

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
: :
AMERICAN HOME MORTGAGE : Case No. 07-11047 (CSS)
HOLDINGS, INC., a Delaware corporation, et al., : :
: Jointly Administered
Debtors. : **Objection Deadline: September 13, 2007 at 4:00 p.m.**
----- X **Sale Hearing: September 17, 2007 at 12:00 Noon**

NOTICE OF AUCTION AND SALE HEARING

PLEASE TAKE NOTICE that on August 6, 2007, the above-captioned debtors and debtors in possession (the "Debtors"),¹ filed the Emergency Motion of the Debtors for Orders: (A)(i) Approving Sale Procedures; (ii) Scheduling a Hearing to Consider Sale of Certain Assets Used in the Debtors' Loan Servicing Business; (iii) Approving Form and Manner of Notice Thereof; and (iv) Granting Related Relief; and (B)(i) Authorizing the Sale of Such Assets Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (ii) Authorizing and Approving Purchase Agreement Thereto; (iii) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Related Thereto; and (iv) Granting Related Relief (the "Motion") with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Debtors seek to sell the assets related to the Debtors' mortgage loan servicing business (the "Servicing Business"), free and clear of all liens, claims, encumbrances and other interests pursuant to section 363 of title 11 of the United States Code (the "Bankruptcy Code"), and seek authority to assume and assign various agreements related to the Servicing Business.

PLEASE TAKE FURTHER NOTICE that on August 9, 2007, the Bankruptcy Court entered an order (the "Sale Procedures Order") (i) approving the sale procedures with respect to the proposed sale (the "Sale") of the Servicing Business (the "Sale Procedures"), pursuant to the terms of the form Purchase and Sale Agreement ("Purchase Agreement"), which was annexed as Exhibit D to the Motion, (ii) scheduling a hearing (the "Sale Hearing") for the Sale and setting objection and bidding deadlines with respect to the Sale, (iii) approving the form and manner of notice of an auction for the relevant assets (the "Auction") and the Sale Hearing, and (iv) granting related relief.

PLEASE TAKE FURTHER NOTICE that pursuant to the terms of the Sale Procedures Order, an auction (the "Auction") with respect to the Sale shall take place on **September 10, 2007, at 10:00 a.m. (prevailing Eastern Time)** at the offices of Young Conaway Stargatt & Taylor, LLP, 1000 West Street, 17th Floor, Wilmington, Delaware 19899. Only parties that have submitted a Qualified Bid (as defined in the Bid Procedures attached to the Sale Procedures Order) by no later than **September 6, 2007 at 4:00 p.m. (Eastern Time)** (the "Bid Deadline") may participate in the Auction. Any party that wishes to take part in this process and submit a bid for the Servicing Business must submit their competing bid prior to Bid Deadline and in accordance with the Sale Procedures.

PLEASE TAKE FURTHER NOTICE that the Court also scheduled a hearing to consider approval of the sale of the Servicing Business to the Successful Bidder (as defined in the Sale Procedures), before the Honorable Christopher S. Sontchi, United States Bankruptcy Judge, 824 North Market Street, 5th Floor, Wilmington, Delaware 19801-3024 on **September 17, 2007 at 12:00 Noon (prevailing Eastern Time)**, or at such other time thereafter as counsel may be heard. The Sale Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing.

¹ The Debtors are: American Home Mortgage Holdings, Inc.; American Home Mortgage Investment Corp.; American Home Mortgage Acceptance, Inc.; American Home Mortgage Servicing, Inc.; American Home Mortgage Corp.; American Home Mortgage Ventures LLC; Homegate Settlement Services, Inc.; and Great Oak Abstract Corp.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Sale, or the relief requested in the Motion must: (a) be in writing; (b) comply with the Bankruptcy Rules and the Local Bankruptcy Rules; (c) be filed with the clerk of the Bankruptcy Court for the District of Delaware, Third Floor, 824 Market Street, Wilmington, Delaware 19801, on or before **4:00 p.m. (prevailing Eastern Time) on September 13, 2007**, or such later date and time as the Debtors may agree and (d) be served so as to be received no later than 4:00 p.m. (prevailing Eastern Time) on the same day, upon (i) American Home Mortgage Holdings, Inc., 538 Broadhollow Road, Melville, New York 11747 (Attn.: Alan Horn, General Counsel); (ii) Young Conaway Stargatt & Taylor, LLP, 1000 West Street, 17th Floor, P.O. Box 391, Wilmington, Delaware 19899-0391 (Attn.: James L. Patton, Jr.), counsel to the Debtors; (iii) Milestone Advisors, LLC, 1775 Eye Street, NW, Suite 800, Washington, DC 20006 (Attn: Jeffrey M. Levine); (iv) counsel to the Official Committee of Unsecured Creditors, when appointed; (v) counsel to Bank of America, N.A., as Administrative Agent for the lenders under that certain Credit Agreement dated August 30, 2004, Kaye Scholer LLP, 425 Park Avenue, New York, New York 10022 (Attn.: Margot B. Schonholtz and Scott D. Talmadge) and Potter Anderson & Corroon LLP, Hercules Plaza, 6th Floor, 1313 North Market Street, Wilmington, Delaware 19801 (Attn.: Laurie Selber Silverstein); (vi) counsel to the Debtors' postpetition lender, Jones Day, 222 East 41st Street, New York, New York 10017 (Attn.: Corinne Ball and Erica M. Ryland) and Greenberg Traurig LLP, 1007 North Orange Street, Suite 1200, Wilmington, Delaware 19801 (Attn.: Victoria Counihan); and (vii) the Office of the United States Trustee, 844 King Street, Room 2313, Wilmington, Delaware 19801 (Attn: Joseph McMahon).

PLEASE TAKE FURTHER NOTICE that this Notice of Auction and Sale Hearing is subject to the fuller terms and conditions of the Sale Motion, the Sale Procedures Order and the Sale Procedures, which shall control in the event of any conflict and the Debtors encourage parties in interest to review such documents in their entirety. Copies of the Sale Motion, the Purchase Agreement, the Sale Procedures and/or the Sale Procedures Order may be obtained by written request to counsel to the Debtors, c/o Young Conaway Stargatt & Taylor, LLP, 1000 West Street, 17th Floor, P.O. Box 391, Wilmington, Delaware 19899-0391, Attention: Debbie Laskin. In addition, copies of the aforementioned pleadings may be found on the Bankruptcy Court's website, www.deb.uscourts.gov, and are on file with the Clerk of the Bankruptcy Court, Third Floor, 824 Market Street, Wilmington, Delaware 19801.

Dated: Wilmington, Delaware
August 14, 2007

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