

**IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF TENNESSEE AT MEMPHIS**

REGIONS BANK,	)	
as Indenture Trustee,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 06-cv-2239-JPM
	)	
CME-CORNERS, INC., and	)	
THE HEALTH, EDUCATIONAL AND	)	
HOUSING FACILITY BOARD OF THE	)	
COUNTY OF SHELBY, TENNESSEE,	)	
	)	
Defendants.	)	

**AMENDED RECEIVER’S NOTICE OF SALE OF THE COLLATERAL**

TO ALL PARTIES IN INTEREST, PLEASE TAKE NOTICE OF THE FOLLOWING:

1. Amendment: The Receiver previously provided Notice that the auction described herein would be held on November 10, 2006, with a confirmation hearing of such sale to be heard on November 13, 2006. The Court has since rescheduled the confirmation hearing date for the date and time described in paragraph 11 below, and the Receiver has correspondingly rescheduled the auction for the date and time described in paragraph 10 below. Otherwise, the contents of this notice are unchanged from the previously filed and served version.

2. In 1996, The Health, Educational and Housing Facility Board of the County of Shelby, Tennessee (“Issuer”) issued \$4,720,000 of Multifamily Housing Revenue Bonds (The Corners Apartments Project) in four separate series, the proceeds of which bonds were used to finance the acquisition and rehabilitation of the “Corners Apartments,” a 200-unit apartment project, consisting of certain real property, together with the buildings, improvements, equipment and related facilities located thereon (collectively, the “Collateral”), located at 4150 Winchester Road in Shelby County, Tennessee.

3. The Issuer is the record title fee owner, and CME-Corners, Inc., d/b/a The Corners, Inc. (“CME-Corners”) is the record title leasehold owner, of the Collateral pursuant to a certain Lease Agreement (the “Lease”).

4. Regions Bank as indenture trustee (“Trustee”), is the holder of a first deed of trust lien against the Collateral, which includes without limitation the apartment complex and the revenues generated thereby under the Lease, and Trustee holds these liens against the Collateral to secure the repayment of amounts owed to Trustee and certain bondholders (“Bondholders”) pursuant to that certain Trust Indenture (the “Indenture”) and that certain Deed of Trust (the “Deed of Trust,” and together with the Lease, Indenture, and certain other agreements, the “Bond Documents”).

5. CME-Corners and Issuer defaulted on certain of their respective obligations owed to Trustee and Bondholders under the Bond Documents, and Trustee commenced this lawsuit on April 21, 2006, by filing its Verified Complaint.

6. On April 21, 2006, Trustee filed its Expedited Motion for Appointment of Receiver, Injunctive Relief, to Set Bond, and to Set Hearing, and after a hearing on the motion, by order dated May 4, 2006, as amended on May 9, 2006 (the “Receiver Order”), this Court (i) appointed Cumberland & Ohio Co. of Texas (and its President, James A. (“Buddy”) Skinner) as receiver over the Collateral (“Receiver”), and (ii) imposed a preliminary injunction against interference with Receiver’s control over the Collateral.

7. On August 24, 2006, in accordance with the Receiver Order, Receiver filed its Expedited Motion of Receiver for Approval of Procedures to Sell the Collateral and to Set Hearings, whereby Receiver sought approval of a form of backstop sale agreement (the “Stalking Horse Agreement”), approval of certain sale procedures, and timing of certain important dates regarding the sale.

8. On September 1, 2006, this Court entered that certain Order Establishing Procedures to Sell the Collateral and Setting Hearing to Confirm Sale of the Collateral (the "Sale Procedures Order").

9. Pursuant to the Sale Procedures Order, the Receiver has entered into a Stalking Horse Agreement with a prospective purchaser for \$1,300,000.

