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Hearing Date and Time:
June 11, 2008, 11:00 am

Last Date to Object:
May 29, 2008, 5:00 pm

- and -

Michael C. Markham, Esq.
Angelina E. Lim, Esq.
JOHNSON POPE BOKOR RUPPEL & BURNS LLP
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Co-Counsel for Gerard A. McHale, Jr., Chapter 11 Trustee

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
: Case No. 07-11448 (MG)
THE 1031 TAX GROUP, LLC, *et al.*, : Jointly Administered
: Debtors :
: :
-----X

AMENDED NOTICE OF HEARING TO CONSIDER FIRST INTERIM FEE APPLICATIONS FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES OF (I) GERARD A. McHALE, JR., THE CHAPTER 11 TRUSTEE; (II) GOLENBOCK EISEMAN ASSOR BELL & PESKOE LLP; (III) JOHNSON, POPE, BOKOR, RUPPEL & BURNS, LLP; (IV) DELOITTE FINANCIAL ADVISORY SERVICES LLP; (V) ROBERT DAVENPORT; (VI) RIVERO, GORDIMER & COMPANY, P.A.; (VII) KAUFMAN & CANOLES, P.C.; (VIII) GREENBERG TRAURIG, LLP; (IX) DREIER, LLP; (X) HURON CONSULTING GROUP; AND (XI) MESIROW FINANCIAL CONSULTING, LLC

By notice dated April 11, 2008 (the "Prior Notice"), you were notified of the hearing to consider the first interim applications (collectively, the "Applications") for allowances of compensation and reimbursement of expenses of the Trustee, and of certain professionals

(collectively, the “Applicants”) retained in connection with the captioned case. By order of the Bankruptcy Court dated April 30, 2008, the Applications were adjourned to a future date and time. This notice fixes the new hearing date and time, as well as the new objection deadline. As described below, it also reflects an agreement (the “Agreement”) reached among the Trustee and the Applicants regarding the amounts sought by each, as reflected below.

PLEASE TAKE NOTICE, that on June 11, 2008, at 11:00 a.m., or as soon thereafter as counsel may be heard, a hearing (the “Hearing”) shall be held before the Honorable Martin Glenn, United States Bankruptcy Judge, at the United States Bankruptcy Court the Southern District of New York (the “Court”), One Bowling Green, New York, New York 10004, to consider the first interim applications for allowance of compensation and reimbursement of expenses (collectively, the “Applications”) of: (i) Gerard A. McHale, Jr., the chapter 11 trustee (the “Trustee”); (ii) Golenbock Eiseman Assor Bell & Peskoe LLP (“GEAB&P”); (iii) Johnson, Pope, Bokor, Ruppel & Burns, LLP (“JPBR&B”); (iv) Deloitte Financial Advisory Services LLP (“Deloitte”); (v) Robert Davenport (“Davenport”); (vi) Rivero, Gordimer & Company, P.A. (“Rivero”); (vii) Kaufman & Canoles, P.C. (“Kaufman”); (viii) Greenberg Traurig, LLP (“Greenberg”); (ix) Dreier, LLP (“Dreier”); (x) Huron Consulting Group (“Huron”); and (xi) Mesrirow Financial Consulting, LLC (“Mesrirow”). As a result of the Agreement certain of the figures set forth represent a reduction from those set forth in the Prior Notice.

Fees Incurred Prior To Appointment of Trustee: Greenberg, Dreier, Huron and Mesirow¹

Applicant	Fee Period	Fees Incurred During Fee Period	Fees Proposed To Be Paid For Fee Period	Fees Incurred But Not Requested For Fee Period
Greenberg Counsel for the Committee of Unsecured Creditors (the "Committee")	May 31, 2007 through and including October 23, 2007	\$2,586,917.50	\$410,620.65	\$2,176,296.85
Dreier Counsel for the Debtor	May 14, 2007 through and including October 24, 2007	\$3,305,239.25	\$524,639.66	\$2,780,599.59
Huron Debtors' Restructuring Advisors	May 14, 2007 through and including October 23, 2007	\$3,680,109.78	\$584,142.74	\$3,095,967.04
Mesirow Financial Advisors for the Committee	June 4, 2007 through and including October 24, 2007	\$1,137,764.00	\$180,596.95	\$957,167.05

