

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)
) Case Nos. 07-20412 through 07-20417,
) and 07-21468 through 07-21470
NEUMANN HOMES, INC.,)
 et al.,¹) (Jointly Administered)
)
 Debtors.) Chapter 11
) Hon. Eugene R. Wedoff
)

**ORDER APPROVING (I) THE FORM AND MANNER OF NOTICE OF THE
DISCLOSURE STATEMENT HEARING, (II) DISCLOSURE STATEMENT;
(III) RECORD DATE, VOTING DEADLINE AND PROCEDURES FOR TEMPORARY
ALLOWANCE OF CERTAIN CLAIMS FOR VOTING PURPOSES ONLY; (IV)
PROCEDURES FOR FILING OBJECTIONS TO PLAN; (V) SOLICITATION
PROCEDURES FOR CONFIRMATION; AND (VI) A HEARING DATE TO CONSIDER
CONFIRMATION OF THE PLAN**

This matter having come before the Court upon the motion (the "Motion"), dated August 26, 2009 (the "Solicitation Procedures Motion") of Neumann Homes, Inc. ("Neumann Homes") and eight of its subsidiaries and affiliates (the "Affiliated Debtors"), the debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors") seeking an order (the "Order") pursuant to sections 105(a), 1125(b), 1126(b) and 1128 of title 11 of the United States Code (the "Bankruptcy Code"), rules 2002, 3003, 3016, 3017, 3018, 3020 and 6006 of the Federal Rules of Bankruptcy Procedures (the "Bankruptcy Rules"), approving (i) the form and manner of notice of the hearing to approve the Debtors' disclosure statement (the "Disclosure

¹ The Debtors consist of: Neumann Homes, Inc. (EIN: 36-3372185); NDC Fabrications, LLC (EIN: 20-3927889); Neumann Homes of Colorado, LLC (EIN: 30-0016357); Neumann Homes of Michigan, LLC (EIN: 20-0266814); Neumann Homes of Wisconsin, LLC (EIN: 13-4233135); Neu Pro Co., LLC (EIN: 20-3927922); NHI Sky Ranch, LLC (EIN: 20-2680457); Precision Framing Systems, LLC (EIN: 61-1404308); and Sky Ranch, LLC (EIN: 20-2680547).

Statement") (such notice is attached hereto as Exhibit 1) with respect to the Joint Plan of Reorganization of Neumann Homes, Inc. and its Affiliated Debtors and Debtors-in-Possession (as may be subsequently amended, supplemented, or otherwise modified, the "Plan")², (ii) the Disclosure Statement, (iii) the voting record date, the voting deadline, and procedures for the temporary allowance of claims, (iv) procedures for filing objections to the Plan, (v) the solicitation procedures for confirmation of the Plan, including the form of the Solicitation Packages (defined below), and (vi) a hearing date to consider confirmation of the Plan; a hearing having been held on December 9, 2009 (as continued from time to time, the "Disclosure Statement Hearing"), at which time all interested parties were offered an opportunity to be heard with respect to the Disclosure Statement and the Solicitation Procedures Motion; and the Court having reviewed (a) the Disclosure Statement, all modifications thereto, and the objections thereto, if any, (b) the Solicitation Procedures Motion, and objections thereto, if any, (c) arguments of counsel made, and the evidence proffered or adduced at the Disclosure Statement Hearing; and it appearing to the Court that (i) it has jurisdiction over the matters raised in the Solicitation Procedures Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2); (iii) the relief requested in the Solicitation Procedures Motion is in the best interests of the Debtors, their estates and their creditors; (iv) the notice of the Solicitation Procedures Motion and the Disclosure Statement Hearing was good and sufficient and that no other or further notice is necessary; and (v) upon the record herein after due deliberation thereon, that the relief should be granted as set forth below,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

² Capitalized terms used in this Order but not defined herein shall have the meanings ascribed to such terms in the Plan.