10. Pursuant to the Sale Procedures Order, on **November 17, 2006**, commencing at **11:30 a.m.**, local time, the Receiver will sell at public auction to the highest and best bidder, for cash, that certain apartment project known as **THE CORNERS APARTMENTS** located at **4150 WINCHESTER ROAD, MEMPHIS, TENNESSEE** (together with certain other collateral, the "Assets"). The sale will take place at the offices of Receiver's exclusive listing agent for the Collateral, CB Richard Ellis Memphis Multifamily, LLC ("CBRE"), 5855 Ridge Bend Road, Memphis, Tennessee 38120.

11. The following general terms and conditions will govern the sale: (a) the Receiver may adjourn the Auction from time to time by announcement at the time and place appointed for the Auction, without further notice or order of the Court; (b) except as otherwise provided in the Stalking Horse Agreement or any applicable executed Purchase Agreement, any sale resulting from the Auction shall be "as is" and "where is," with no express or implied representations and warranties; (c) subject to execution of a confidentiality agreement and certain other conditions, information regarding the Collateral and its operations, assets, and financial condition, including access to inspect the Collateral, will be made available to potential bidders; (d) in order to participate in the auction, bidders must submit their bid to CBRE, which bid shall include, among other things, (i) a purchase price that exceeds by not less than \$75,000.00, the cash portion of the purchase price to be paid pursuant to the Stalking Horse Agreement, which \$75,000 overbid amount shall also be used for the payment of any break-up fee, which fee is

equal to two and a half percent (2.5%) of the purchase price under the Stalking Horse Agreement but not more than \$50,000.00, (ii) evidence the bidder is reasonably likely to be able to consummate a purchase of the Collateral, (iii) a deposit of \$50,000.00 in earnest money, and (iv) a mark-up of the Stalking Horse Agreement prior to 5:00 p.m., local time, on the third (3<sup>rd</sup>) business day immediately preceding the first-scheduled date and time of the auction; (e) at the conclusion of the auction, Receiver shall choose the best two bids (the Successful Bid and the Backup Bid) for presentation to the Court at a hearing in Courtroom No. 4 at the Clifford Davis Federal Building (9<sup>th</sup> Floor), 167 North Main Street, Memphis, Tennessee on **November 20, 2006**, commencing at **3:00 p.m.**, local time, at which hearing the Court will consider confirmation of the sale; and (f) at closing of the sale after confirmation of the sale result, and unless otherwise ordered by the Court, the sale proceeds shall be applied as follows: (i) to repayment of any amounts borrowed by the Receiver pursuant to Court order, (ii) to repayment of Receiver's costs of the sale and any other fees and expenses of the Receiver related to either the operation of the Collateral during the receivership and/or the sale, including CBRE's commissions and expenses, (iii) to Trustee to be applied in accordance with its Bond Documents, and (iv) to Receiver to be distributed in accordance with further Court order.

12. If there are any inconsistencies between this Notice and the Sale Procedures Order, the Sale Procedures Order shall control. A copy of the Sale Procedures Order is available from this Court's website through the CM/ECF system, upon written request to the undersigned attorneys, or on the internet at the following address: <http://www.wallerlaw.com/courtnotice.cfm>.

Respectfully submitted,

/s/ Timothy G. Niarhos

Samuel K. Crocker (BPR #6094)

Timothy G. Niarhos (BPR #14428)

CROCKER & NIARHOS

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Nashville, TN 37203

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615-726-6330 – Facsimile

skctrustee@aol.com/tim@skctrustee.com

*Attorneys for the Receiver*

**CERTIFICATE OF SERVICE**

I hereby certify that I have caused a true and correct copy of the foregoing document to be served, via U.S. Mail, postage prepaid, in accordance with paragraph C(ii) of that certain ORDER ESTABLISHING PROCEDURES TO SELL THE COLLATERAL AND SETTING HEARING TO CONFIRM SALE OF THE COLLATERAL, dated September 1, 2006 (the "Sale Order"), upon certain parties identified as potential purchasers of the Collateral, but that in the interest of confidentiality and generating interest in the Collateral, such parties' contact information is not contained on the following service list.