Fees Incurred After Appointment of Trustee: Greenberg, Huron and Mesirow

Applicant	Fee Period	Fees Incurred During Fee Period	Fees Proposed To Be Paid For Fee Period	Fees Incurred But Not Requested For Fee Period
Greenberg Counsel for the Committee	October 24, 2007 through and including February 29, 2008	\$516,021.00	\$309,612.60	\$206,408.40
Huron Debtors' Restructuring Advisors	October 24, 2007 through and including February 29, 2008	\$694,494.46 ²	\$416,696.67	\$277,797.78
Mesirow Financial Advisors for the Committee	October 25, 2007 through and including January 31, 2008	\$305,417.00	\$183,250.20	\$122,166.80

¹ The amounts representing the fees and expenses incurred by the Applicants were supplied to the Trustee by each respective Applicant, and are subject to verification by the Trustee.

² This figure takes into account the 20% discount described below.

**Fees Incurred by the Trustee, GEAB&P, JPBR&B,
Deloitte, Davenport, Rivero & Kaufman**

Applicant	Fee Period	Fees Incurred During Fee Period	Fees Proposed To Be Paid For Fee Period	Fees Incurred But Not Requested For Fee Period
Gerard A. McHale, Jr. Chapter 11 Trustee	October 24, 2007 through and including January 31, 2008	\$263,636.50	\$158,181.90	\$105,454.60
GEAB&P Co-Counsel for the Trustee	October 24, 2007 through and including January 31, 2008	\$1,854,563.00	\$1,112,737.00	\$741,825.00
JPBR&B Co-Counsel for the Trustee	October 24, 2007 through and including January 31, 2008	\$249,454.00	\$149,672.40	\$99,781.60
Deloitte Financial Advisor to the Trustee	November 2, 2007 through and including January 31, 2008	\$1,091,655.90	\$654,993.54	\$436,662.36
Davenport Financial and Real Estate Consultant for the Trustee	October 25, 2007 through and including January 31, 2008	\$65,400.00	\$65,400.00	-
Rivero Management Consultant for the Trustee	November 12, 2007 through and including January 31, 2008	\$54,695.00	\$54,695.00	-
Kaufman Special Virginia Counsel for the Trustee	October 24, 2007 through and including January 31, 2008	\$40,292.50	\$40,292.50	-

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Expenses Incurred: All Professionals

Applicant	All Expenses Incurred	Expenses Requested
Gerard A. McHale, Jr. Chapter 11 Trustee	\$17,912.55 ³	\$17,912.55
GEAB&P Co-Counsel for the Trustee	\$89,111.00	\$89,111.00
JPBR&B Co-Counsel for the Trustee	\$8,051.43	\$8,051.43
Deloitte Financial Advisor to the Trustee	\$28,016.44	\$28,016.44
Davenport Financial and Real Estate Consultant for the Trustee	\$5,631.54	\$5,631.54
Rivero Management Consultant for the Trustee	\$2,614.75	\$2,614.75
Kaufman Special Virginia Counsel for the Trustee	\$1,672.50	\$1,672.50
Greenberg Counsel for the Official Committee of Unsecured Creditors (the " <u>Committee</u> ")	\$67,884.73	\$67,884.73
Dreier Counsel for the Debtor	\$345,074.79	\$345,074.79
Huron Debtors' Restructuring Advisors	\$265,503.33	\$265,503.33
Mesirow Financial Advisors for the Committee	\$9,115.00	\$9,115.00

³ The amount of expenses incurred and requested by the Trustee herein has been reduced from the Prior Notice due to a calculation error in the Prior Notice.