I. Approval of the Form and Manner of Notice of the Disclosure Statement Hearing

1. The notice of the Disclosure Statement Hearing, attached hereto as Exhibit 1 (the "Disclosure Statement Hearing Notice"), and the manner used by the Debtors to provide such notice, including by publication in (a) The Chicago Tribune, (b) The Detroit Free Press, and (c) The Milwaukee Journal Sentinel, was sufficient and is approved [See Docket No. 1852 for the Affidavit of Service].

II. Approval of Disclosure Statement

2. Pursuant to Fed. R. Bankr. P. 3017(b), (a) the Disclosure Statement is approved as containing adequate information regarding the Plan within the meaning of section 1125(a) of the Bankruptcy Code, and (b) to the extent not withdrawn, settled or otherwise resolved, all objections to the Disclosure Statement are overruled.

3. The Debtors are authorized to make non-material changes to the Disclosure Statement and related documents (including the appendices thereto) before distributing Solicitation Packages to each creditor or other party-in-interest in accordance with the terms of this Order; provided that the Debtors shall file copies with the Court of any changed pages black lined to show changes from the prior version.

III. Establishment of the Voting Record Date, Voting Deadline, and Certain Other Procedures

A. Voting Record Date

4. Notwithstanding anything to the contrary in Bankruptcy Rule 3018(a), December 11, 2009 at 10:00 a.m. (Central time) shall be the record date (the "Voting Record Date") for determining (a) the creditors and interest holders that are entitled to receive the Solicitation Package; and (b) the creditors and interest holders entitled to vote to accept or reject the Plan, notwithstanding anything to the contrary in the Bankruptcy Rules.

B. Voting Deadline

5. The last date and time by which ballots ("Ballots") for accepting or rejecting the Plan must be received by the Voting Agent in order to be counted shall be January 19, 2010 at 5:00 p.m. (Central time) (the "Voting Deadline"). Ballots with original signatures, if applicable, must be returned to the Voting Agent on or prior to the Voting Deadline by (a) mail in the return envelope provided with each ballot, (b) overnight delivery, or (c) hand delivery, in order to be counted. Furthermore, any Ballot submitted by facsimile or electronic transmission will not be counted.

C. Procedures for Temporary Allowance of Claims For Voting Purposes Only

6. Any holder of a claim against which the Debtors filed an objection is not entitled to vote on the Plan and shall not be counted in determining whether the requirements of section 1126(c) of the Bankruptcy Code have been met with respect to the Plan (except to the extent and in the manner as may be set forth in the objection) (a) unless the claim has been temporarily allowed for voting purposes pursuant to Bankruptcy Rule 3018(a) and in accordance with the Solicitation Procedures Order or (b) except to the extent that, on or before the Voting Deadline, the objection to such claim has been withdrawn or resolved in favor of the creditor asserting the claim. To the extent that the Debtors object to only a portion of a claim, the holder of such claim will be entitled to vote to the extent of the non-objected to portion of such claim. Recipients of an objection to disallow their claim will receive a non-voting status.

7. January 4, 2010 (the "Rule 3018(a) Motion Deadline") is the deadline for the filing and serving of any motions requesting temporary allowance of a movant's claim for purposes of voting pursuant to Bankruptcy Rule 3018(a) ("Rule 3018(a) Motion(s)") and such a motion must be filed with the Clerk of the Court and served on the Notice Parties (as defined in

the Solicitation Procedures Motion) in the manner set forth below so as to be received not later than 5:00 p.m. (Central time) on the Rule 3018(a) Motion Deadline.

8. Any party timely filing and serving a Rule 3018(a) Motion shall be sent a Ballot no later than three (3) business days after the Rule 3018(a) Motion Deadline and shall be permitted to cast a provisional vote to accept or reject the Plan prior to the Voting Deadline. In the event that the Debtors and such party are unable to resolve any issues raised by the Rule 3018(a) Motion prior to the Voting Deadline, (a) the Debtors may object to the Rule 3018(a) Motion at the Confirmation Hearing (without filing a written objection), (b) the Voting Agent shall inform the Court at the Confirmation Hearing whether including the relevant provisional Ballot would affect the outcome of the voting to accept or reject the respective Plan in the relevant class in which the provisional Ballot was cast, and (c) the Court then shall determine whether the provisional Ballot should be counted as a vote on the Plan.