I further hereby certify that I have caused a true and correct copy of the foregoing document to be served via U.S. Mail, postage prepaid, in accordance with paragraph C(i) of the Sale Order, upon the following, and the parties shown on the attached mailing list, on this the 18th day of October, 2006:

Marc T. McNamee  
Neal and Harwell, PLC  
Suite 2000, One Nashville Place  
150 4th Avenue North  
Nashville, TN 37219-2498

CME-Corners, Inc.  
(Attention: Legal Department)  
4466 Elvis Presley Boulevard, Suite 300  
Memphis, TN 38116

John C. Tishler  
Waller Lansden Dortch & Davis, LLP  
511 Union Street, Suite 2700  
Nashville, TN 37219

Regions Bank, N.A., as Indenture Trustee  
Corporate Trust Department  
(Attention: Susan Baker)  
401 Union Street, 11th Floor  
Nashville, TN 37219

Dr. Annie J. Carter  
2513 Oak Forrest Drive  
Antioch, TN 37013

Farris Mathews Branam Bobango Hellen &  
Dunlap PLC  
(Attn: James E. Bailey III)  
1 Commerce Square, Suite 2000  
Memphis, TN 38103

Health, Educational and Housing Facility  
Board of the County of Shelby, Tennessee  
c/o Brian Kuhn, County Attorney  
160 North Main Street, Suite 801  
Memphis, TN 38103

Winchester Law Firm  
(Attn: Stephen L. Anderson)  
6060 Poplar Avenue, Suite 295  
P.O. Box 17236  
Memphis, TN 38187

Luis Flores  
Fieldstone Lester Shear & Denberg, LLP  
201 Alhambra Circle, Suite 601  
Coral Gables, FL 33134

/s/ Timothy G. Niarhos  
Timothy G. Niarhos

1. ACE Electric, Inc.  
P.O. Box 348  
Ellendale, TN 38029
2. ADP Security Services, Inc.  
P.O. Box 371967  
Pittsburgh, PA 15250-7967
3. AllState Group -- Claims  
National Property Suftro  
3800 Electric Road, Suite 301  
Roanoke, VA 24018
4. Answerfone  
P.O. Box 1000, Dept. 94  
Memphis, TN 38148
5. Apartments for Rent  
75 Remittance Driver #1705  
Chicago, IL 60675-1705
6. Betty's Glass Co.  
3737 Outland Road  
Memphis, TN 38118
7. Bob Patterson, Shelby County Trustee  
P.O. Box 2751  
Memphis, TN 38101-2751
8. Boves Sewer & Drain Service LLC  
P.O. Box 647  
Arlington, TN 38002

9. Brunts' Wallcovering Service  
156 Haynes Park Drive  
Nashville, TN 37218  
Attn: Maurice Lee
10. Bugs-N-Stuff dba Somar Pest Control  
P.O. Box 1537  
Millington, TN 38083
11. Carpet Depot USA d/b/a Fir State Carpets  
c/o Frank Holloman, Esq.  
242 Poplar Avenue  
Memphis, TN 38103
12. Carpet Restore  
P.O. Box 548  
Southaven, MS 38671
13. Carpet Savers of Memphis, LLC  
P.O. Box 728  
Dallas, GA 30132
14. C.H. Harwell Eviction Server  
8314 Montego Place, South  
Cordova, TN 38016

15. Divine Electrical, Inc.  
P.O. Box 30522  
Memphis, TN 38130
16. Dyno Sewer  
5300 Mendenhall Park Place  
Memphis, TN 38115-5409
17. El Grafico, Inc.  
4772 Summer Avenue  
Memphis, TN 38122
18. Equifax Information Services, LLC  
P.O. Box 4472  
Atlanta, GA 30302
19. Floorserve, Inc.  
Evan Nahmias, Esq.  
McDonald Kuhn, PLLC  
Pembroke Square  
119 S. Main Street, Suite 400  
Memphis, TN 38103
20. DAL, Inc. (Home Depot #2425165)  
300 East Madison Avenue  
Clifton Heights, PA 19018-0162
21. Haas Publishing Companies, Inc.  
c/o Howard R. Peppel, Esq.  
474 Perkins Extended, Suite 205  
Memphis, TN 38117
22. Hughes/Century Maintenance Supply