PLEASE TAKE FURTHER NOTICE, that the various amounts sought on the foregoing chart represents the result of the Agreement, pursuant to which:

- (i) Greenberg, Dreier, Huron and Mesirow shall be paid a total amount of \$1,700,000, which will be shared *pro rata* by those firms, for fees incurred prior to the appointment of the Trustee (which will result in those firms receiving approximately 16% of their time charges);
- (ii) with respect to time incurred by all Applicants (with the exception of Davenport, Rivero and Kaufman) after the appointment of the Trustee, 60% of time charges shall be paid, provided that, with respect to Huron, a 20% discount shall be applied to the gross amount of fees incurred after appointment of the Trustee, and 60% of the net amount shall be applied for and paid after taking into account the 20% discount;
- (iii) the out-of-pocket expenses incurred by all Applicants shall be applied for and paid, subject to any objections regarding the allowability of any such out-of-pocket expenses;
- (iv) the Court's permitting of the payment of \$1,700,000 on account of fees incurred prior to the appointment of the Trustee shall not constitute a finding of the reasonableness or ultimate allowability of any such fees for such period; and
- (v) any and all objections with respect to any and all fees paid pursuant to the Applications and this notice are fully preserved in all respects, and the Applicants shall be required to disgorge any fees paid in the event that, and to the extent that, any such objections are granted.

PLEASE TAKE FURTHER NOTICE, that copies of the Applications may be obtained by contacting counsel for the Trustee, Golenbock Eiseman Assor Bell & Peskoe LLP, 437 Madison Avenue, New York, New York 10022 (Attn.: Jonathan L. Flaxer, Esq.). In addition, copies of the Applications are available at the official website of the Court at <http://www.nysb.uscourts.gov> for persons with a Pacer Account and the Trustee's website at <http://trustee1031taxgroup.com>.

PLEASE TAKE FURTHER NOTICE, that objections, if any, to either the relief requested in the Applications or to the Agreement, must state the basis for the objection in

writing and must be filed with the Bankruptcy Court (along with two copies marked “Chambers Copy” delivered directly to Judge Glenn’s chambers, One Bowling Green, New York, New York 10004) and served so that they are received by (i) the Bankruptcy Court; (ii) Golenbock Eiseman Assor Bell & Peskoe LLP, 437 Madison Avenue, New York, New York 10022 (Attn.: Jonathan L. Flaxer, Esq.); and (iii) the Office of the United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn.: Andy Velez-Rivera, Esq.), **NO LATER THAN MAY 29, 2008 AT 5:00 P.M. EST**. Responses or objections that are filed late may not be considered by the Court. In the event that you have already filed an objection, you may, but are not required to, file an additional objection, including without limitation, an objection to the Agreement.

PLEASE TAKE FURTHER NOTICE, if an objection pertains to an Application of (i) Greenberg or Mesirow, that response or objection must also be served, in addition to and in accordance with the service described in the preceding paragraph, so that it is received by Greenberg Traurig, LLP, MetLife Building, 200 Park Avenue, New York, New York 10166 (Attn.: Allen G. Kadish, Esq.); (ii) Dreier, that response or objection must also be served, in addition to and in accordance with the service described in the preceding paragraph, so that it is received by Dreier LLP, 499 Park Avenue, New York, New York 10022 (Attn.: Steven E. Fox, Esq.); (iii) Huron, that response or objection must also be served, in addition to and in accordance with the service described in the preceding paragraph, so that it is received by Baker & McKenzie LLP, 1114 Avenue of the Americas, New York, New York 10036 (Attn.: Joseph Samet, Esq.).

PLEASE TAKE FURTHER NOTICE, replies to objections shall be filed with the Bankruptcy Court (along with two copies delivered directly to Judge Glenn’s chambers marked “chambers copies”) and served upon (i) the party filing the objection to which any such reply is

addressed; (ii) Golenbock Eiseman Assor Bell & Peskoe, LLP (see address above); and (iii) Office of the United States Trustee (see address above) by no later than 5:00 p.m. on June 5, 2008. Replies that are filed late may not be considered by the Court.

PLEASE TAKE FURTHER NOTICE, that the Hearing may be adjourned from time to time without further notice except for the announcement of the adjournment in open court at the Hearing or at any adjournment thereof.

Dated: New York, New York
May 20, 2008

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& PESKOE LLP
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Trustee*
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By: /s/ Jonathan L. Flaxer
Jonathan L. Flaxer, Esq.