

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
GAINESVILLE DIVISION

In re:)	Chapter 11
CLARKESVILLE LIQUIDATION INC.,)	
<i>et al.</i> , f/d/b/a Scovill Fasteners Inc., <i>et al.</i> ,)	Case No. 11-21650-reb
Debtors.)	Jointly Administered

**MOTION TO SELL ASSET FREE AND CLEAR OF LIENS, CLAIMS
AND ENCUMBRANCES PURSUANT TO 11 U.S.C. § 363 (2007 CHEVROLET IMPALA)
AND APPLICATION TO EMPLOY AND PAY AUCTIONEER**

COMES NOW, S. Gregory Hays, the Chapter 7 Trustee (the "Trustee") in the above-styled cases (the "Trustee") and files this his Motion to Sell Asset Free and Clear of Liens, Claims and Encumbrances pursuant to 11 U.S.C. § 363 and Application to Employ and Pay Auctioneer and shows the Court:

I. BACKGROUND

1.

This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a "core" proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2.

On April 19, 2011 (the "Petition Date"), the Debtors filed their voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the Clerk of this Court.

3.

The Trustee was appointed as chapter 7 trustee as of July 12, 2011.

II. PROPOSED SALE

4.

The Trustee seeks permission to sell a 2007 Chevrolet Impala, VIN No. 2G1WT58K479361163 (the "Impala") owned by Debtor Clarkesville Liquidation Inc. currently in the possession of Ally Financial, Inc. f/k/a General Motors Acceptance Corporation ("Ally").

5.

Debtor Scovill Fasteners Inc. originally purchased the Impala on May 16, 2007 from Universal Chevrolet located at 2907 Highway 129 South, Cleveland, Georgia 30528. The Impala was financed with Ally for a financed amount of \$27,903.09. A true and correct copy of the executed Retail Instalment Sale Contract - GMAC Flexible Finance Plan ("Sales Contract") is attached hereto as Exhibit "A".

6.

Ally is indicated as the first lien holder on the Impala's Certificate of Title, which was issued on June 8, 2007. A true and correct copy of the Impala's Georgia Certificate of Title is attached hereto as Exhibit "B".

7.

As of June 22, 2012, the outstanding balance due to Ally under the Sales Contract is \$2,417.57 with a per diem amount of \$0.23 (the "Debt").

8.

The sale proceeds will be used to payoff the Debt, among other obligations of the Debtors.

9.

The sale of the Impala will be the result of an arm's-length good faith negotiation. The purchaser will not be an insider of any of the Debtors and will not be controlled by, or acting on behalf of, any insider of any of the Debtors.

10.

The Trustee proposes that the sale of the Impala be as is, where is, without any representation or warranty of any kind or nature whatsoever, subject to approval by the Court.

11.

The Trustee believes that granting authorization to sell the Impala is in the best interest of the estate and creditors of the estate because it will result in additional income for the estate.

12.

The Trustee requests that the Impala be conveyed free and clear of all liens, claims, interests and encumbrances, with any such liens, claims, interests and encumbrances attaching to the sale proceeds.

III. APPLICATION TO EMPLOY, AND PAY, AUCTIONEER

13.

In connection with the proposed sale of the Impala, the Trustee requests that Ally be approved as the auctioneer for the sale of the Impala.

14.

Since Ally is in possession of the Impala, the Trustee believes Ally is in the best position to handle the proposed sale of the Impala and should be employed as auctioneer. As auctioneer, Ally shall be responsible for advertising the Impala, locating and negotiating with a suitable purchaser for the Impala, and facilitating the storage and maintenance of the Impala until a purchaser can be determined.

15.

As an auctioneering fee for the proposed sale of the Impala, the Trustee seeks authority from the Court to pay Ally ten percent (10%) of the sale proceeds of any sale of the Impala, plus any maintenance and storage fees incurred by Ally in connection with said sale, the accounting of which shall be provided to the Trustee within ten (10) days following the entry of an Order approving the proposed sale. After review of Ally's accounting and agreement with the amount set forth therein, the Trustee shall, upon application to the Court and subject to the Court's Order, reimburse Ally from the sale proceeds.

16.

Good cause exists for the relief requested herein.

WHEREFORE, the Trustee respectfully requests that the Court:

- (a) authorize the sale of the Impala;
- (b) employ Ally as the auctioneer of the sale of the Impala and authorize the Trustee to make payment to Ally as an auctioneering fee the amount of ten percent (10%), plus additional reasonable storage and maintenance fees subject to further Court Order; and
- (c) grant the Trustee such other and further relief as this Court deems just and proper.

Respectfully submitted this 23rd day of July, 2012.

GREENBERG TRAURIG, LLP

/s/ John D. Elrod

John D. Elrod

Georgia Bar No. 246604

**Counsel for S. Gregory Hays, Chapter 7
Trustee for Clarkesville Liquidation, Inc.,
*et al.***

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This 23rd day of July, 2012.

/s/ John D. Elrod
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