jefferson	1	$1,500	$2,050	$ 2,800	($1,300)
44	AL Total				1	$1,500	$2,050	$ 2,800	($1,300)
45	Grand Total				37	$95,700	$159,664	$ 187,414	($91,714)