

SO ORDERED.

SIGNED this 3rd day of March, 2015.



Catharine R. Aron

UNITED STATES BANKRUPTCY JUDGE

**UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
GREENSBORO DIVISION**

IN RE:

**Won Suk Lee, and
Sun Young Lee**

Debtor(s)

)
)
) **CASE NO: C- 14-11037-G**
)
)
)
)
)

**CONSENT ORDER AUTHORIZING PUBLIC SALE OF PROPERTY
SUBJECT TO COURT CONFIRMATION**

THIS MATTER coming on to be heard and being heard on March 3, 2015 upon the Trustee's Motion to Sell Real Estate and Set Allocation of Purchase Price, after due and proper notice to all parties in consideration, and in consideration of the evidence presented, the Court makes the Following Findings of Fact and Conclusions of Law:

1. The above-captioned Debtor filed a Voluntary Petition under Title 11, Chapter 7 of the United States Bankruptcy Code on September 5, 2014. As a result of that filing, Charles M. Ivey, III is the duly appointed, qualified, and acting Trustee in this proceeding.

2. At the time of filing the Debtors owned certain real estate located at 1033 Doolin Drive, Burlington, North Carolina 27215 (hereinafter the "Real Estate"), which the Debtors occupied as their primary residence at the time of filing and which is 11 U.S.C. § 541 property of

the bankruptcy estate. Said Real Property being more particularly described as contained in Exhibit "A" attached hereto and incorporated herein by reference.

3. At the time of filing Seterus, Inc., the authorized sub-servicer for Federal National Mortgage Association (the "Fannie Mae") as assignee of said mortgage is claiming a first priority security interest against said Real Property in an amount of approximately \$406,227.30. Said party filed a Motion for Relief from Automatic Stay concerning said Real Property on or about December 18, 2014.

4. Based upon the Trustees opinion that the Real Estate had a fair market value equal to or greater than \$450,000.00 the Trustee filed on November 6, 2014 a Motion for Authority Sell Real Estate and to Set Allocation of Purchase Price. This Motion, among other things, sought to obtain the services of Iron Horse Auction Company for the purposes of conducting an auction of said Real Property. This matter originally came on for hearing on the 11th day of December, 2014. The matter has been continued thereafter while the Trustee and Seterus, Inc. negotiate potential consensual terms of sale.

5. Seterus, Inc., and the Trustee have now agreed that the Trustee shall be authorized to retain the services of Iron Horse Auction Company, Inc., for the purposes of selling the herein described Real Property. Said auctioneer shall be retained pursuant to the terms and conditions as set forth in the Auction Marketing Agreement and Brokerage Agreement which is attached hereto and incorporated herein by reference as Exhibit "B". However, this sale shall be subject to confirmation of the United States Bankruptcy Court for the Middle District of North Carolina. It being specifically understood by the Trustee and Iron Horse Auction Company, Inc. that if this sale is not confirmed there will be no funds available to reimburse the Auctioneer and/or the Trustee or his attorney for any costs or expenses or fees incurred in this matter. Furthermore, it is further agreed that neither the Trustee nor Seterus, Inc., have agreed to any allocation of sale proceeds. Both parties have agreed and do consent that it is in their best interest to allow for this sale to go forward to determine the highest bid. At such time both parties will be in a better position to determine if, given the highest bid at said sale, an allocation of sale proceeds which benefit both the Chapter 7 Estate and the secured creditor can be agreed upon between the parties.

6. Given the potential value of this Real Property being in excess of the amount owed to Seterus, the Trustees duties under 11 U.S.C. § 704 to attempt to liquidate and maximize return for the Real Property, the potential for this sale generating funds for the benefit of unsecured creditors it appears to be in the best interest of this Chapter 7 Estate, the secured creditor, and all other interested parties for this Court to authorize the Trustee to conduct an auction sale of the herein described Real Property with the same being conducted pursuant to the terms and conditions as set forth in the Auction Marketing Agreement and Brokerage Agreement as attached hereto. This will result in the Real Property being offered pursuant to online bidding beginning at 8:00 a.m. on April 9, 2015 and ending at a bid center on the 16th day of April, 2015 at 6:00 p.m., with highest bid then being subject to confirmation of this Bankruptcy Court.

