

FILED
U.S. Bankruptcy Court
Western District of NC

NOV 07 2008

David E. Weich, Clerk
Charlotte Division
ASW

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA

In Re:)
)
REAL PROPERTY CREDITORS NEGOTIATIONS)
WITH DEBTORS)
_____)

JUDGMENT ENTERED ON NOV 07 2008

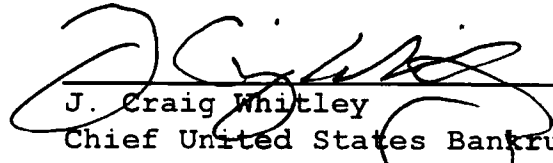
**ADMINISTRATIVE ORDER ALLOWING
REAL PROPERTY CREDITORS TO NEGOTIATE WITH DEBTORS**

This matter comes before the court to clarify the applicability of Local Rule 4001-2(b) to negotiations between debtors and real property creditors. It has come to the court's attention that there are occasions when debtors initiate requests to refinance secured loans or to consider other possible loss mitigation options with real property creditors and because of the automatic stay, real property creditors are reluctant to engage in such negotiations without a court order. Pursuant to Local Rule 4001-2(b), "a creditor may respond freely to any inquiry from a debtor on any subject matter." The court believes Local Rule 4001-2(b) provides real property creditors sufficient authority to respond to a debtor's inquiry regarding restructuring their mortgage without needing a specific court order. However, out of an abundance of caution, the court reaffirms real property creditors' right, notwithstanding the automatic stay, to engage in communications with debtors as

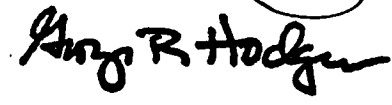
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allowed by Local Rule 4001-2(b).

SO ORDERED.



J. Craig Whitley
Chief United States Bankruptcy Judge



George R. Hodges
United States Bankruptcy Judge