



ORDERED in the Southern District of Florida on May 28, 2008.

**John K. Olson, Judge
United States Bankruptcy Court**

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION
www.flsb.uscourts.gov**

In re:)	Chapter 11 Cases
)	
TOUSA, INC., <u>et al.</u> , ¹)	Case No. 08-10928-JKO
)	
Debtors.)	Jointly Administered
)	

**ORDER GRANTING LEAVE, STANDING AND AUTHORITY
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
OF TOUSA, INC., ET AL. TO PROSECUTE AVOIDANCE
ACTIONS ON BEHALF OF THE DEBTORS' ESTATES**

¹ The Debtors in these cases are: TOUSA, Inc.; Engle Homes Commercial Construction, LLC; Engle Homes Delaware, Inc.; Engle Homes Residential Construction, L.L.C.; Engle Sierra Verde P4, LLC; Engle Sierra Verde P5, LLC; Engle/Gilligan LLC; Engle/James LLC; LB/TE #1, LLC; Lorton South Condominium, LLC; McKay Landing LLC; Newmark Homes Business Trust; Newmark Homes Purchasing, L.P.; Newmark Homes, L.L.C.; Newmark Homes, L.P.; Preferred Builders Realty, Inc.; Reflection Key, LLC; Silverlake Interests, L.L.C.; TOI, LLC; TOUSA Associates Services Company; TOUSA Delaware, Inc.; TOUSA Funding, LLC; TOUSA Homes Arizona, LLC; TOUSA Homes Colorado, LLC; TOUSA Homes Florida, L.P.; TOUSA Homes Investment #1, Inc.; TOUSA Homes Investment #2, Inc.; TOUSA Homes Investment #2, LLC; TOUSA Homes Mid-Atlantic Holding, LLC; TOUSA Homes Mid-Atlantic, LLC; TOUSA Homes Nevada, LLC; TOUSA Homes, Inc.; TOUSA Homes, L.P.; TOUSA Investment #2, Inc.; TOUSA Mid-Atlantic Investment, LLC; TOUSA Realty, Inc.; TOUSA, LLC; and TOUSA/West Holdings, Inc.



Upon the motion (the “Motion”)² of the Official Committee of Unsecured Creditors (the “Committee”) of TOUSA, Inc., et al. (collectively, the “Debtors”) for entry of an order granting the Committee leave, standing, and authority to prosecute and, if appropriate, settle avoidance actions on behalf of the Debtors’ estates pursuant to 11 U.S.C. §§ 105(a), 1103(c), 1109(b); and upon consideration of the Motion and all pleadings related thereto, and the Court having heard the statements of counsel regarding the relief requested in the Motion at a hearing before the Court on May 22, 2008, the Court hereby finds that:

- A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
- B. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
- C. Venue of these chapter 11 cases is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
- D. Notice of the Motion was due and proper under the circumstances.
- E. The Motion is in full compliance with all applicable provisions of the Bankruptcy Code, Bankruptcy Rules and the Local Rules.
- F. The legal and factual bases set forth in the Motion, with respect to the relief granted herein, establish just cause for the relief requested herein.
- G. The relief requested in the Motion, as modified by this Order, is in the best interests of the Debtors, their estates and creditors.

After due deliberation, and good and sufficient cause appearing therefore, it is hereby **ORDERED** that:

1. The Motion is granted in part and denied in part to the extent provided herein.

² Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Motion (as defined below).

2. The Committee shall be, and hereby is, authorized on behalf of the Debtors' estates to investigate, commence and prosecute the Claims with the full rights and privileges of, and in the stead of, the Debtors.

3. Any settlement of the Claims shall be subject to approval by the Court after notice and a hearing.

4. The Committee's request to be vested with the exclusive right and authority to negotiate and enter into settlements on behalf of the Debtors' estates with respect to the Claims is denied without prejudice.

5. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the construction, performance, enforcement, and implementation of the terms of this Order.

* * *

Submitted by:

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Copies to:

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(Attorney Redmond shall upon receipt serve a copy of this Order upon all interested parties and file a certificate of service.)