IT IS THEREFORE, ORDERED, ADJUDGED, AND DECREED AND NOTICE IS HEREBY GIVEN that the Trustee be and hereby is authorized to conduct an auction sale upon the terms and conditions set forth herein, and notice is hereby is given that a Confirmation Hearing will be held on said sale on the 21st day of April, 2015 at 9:30 a.m. at the United States Bankruptcy Court for the Middle District of North Carolina, Courtroom #2.

CONSENT:

/s/Charles M. Ivey, III, Trustee
Charles M. Ivey, III Trustee

/s/ Matthew Phelan
Matthew Phelan, Attorney for Seterus

[END OF DOCUMENT]

LIST OF PARTIES TO BE SERVED

LEE 14-11037

William P. Miller, Esq. CM/ECF
Bankruptcy Administrator
Post Office Box 1828
Greensboro, NC 27402

Steven K. Taylor, Esq. CM/ECF
Taylor Law Office, P.C.
102 W. Elm Street
Graham, NC 27253

Won & Sun Lee
2721 Terrace Drive
Burlington, NC 27215

Charles M. Ivey, III
Trustee
PO Box 3324
Greensboro, NC 27402

Iron Horse Auction Co., Inc.
174 Airport Road
Rockingham, NC 28379

Matthew Phelan, Esq.
Attorney for Seterus
Shapiro & Ingle, LLP
10130 Perimeter Parkway, Suite 400
Charlotte, NC 28216

Exhibit "A"
Legal Description

The land referred to herein below is situated in the county of ALAMANCE, State of NC and is described as follows:

ALL THAT PARCEL OF LAND IN CITY OF BURLINGTON, ALAMANCE COUNTY, STATE OF NORTH CAROLINA, AS MORE FULLY DESCRIBED IN DEED BOOK 2692, PAGE 286, ID# [REDACTED] BEING KNOWN AND DESIGNATED AS LOT 52, BLOCK PHASE 1, WATERFORD, FILED IN PLAT BOOK 69, PAGE 466.

MORE COMMONLY KNOWN AS: 1033 DOOLIN ST, BURLINGTON, NC 27215

Tax/Parcel ID: [REDACTED]

[REDACTED]

STATE OF NORTH CAROLINA

COUNTY OF ALAMANCE

AUCTION MARKETING AGREEMENT AND BROKERAGE AGREEMENT

THIS CONTRACT made this 20th day of February 2015, by and between CHARLES M. IVEY, III, US TRUSTEE IN THE MATTER OF THE ESTATE OF WON SUK LEE AND SUN YOUNG LEE, hereinafter called "Seller" and IRON HORSE AUCTION CO., INC., professional auctioneers and real estate brokers of Rockingham, North Carolina, hereinafter called "Auctioneers":

WITNESSETH

All fees and commissions are subject to mutual agreement between Charles M. Ivey, III, Trustee, and Thomas M. McInnis, Auctioneer, based on the success of the auction. The Parties hereby covenant and agree as follows:

1. That the Auctioneers shall supply a sufficient amount of auctioneers, bid assistants, clerks, cashiers, as well as any other persons deemed necessary to properly perform an auction on the following:

REAL ESTATE: House and Lot located at 1003 Doolin Street, Burlington, NC.
Parcel ID# 106614

2. That the auction is to be held with online bidding beginning at 8:00 a.m. on April 9, 2015 and ending at a bid center on the 16th day of April 2015 at 6:00 p.m. The sale will be held rain or shine.
3. That all advertising, promotion and advertising layout will be conducted by AUCTION PROMOTIONS UNLIMITED; the in-house advertising agency of IRON HORSE AUCTION CO., INC. The advertising budget \$1,000.00 which is an expense of the Seller and is payable upon the execution of this auction marketing agreement; however, any amount over and above the stated \$1,000.00 shall be at the expense of the Auctioneers. Advertising layout and creation fee included in the advertising budget. A certified accounting of all ads placed shall be provided to the Seller at the closing.
4. That the Seller is to prepare the property and have it in saleable condition on the day of the sale.
5. That the Auctioneers shall be responsible only for the payment of the services of other auctioneers, bid assistants, clerks, cashiers, and other persons hired by the Auctioneers to perform said auction.