D. Mailing and Publication Deadline

9. The Debtors shall cause the Voting Agent to complete the mailing of all of the Solicitation Packages by December 18, 2009 (the "Solicitation Mailing Deadline" or the "Publication Deadline"). The Debtors shall cause the publication of the Confirmation Hearing Notice (defined below) in (a) The Chicago Tribune, (b) The Detroit Free Press, and (c) The Milwaukee Journal Sentinel by the Publication Deadline.

IV. Approval of the Form Notice of the Confirmation Hearing and Deadline and Procedures For Filing Objections and Replies Thereto; Cure and Rejection Objections

10. Pursuant to Bankruptcy Rule 3017(c), a hearing to consider confirmation of the Plan (the "Confirmation Hearing") shall take place on January 27, 2010 at 10:00 a.m. (Central time), to be continued, if necessary.

A. Form of Confirmation Hearing Notice

11. The notice of the Confirmation Hearing and related matters, substantially in the form attached hereto as Exhibit 5 (the "Confirmation Hearing Notice"), is hereby approved.

B. Deadline and Procedures for Filing Confirmation Objections

1. Pursuant to Rule 3020(b)(1) of the Bankruptcy Rules, objections or responses, if any, to confirmation of the Plan ("Confirmation Objections") must: (a) be in writing, (b) comply with the Bankruptcy Rules and the Local Rules, (c) set forth the name of the objector, and the nature and amount of any claim asserted by the objector against or in the Debtors, their estates, or their property, (d) state with particularity the legal and factual bases for the objection, including suggested language to be added or existing language to be amended or deleted, and (e) be filed with the Court together with proof of service, and served by personal service, overnight delivery, or first-class mail, so as to be RECEIVED no later than January 19, 2010 at 5:00 p.m. (Central time) (the "Objection Deadline"), by the following (collectively the "Notice Parties"):

Counsel for the Debtors:

Skadden, Arps, Slate, Meagher & Flom
155 N. Wacker Drive, Suite 2700
Chicago, Illinois 60606
Attn: George N. Panagakis, Esq.
Stephen D. Williamson, Esq.

United States Trustee:

The Office of the United States Trustee, Region 11
219 S. Dearborn St., Room 873
Chicago, Illinois 60604
Attn: Steve Wolfe, Esq.

Counsel for the Creditors' Committee:

Paul, Hastings, Janofsky &
Walker LLP
191 N. Wacker Drive, 30th Floor
Chicago, Illinois 60606
Telephone: (312) 499-6000
Facsimile: (312) 499-6100
Attn: Gregory Otsuka, Esq.

and

Paul, Hastings, Janofsky &
Walker LLP
75 East 55th Street
New York, New York 10022
Attn: Paul Harner, Esq.

12. Confirmation Objections not timely filed and served in the manner set forth above shall not be considered and shall be deemed overruled.

C. Replies to Confirmation Objections

13. The Debtors may file an Omnibus Reply to any Confirmation Objections. Such Omnibus Reply shall be filed, if at all, by January 25, 2010 at 12:00 noon (Central time).

D. Deadline and Procedures For Filing Objections to the Assumption or Rejection Of Executory Contracts and Unexpired Leases Pursuant to the Plan

14. Objections to the assumption or rejection of executory contracts and unexpired leases pursuant to the Plan, including, without limitation, to Cure related to non-monetary defaults (a "Non-Monetary Objection"), must be raised in an objection to be filed no later than the Confirmation Objection Deadline. Any such Non-Monetary Objections will be litigated at the Confirmation Hearing or at such other time as the Bankruptcy Court may schedule. Any party failing to file a Non-Monetary Objection shall be deemed to have consented to the assumption of such executory contract or unexpired lease and shall be forever barred from asserting an objection with respect to such assumption (subject to the rights of such parties to

assert cure or rejection damages objections or claims pursuant to the procedures set forth in the Plan and Confirmation Order).

