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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

THE 1031 TAX GROUP, LLC, *et al.*,

Debtors.

Chapter 11
Case No. 07-11448 (MG)
Jointly Administered

In re

INVESTMENT PROPERTIES OF
AMERICA, LLC, *et al.*,

Debtors.

Chapter 11
Case No. 07-13621 (MG)
Jointly Administered

**LIMITED OBJECTION TO APPLICATION FOR AN ORDER PURSUANT TO
11 U.S.C. §§ 327(A) AND 328(A) AND FED.R.BANKR.P. 2014 AUTHORIZING
THE RETENTION OF KEEN CONSULTANTS, THE REAL ESTATE DIVISION
OF KPMG CORPORATE FINANCE LLC, ALONG WITH ITS WHOLLY-OWNED
SUBSIDIARY KPMG CF REALTY LLC, AS SPECIAL REAL ESTATE ADVISOR**

Wachovia Bank, National Association (“Wachovia”), by and through its attorneys, Reed Smith LLP, hereby files its Limited Objection (the “Objection”) to the above-referenced Application (the “Application”), and avers in support thereof as follows:

1. On or about February 15, 2008, the Trustee filed the Application.
2. Pursuant to the Application, the Trustee desires to retain Keen Consultants (“Keen”) as Special Real Estate Advisor to, among other things, market and sell a shopping

center know as the Salina Central Mall in Salina, Kansas (the “Mall”) and certain retail property formerly occupied by JC Penney at the West Oaks Mall in Houston, Texas (the “JC Penney Store”) pursuant to a Retention Agreement dated February 12, 2008 (the “Retention Agreement”).

3. Wachovia holds a first priority recorded mortgage on the Mall in the amount of \$33,400,000 and a first priority recorded mortgage on the JC Penney Store in the amount of \$3,000,000.

4. The Retention Agreement provides in paragraphs I.C.2. and I.C.5 that:

“In the event that the Salina Property is sold or otherwise transferred to its mortgagee (or its mortgagee’s assign) by way of a credit bid, deed-in-lieu, or other similar transaction, then KPMGCF shall have earned one hundred thousand dollars (\$100,000)..”

and

“In the event that the JC Penney Property is sold or otherwise transferred to its mortgagee (or its mortgagee’s assign) by way of a credit bid, deed-in-lieu, or other similar transaction, then KPMGCF shall have earned thirty thousand dollars (\$30,000)..”

5. In addition, the Retention Agreement provides in paragraph I.C.10 that *Wachovia pay to the Trustee* the amounts set forth above “in the event of an auction or other consensual sales process.”

6. Wachovia does not object to Keen earning the fees set forth above if Wachovia successfully credit bids at a bankruptcy court sale during the 12 month term of the engagement and such sale is initiated by a stalking horse bidder obtained by Keen. Under those circumstances, Keen has brought value to the estate and the process.

7. However, Wachovia objects to Keen earning the fees set forth above under any other circumstances – i.e., deed in lieu, foreclosure by Wachovia in state court, bankruptcy

court sale which is not initiated by a stalking horse bidder obtained by Keen, or a bankruptcy court sale that takes place outside the term of the engagement. Under those circumstances, Keen has not brought value to the estate or the process.

8. In addition, Wachovia objects to the provision in the Retention Agreement which requires it to pay the fees to the Trustee.

WHEREFORE, Wachovia objects to the Application for the reasons set forth above.

Dated: February 21, 2008

REED SMITH LLP

By: /s/ Elena P. Lazarou
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 21st day of February, 2008, a true and correct copy of the attached **LIMITED OBJECTION TO APPLICATION FOR AN ORDER PURSUANT TO 11 U.S.C. §§ 327(A) AND 328(A) AND FED.R.BANKR.P. 2014 AUTHORIZING THE RETENTION OF KEEN CONSULTANTS, THE REAL ESTATE DIVISION OF KPMG CORPORATE FINANCE LLC, ALONG WITH ITS WHOLLY-OWNED SUBSIDIARY KPMG CF REALTY LLC, AS SPECIAL REAL ESTATE ADVISOR** was caused to be served via first-class US Mail, to the parties set forth below.

Dated: February 21, 2008
New York, New York

/s/ Amanda Leonard
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