
In re)	
)	Chapter 11
RODNEY HOLDINGS, LLC)	
)	Case No. 1-08-43230-ess
Debtor)	
)	
COMMUNITY BANK & TRUST COMPANY)	
)	
Movant)	
)	
v.)	
)	
RODNEY HOLDINGS, LLC, and)	
)	
OFFICE OF THE UNITED STATES TRUSTEE,)	
as her interest may appear)	
)	
Respondents)	

**MOTION BY COMMUNITY BANK & TRUST COMPANY TO LIFT THE
AUTOMATIC STAY PURSUANT TO SECTION 362 OF THE BANKRUPTCY CODE**

TO THE HONORABLE ELIZABETH S. STRONG
UNITED STATES BANKRUPTCY JUDGE:

Community Bank & Trust Company (“Movant”), through its attorneys, the law offices of Cahill & Beehm, for its motion for stay relief against Defendant, states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 157 and § 1334. The statutory predicate for the relief sought herein is § 362(d)(1) of the Bankruptcy Code and Rule 4001, 9014 and 7062 of the Federal Rules of Bankruptcy Procedure. The venue is appropriate in this Court pursuant to 28 U.S.C. § 1408 and § 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. The Movant is a banking company with offices at 125 North State Street, Clarks

Summit, Pennsylvania 18411.

3. Debtor commenced the above referenced bankruptcy case by filing a Voluntary Petition for Relief Under Chapter 11 of the United States Bankruptcy Code on or about May 23, 2008.
4. Debtor obtained the following two (2) secured loans from the Movant:
 - a. a loan in the original principal amount of \$756,000.00 on March 3, 2006, as evidenced by a Promissory Note of the same date and amount payable to Movant (“Note One”); and
 - b. a loan in the original principal amount of \$1,565,000.00 on June 21, 2006, as evidenced by a Promissory Note of the same date and amount payable to Movant (“Note Two”).
5. Movant duly protected its security interests in the collateral pledged to secure Note One and Note Two, consisting of among other security:
 - a. a mortgage on Debtor’s real property on Wigwam Park Road, Stroud Township, Monroe County, Pennsylvania dated June 21, 2006 from Debtor to the Movant recorded on June 27, 2006 in the Office of the Recorder of Deeds of Monroe County, Pennsylvania in Book 2272, Page 3902 as Instrument No. 200627345 in the original principal amount of \$1,565,000.00 to secure Note Two; and
 - b. a mortgage on the Debtor’s real property located on Route 209, Hamilton Township, Monroe County, Pennsylvania dated March 3, 2006 from Debtor to the Movant recorded on March 8, 2006 in the Office of the Recorder of Deeds of Monroe County Pennsylvania in Book 2260, Page 2716 as Instrument No.

200610233 in the original principal amount of \$756,000.00 to secure Note One.

(The Stroud Township and Hamilton Township properties are sometimes referred to herein collectively as the “Mortgaged Property”.)

6. The Notes, Mortgages and other loan documents are in serious default as a result of Debtor’s failure to make payments when due in accordance with the terms of each of the Notes. The balance of the Notes is due and payable in full by acceleration.

STANDING

7. Section 362 of the Bankruptcy Code automatically stays any act to obtain possession of property of the estate or to exercise control over property of the estate. 11 U.S.C. § 362(a)(3); In re: 48th Street Steak House, Inc., 835 F.2d 427, 430 (2d Cir. 1987).
8. Section 362(d) of the code states that a “party in interest” may request relief from the automatic stay.

BASIS FOR RELIEF UNDER SECTION 362(d)(1) OF THE BANKRUPTCY CODE

9. Section 362(d)(1) of the Bankruptcy Code provides that:

On request of a party in interest and after notice and hearing, the court shall grant relief from the stay provided under Subsection (a) of this Section such as by terminating, annulling, modifying or conditioning such stay:

(1) For cause, including lack of adequate protection of an interest in property of such party of interest;

11 U.S.C. § 362(d)(1).

10. Section 361 of the Bankruptcy Code states that adequate protection can be

provided in any one (or more) of three non-exclusive methods. The three methods are: (1) cash payments; (2) an additional or replacement lien; and (3) granting other relief that will result in the realization of the indubitable equivalent of the creditor's interest in the collateral. 11 U.S.C. § 361.

11. As of the date of Debtor's Petition, upon information and belief the Debtor's estate had no equity in the mortgaged property and other secured collateral which remain in Debtor's possession.
12. By virtue of Movant's secured claims and those of senior and subordinate claimholders, the Debtor cannot realize any equity from the sale of the mortgaged property.
13. Here, Movant is not adequately protected. Grounds for relief from the stay of proceedings effected by § 362(a) exists as follows:
 - a. the Movant, as the holder of the mortgages securing the debt owed by the Debtor, lacks adequate protection of its interests in the mortgaged property, which interest continues to deteriorate;
 - b. the Debtor and Respondents have no realizable equity in the collateral securing the Movant's claim; and
 - c. the mortgaged property is not necessary for an effective reorganization or plan.

WHEREFORE, Community Bank & Trust Company respectfully requests that this Honorable Court grant its Motion for Relief from Automatic Stay in its entirety together with such other and further relief as is just and equitable under the circumstances.

Respectfully submitted,

CAHILL & BEEHM

A handwritten signature in black ink, appearing to read 'R. Beehm', written over a horizontal line.

Dated: June 27, 2008

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