23. Hughes Supply, Inc.  
c/o Howard R. Peppe  
474 Perkins Extended  
Suite 205  
Memphis, TN 38117
24. IKON Office Solutions  
6700 Sugarloaf Parkway  
Duluth, GA 30097
25. Joan Lindquist  
Credit Department (Customer # 2425165)  
The Home Depot Supply  
P.O. Box 509055  
San Diego, CA 92150
26. Lion Distributing, Inc.  
P.O. Box 565  
Reisterstown, MD 21136-0565
27. Maintenance Free  
6007 Bishoppdale Cove  
Memphis, TN 38141

28. McBee Systems, Inc.  
c/o Commercial Recovery Corp.  
Attn: Nick - Ref. C68012  
P.O. Box 49421  
Minneapolis, MN 55449
29. Maintenance USA (Acct# 3070781)  
P.O. Box 404295  
Atlanta, GA 30384-4295
30. Memphis City Wide Security  
8607 Craven Road  
Arlington, TN 38002
31. Memphis Light, Gas & Water Division  
220 S. Main Street, Room 529  
Memphis, TN 38103  
Attn: Legal Department
32. Nazar Siddig  
3399 Crazyhorse Drive, Apt. #2  
Memphis, TN 38118
33. NCO Financial Systems (Birch Telecom)  
P.O. Box 4903 (Account # BP 4485)  
Trenton, NJ 08650-4903
34. Novacopy, Inc.  
5520 Shelby Oaks Drive  
Memphis, TN 38134

35. NuEra Pest Control, Inc.  
P.O. Box 181369  
Memphis, TN 38181
36. Office-Max Contract, Inc.  
c/o Continental Commercial Group  
317 S. Brand Blvd.  
Glendale, CA 91204-1701  
Acct. # 461510
37. Ollie & Sons Sewer & Drains Service  
7250 N. Old Farm Road  
Memphis, TN 38125  
Attention: Ollie Voss
38. On Time Iron Works  
3630 Parklake Drive #1  
Memphis, TN 38118
39. Professional Carpet Services  
4151 Ridgemoor Avenue  
Memphis, TN 38118
40. Prudencio Ramirez
41. Quick Dry Carpet Cleaning  
1347 Greentree Valley, #1  
Memphis, TN 38119
42. Santo Lawn Care  
3352 McKenzie Street  
Memphis, TN 38118

43. Siano Appliance Distribution  
c/o Mendelson Law Firm  
P.O. Box 17235  
Memphis, TN 38187-0235
44. SKO – Brenner-American  
P.O. Box 9320  
841 Merrick Road  
Baldwin, NY 11510-9320
45. Stock Blinds Direct  
Williams, Babbit & Weisman, Inc.  
5255 North Federal Highway, 3rd Floor  
Boca Raton, FL 33487  
Attn: Jeffrey Seigl
46. Swimming Pool Application (Est. #23507)  
State Department of Health  
State of Tennessee  
P.O. Box 23090  
Nashville, TN 37202
47. Taliafaro, Inc.  
1227 Ninth Avenue North  
Nashville, TN 37208
48. Todmost Chemical & Paper  
3394 Winchester Road  
Memphis, TN 38118

49. TransUnion Rental Screening  
13591 Collections Center Drive  
Chicago, IL 60693

50. Wells Fargo Financial Leasing  
Account # 001-4005473  
P. O. Box 6434  
Carol Stream, IL 60197-6434

51. Yellow Business Directories  
245 8th Avenue, Suite 863  
New York, NY 10011