V. Approval of the Solicitation Procedures and Manner of Notice

15. The solicitation procedures set forth below are good and sufficient and satisfy the requirements of the Bankruptcy Code and Bankruptcy Rules.

A. Duties of the Voting Agent

16. In connection with the solicitation of votes with respect to the Plan, Epiq Bankruptcy Solutions, LLC shall serve as the voting agent for all creditors entitled to vote on the Plan (the "Voting Agent"). The Voting Agent is authorized and directed to assist the Debtors in, among other things, (a) mailing the Solicitation Packages, including the Confirmation Hearing Notice, (b) receiving and tabulating Ballots cast on the Plan, and (c) responding to inquiries from creditors relating to the solicitation process, the Ballots and matters related thereto. Ballots not received by the Voting Agent shall be null and void and shall not be counted.

B. Ballots

17. The following Ballot, in substantially the form attached hereto as Exhibit 2, is approved and shall be used in connection with the solicitation of votes on the Plan by holders of claims against the Debtors:

Exhibit 2 Ballot for Holders of General Unsecured Claims (Class 4)

18. All Ballots shall be accompanied by first-class, postage prepaid, return envelopes pre-addressed to the Voting Agent at Neumann Homes, Inc. et al., c/o Epiq Bankruptcy Solutions, LLC., P.O. Box 5014 FDR Station, New York, NY 10017.

C. Contents and Transmittal of Solicitation Packages

19. Pursuant to Rule 3017(d) of the Federal Rules of Bankruptcy Procedure, on or before the Mailing Deadline, subject to the limitations set forth herein, the Debtors shall transmit or cause to be transmitted, to persons listed below, by first-class, postage prepaid mail, to holders of claims and/or interests, a solicitation package (the "Solicitation Package") containing a copy or conformed printed version (unless otherwise indicated below) of:

- (a) the Notice of (1) Approval of Disclosure Statement, (2) Hearing on Confirmation of Plan; (3) Deadline and Procedures for Filing Objections to Confirmation of Plan; (4) Deadline and Procedures for Temporary Allowance of Certain Claims for Voting Purposes; (5) Treatment of Certain Unliquidated, Contingent or Disputed Claims for Notice, Voting and Distribution Purposes, (6) Record Date; and (7) Voting Deadline for Receipt of Ballots, in substantially the form of the notice annexed as Exhibit 5 to the Solicitation Procedures Order attached hereto (the "Confirmation Hearing Notice"), which the Debtors hereby request the Court to approve;
- (b) the Disclosure Statement and the Plan (which shall be furnished in the Solicitation Package as Appendix A to the Disclosure Statement) on CD-ROM to Holders of Claims in Class 4 only;
- (c) the Solicitation Procedures Order (without exhibits attached) (sent only to those holders of claims entitled to vote on the Plan);
- (d) solicitation letters, if any, from the Creditors' Committee (sent only to those holders of claims entitled to vote on the Plan);
- (e) to the extent applicable, a ballot and/or notice appropriate for the specific creditor, in substantially the forms attached to the Solicitation Procedures Order attached hereto (as may be modified for particular classes and with instructions attached thereto);
- (f) with respect to Holders of Claims in Class 4 only, an IRS (defined below) Form W-9 (or in the case of a foreign Holder of a Claim in Class 4, an IRS Form W-8) and the W-9 Notice (defined below) and
- (g) such other information as the Court may direct or approve.

20. The following creditors, interestholders and other persons shall receive their relevant form of Solicitation Package: (i) the United States Trustee; (ii) all nonvoting

unimpaired creditors; and (iii) creditors holding claims designated as impaired and entitled to vote on the Plan (A) who have filed timely proofs of claim (or untimely proofs of claim which have been allowed as timely by the Court under applicable law on or before the Record Date) that have not been disallowed by an order of the Court entered on or before the Record Date, or (B) whose claims are scheduled in the Debtors' schedules of assets and liabilities dated December 18, 2007, or any amendment thereof (the "Schedules") (other than those scheduled as (x) unliquidated, contingent, or disputed or (y) zero or unknown in amount). So as to avoid duplication and reduce expenses, the Debtors propose that creditors who have filed duplicate claims in any given class be entitled to receive only one Solicitation Package and allowed one ballot for voting their claims with respect to that class.