Seller Initials _____

Auctioneer Initials _____

6. That the Auctioneers hereby agree to use their professional skill, knowledge, and experience; to the best advantage of both parties; in preparing for and conduction of the auction.
7. That no item shall be sold or withdrawn from the sale prior to the auction except by the mutual agreement between the Seller and the Auctioneers.
8. That the Seller covenants and agrees that it has good title and the right to sell, and that the said property is free and clear of all liens and from encumbrances at the time of closing.
9. That it is agreed the property shall be sold to the highest bidder either individually, in any combination, or as a whole, at the discretion of the Auctioneers. That all bids will be final and no raise of bid period will be allowed.
10. That the Seller agrees to provide merchantable title to the property and deliver title to buyer. Seller agrees to hold harmless the Auctioneers against any claims of any nature. Auctioneers act as agent only. The auctioneer shall be the Agent of the Seller only and at no time during the transaction shall represent anyone other than the Seller.
11. That it is agreed the property shall be sold to the highest bidder either individually,
12. That in the event the Seller has any property purchased by a third party on behalf of the Seller; the full commission shall be due and payable as with any other sale.
13. That the Seller shall be responsible for the Seller's costs of sales which are: commission (subject to previously mentioned agreement), advertising and a fee of \$250.00 to winterize the house.
14. That a deposit of 20% of the final contract purchase price will be required from the buyer on the sale day and this deposit shall be made payable to the IRON HORSE AUCTION CO., INC. ESCROW ACCOUNT to be held in said escrow account until closing. In the event that a deposit is forfeited, the advertising budget shall be first paid from any forfeited funds. The balance of any funds shall be divided equally between the Auctioneers and the Seller; however, not to exceed the Auctioneer's previously stated commission, Buyer's Premium and advertising.
15. That the Auctioneers may have the right to charge a Buyer's Premium subject to the mutual agreement between Charles M. Ivey, III, Trustee and Thomas M. McInnis, Auctioneer based on the success of the auction, which shall be the property of the Auctioneers.
16. That should there be lien holders, whether individuals or institutions that the Auctioneer has the permission of the Seller to communicate with said lien holders. This communication is in purpose intended for the best and common interest of all parties concerned.

Seller Initials _____

Auctioneer Initials _____

17. That the Auctioneers' commission and right to reimbursement for costs advanced are a lien on the property herein involved and may be enforced as though it were a statutory lien.
18. That in the event the real property does not close, that the Auctioneers will retain an exclusive right to sell the listing on the property for a period of 60 days at the same commission and buyer's premium as noted in this agreement. This listing will be for a term beginning at the date of notification to the Seller and or Auctioneers that the real property for whatever reason is not going to close or was not sold at the Auction. In the event that a pre-auction or post-auction offer is made and accepted by the Seller, the commission, buyer's premium and advertising expense is the same as noted in this agreement.
19. That the Seller agrees that the Auction method is unsure and that while many parcels may sell for higher prices than expected, others may sell for a lesser price.
20. That any and all cause of action, which may arise as a result of this Contract, shall be interpreted in accordance with the laws of the State of North Carolina and any action brought thereon must be brought in the General Court of Justice of Richmond County, North Carolina as the sole and exclusive venue.
21. Iron Horse Auction Co., Inc. shall conduct all brokerage activities in regard to this agreement without respect to the race, color, religion, sex, national origin, handicap or familial status of any party or prospective party to the agreement. Further, realtors have an ethical duty to conduct such activities without respect to the sexual orientation or gender identity of any party or prospective party to this agreement. Iron Horse Auction Co. Inc. practices equal housing opportunities.

IN TESTIMONY WHEREOF, said Seller has caused this Contract to be signed the day and year first written above.

WITNESS:

SELLER

BY: _____(SEAL)

Charles M. Ivey, III
Trustee

IRON HORSE AUCTION CO., INC.

BY: _____(SEAL)

AUCTIONEER