21. On or before the Solicitation Mailing Deadline, the Debtors shall serve all Holders of Claims in Class 4 a notice substantially in the form attached hereto as Exhibit 6 (the "W-9 Notice"), along with copies of Internal Revenue Service ("IRS") Forms W-9 and W-8 Ben and accompanying instructions. The W-9 Notice will request that any Holder of a Claim in Class 4 entitled to a distribution under the Plan must properly complete and return an IRS Form W-9 (or IRS Form W-8 if applicable) to the Debtors' Voting Agent at the address set forth on the W-9 Notice on or before the Voting Deadline. The W-9 Notice will also provide that if a properly completed IRS Form W-9 (or IRS Form W-8 if applicable) is not returned to the Voting Agent on or before the Voting Deadline, the Debtors reserve their right to file a motion with the Court seeking to render such Holders' Claim disallowed for purposes of receiving a distribution under the Plan.

22. The Debtors shall file all exhibits to the Plan that are not otherwise already attached to the Plan (as filed with the Court) on or before January 12, 2010 at 5:00 p.m. (Central time) (the “Exhibit Filing Date”).

D. Transmittal of Solicitation Packages to Certain Claim and Interestholders

23. The distribution of Solicitation Packages shall be subject to the following procedures as described below:

(a) Unimpaired Claims. Holders of allowed claims against each Debtor in Classes 1-A, 1-B, 1-C, 1-D, 1-E, 1-F, 1-G, 1-H, 2 and 3, which creditors are proposed to be unimpaired under the Plan (the “Unimpaired Creditors”), shall receive a Solicitation Package that includes, in lieu of a Ballot, a notice of unimpaired creditor status in substantially the form attached hereto as Exhibit 3 (the “Unimpaired Creditor Notice”), which form is hereby approved.

(b) Holders of Interests in Class 5 of the Plan. Pursuant to section 1126(g) of the Bankruptcy Code, holders of interests against the Debtors in Class 5 shall be deemed to have rejected the Plan. The Debtors shall cause the Voting Agent to serve on or before the Mailing Deadline by first-class, postage prepaid mail, to holders of interests in Class 5, a Solicitation Package that includes, in lieu of a Ballot, a notice of non-voting status in substantially the form attached hereto as Exhibit 4 (the “Non-Voting Status Notice”), which form is hereby approved.

E. When No Notice or Transmittal Necessary

24. No Solicitation Packages or other notices need be transmitted to (a) holders of claims that have already been paid in full or that are authorized to be paid in full in the ordinary course of business pursuant to orders entered by this Court or (b) any person to whom the Debtors mailed a notice of the meeting of creditors under Bankruptcy Code section 341 and such notice was returned marked “undeliverable” or “moved - no forwarding address” or for a similar reason, unless the Debtors have been informed in writing by such person of that person’s new address.

F. Procedures for Vote Tabulation

2. Votes Counted. Any timely received Ballot that contains sufficient information to permit the identification of the claimant and is cast as an acceptance or rejection of the Plan will be counted and will be deemed to be cast as an acceptance or rejection, as the case may be, of the Plan. The foregoing general procedures will be subject to the following exceptions:

- (a) If no proof of claim is filed then the vote amount shall be the non-contingent, liquidated, undisputed amount as set forth in the Debtors filed Schedules;
- (b) If a Claim is listed in the Schedules as contingent, unliquidated, or disputed and a proof of claim was not (i) filed by the Bar Date or (ii) deemed timely filed by an order of the Bankruptcy Court prior to the Voting Deadline, the Debtors propose that such Claim be disallowed for voting purposes and for purposes of allowance and distribution pursuant to Bankruptcy Rule 3003(c);
- (c) If a Claim is deemed Allowed in accordance with the Plan, such Claim is Allowed for voting purposes in the deemed Allowed amount set forth in the Plan;
- (d) If a Claim for which a proof of claim has been timely filed is marked as contingent, unliquidated, or disputed, the Debtors propose that such Claim be temporarily Allowed for voting purposes only, and not for purposes of allowance or distribution, at \$1.00;
- (e) If a Claim has been estimated or otherwise Allowed for voting purposes by order of the Court, such Claim is temporarily Allowed in the amount so estimated or Allowed by the Court for voting purposes only, and not for purposes of allowance or distribution;
- (f) Notwithstanding anything to the contrary contained herein, the Debtors propose that any creditor who has filed or purchased (i) duplicate claims (whether against the same or multiple Debtors) or (ii) claims against multiple Debtors arising from the same transaction, be provided with only one Solicitation Package and one ballot and be permitted to vote only a single claim, regardless of whether the Debtors have objected to such duplicate claims; and
- (g) If the Debtors have served and filed an objection to a Claim at least ten (10) days before the Confirmation Hearing, the Debtors propose that such

Claim be temporarily disallowed to the extent and in the manner as may be set forth in the objection for voting purposes only and not for the purposes of the allowance or distribution, unless otherwise ordered by the Court.

25. Votes Not Counted. The following Ballots will not be counted or considered for any purpose in determining whether the Plan has been accepted or rejected:

(a) Any ballot received after the Voting Deadline unless the Debtors shall have granted an extension in writing of the Voting Deadline with respect to such ballot;

(b) Any ballot that is illegible or contains insufficient information to permit the identification of the claimant;

(c) Any ballot cast by a person or entity that does not hold a claim in a class that is entitled to vote to accept or reject the Plan;

(d) Any ballot cast for a claim scheduled as unliquidated, contingent, or disputed and for which (a) no proof of claim was timely filed and (b) no Rule 3018(a) Motion has been filed by the Rule 3018(a) Motion Deadline;

(e) Any ballot cast in a manner that neither indicates an acceptance nor rejection of the Plan or that indicates both an acceptance and rejection of the Plan;

(f) Any ballot submitted by facsimile or electronic transmission; or

(g) Any unsigned ballot or ballot not bearing an original signature.

26. Changing Votes. Notwithstanding Bankruptcy Rule 3018(a), whenever two or more ballots are cast voting the same claim prior to the Voting Deadline, the last dated, validly executed, ballot received prior to the Voting Deadline will be deemed to reflect the voter's intent and thus to supersede any prior ballots, provided, however, that where an ambiguity exists as to which ballot was the latest mailed, the Voting Agent reserves the right to contact the creditor and calculate the vote according to such voter's stated intent. This procedure

is without prejudice to the Debtors' right to object to the validity of the second ballot on any basis permitted by law and, if the objection is sustained, to count the first ballot for all purposes.

27. No Vote Splitting; Effect. Claim splitting is not permitted. Creditors who vote must vote all of their claims within a particular class for each Debtor to either accept or reject the Plan.

G. Copies of Review of Documents

28. Imaged copies of the Plan and Disclosure Statement (including after the Exhibit Filing Date all Exhibits, Schedules, and Appendices) and all pleadings and orders of the Bankruptcy Court are publicly available, at the Bankruptcy Court's general Web site address: <http://www.ilnb.uscourts.gov>. Copies of the Plan and Disclosure Statement (including after the Exhibit Filing Date all Exhibits, Schedules, and Appendices) may also be obtained, at the requesting parties' expense, upon written request, from the Debtors' Voting Agent, Epiq Bankruptcy Solutions, LLC, 757 Third Avenue, 3rd Floor, New York, NY 10017, Attn: Neumann Homes, Inc., et al., and are publicly available at the Epiq's Web site address: <http://www.chapter11.epiqsystems.com/neumann>.

Dated: Chicago, Illinois
December 11, 2009


UNITED STATES BANKRUPTCY JUDGE