

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION
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In re: Case No.: 08-10928-BKC-JKO

TOUSA, INC. et al., Chapter 11

Debtors.

**SUPPLEMENTAL DECLARATION OF PATRICIA A. REDMOND
IN CONNECTION WITH THE RETENTION OF
STEARNS WEAVER MILLER WEISSLER ALHADEFF & SITTERSON, P.A.
AS LOCAL COUNSEL TO THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Patricia A. Redmond, being duly sworn, states the following:

1. Except as otherwise noted herein, I have personal knowledge of the facts set forth below.
2. I am an attorney admitted to practice in the State of Florida, the United States District Court for the Southern District of Florida and am qualified to practice in the U.S. Bankruptcy Court for the Southern District of Florida.
3. I am a partner of the law firm of Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. (“Stearns Weaver”) with offices located at 150 West Flagler Street, Museum Tower, Suite 2200, Miami, Florida 33130.
4. I make this supplemental declaration in connection with Stearns Weaver’s role as local counsel for the Official Committee of Unsecured Creditors (the “Committee”) of TOUSA, Inc., *et al.* (collectively, “Debtors”), in these proceedings. The purpose of this Declaration is to fulfill Stearns Weaver’s continuing obligation to update its disclosures as set forth in the *Declaration of Patricia A. Redmond in Support of the Application for the Entry of an Order Authorizing the Employment of Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. as Local Counsel to the Official Committee*

of Unsecured Creditors (“Original Declaration”), attached as Exhibit A to the *Application of the Official Committee of Unsecured Creditors of Tousa, Inc., et al., to Retain and Employ Patricia A. Redmond, Esq., and the Law Firm of Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. as its Local Counsel Nunc Pro Tunc to February 14, 2008* (Doc. No. 646, “Application”).

5. On May 28, 2008, the Court entered its *Order Granting Leave, Standing and Authority to the Official Committee of Unsecured Creditors of TOUSA, Inc., et al., to Prosecute Avoidance Actions of Behalf of the Debtors’ Estates* (Doc. No. 1092). Following disclosure by the Committee’s lead counsel, Akin Gump Strauss Hauer & Feld LLP (“Akin Gump”), that it had a potential conflict of interest with respect to the contemplated avoidance action, on June 19, 2008, the Committee selected the firm of Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP (“Robbins Russell”) to prosecute the avoidance action, which selection was approved, following proper application, by the Court’s August 12, 2008 *Order Authorizing the Official Committee of Unsecured Creditors of TOUSA, Inc., et al., to Retain and Employ Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP as Special Litigation Counsel Nunc Pro Tunc to June 19, 2008* (Doc. No. 1595). Stearns Weaver serves as local counsel for the Committee with respect to the Debtors’ main bankruptcy cases as well as the litigation.

6. On July 14, 2008, the Committee filed its Adversary Complaint, assigned Adversary Proceeding No. 08-10928-JKO. On October 23, 2008, the Committee filed a First Amended Adversary Complaint (Doc. No. 133), which added a number of new defendants.

7. In preparing my initial declaration, I, through my colleagues, Stearns Weaver searched its electronic database for its connection with certain parties-in-interest in this case, including: all known current and recent former officers and directors, senior noteholders, banks, lienholders, professionals, sale leasebacks, taxing authorities, unsecured creditors holding the largest twenty claims,

and the United States Trustee. The results of that search are set forth in my initial declaration.

8. Upon the identification of the additional defendants set forth in the First Amended Complaint, I, through my colleagues, searched Stearns Weaver's electronic database the names of those additional defendants ("Supplemental Searched Parties") whose name appear on the attached Schedule 1.

9. As specifically set forth below, Stearns Weaver has represented or currently represents certain of the Debtors' creditors, or other parties-in-interest in matters wholly unrelated to the Debtors and these chapter 11 cases. None of these representations generally described below are materially adverse to the interests of the Debtors' estates or the Debtors' creditors. Moreover, pursuant to 11 U.S.C. § 1103 and Rule 2014, Fed.R.Bankr.P., Stearns Weaver is not disqualified from serving as local counsel to the Committee based upon these unrelated matters.

Relationships with Supplemental Searched Parties

10. Stearns Weaver currently represents, and formerly has represented the following Supplemental Searched Parties and/or certain affiliates, subsidiaries, and entities associated with the following Supplemental Searched Parties:

- a. Bank of America, NA;
- b. Morgan Stanley Senior Funding, Inc.;
- c. Goldman Sachs Credit Partners LP;
- d. Lehman Commercial Paper, Inc.;
- e. Royal Bank of Canada;
- f. Merrill Lynch Pierce Fenner & Smith, Inc.;
- g. Bank United;
- h. the Guaranty Group;

- i. PNC Bank, NA;
- j. Sovereign Bank; and
- k. UBS.

However, all of such prior and current Stearns Weaver representations of such parties have been in matters wholly unrelated to the Debtors and these chapter 11 cases. To the extent that Stearns Weaver does not obtain a waiver letter from any of these parties, Stearns Weaver will not participate in the prosecution of claims or causes of action, including without limitation the adversary proceeding with respect to those parties as set forth in the October 30, 2008 letter from me to Robbins Russell Englert Orseck Untereiner & Sauber LLP.

11. Except as otherwise set forth above, neither I nor Stearns Weaver hold or represent any interest adverse to the estate, and we are disinterested persons as required by 11 U.S.C. § 1103.

12. Except as otherwise set forth above, neither I nor Stearns Weaver has any connection with the Debtor, creditors, or any other party in interest, their respective attorneys and accountants, the U.S. Trustee, or any person employed in the Offices of the U.S. Trustee as described in Rule 2014 of the Federal Rules of Bankruptcy Procedure.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated this 3rd day of February, 2009

/s/ Patricia A. Redmond
Patricia A. Redmond, Esq.
Stearns Weaver Miller et al.
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Miami, Florida 33130
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Schedule 1
(Supplemental Searched Parties)

First Lien Lenders

Bank of America NA
JPMorgan Chase Bank NA
Morgan Stanley Senior Funding, Inc.
Castlerigg Master Investments Ltd
Chicago Fundamental Investment
Partners LLC
CGDO LLC
Covalent Partners LLC
Esperance c/o Scotiabank (Ireland) Limited
REOPICYM
The Foothill Group Inc
Fortress Credit Investments I Ltd
Fortress Credit Investments II Ltd
Goldman Sachs Credit Partners LP
Grand Central Asset Trust Gaia Series
Grand Central Asset Trust SIL Series
Hbk Master Fund LP
Helios Funding LLC
Investment CBNA Loan Funding LLC
JPMorgan Whitefriars Inc.
Lehman Commercial Paper Inc
Marathon Financing I BV
Mcdonnell Loan Opportunity Ltd
Perry Principals LLC
Promethean I Master Ltd
Royal Bank of Canada
SOF Investments LP
STRLRRE
Taconic Capital Partners 1.5 LP
Taconic Opportunity Fund LP
Tennenbaum Multi-Strategy Master Fund
Trilogy Portfolio Company LLC
Van Kampen Dynamic Credit Opportunities
Fund
Van Kampen Senior Income Trust
Van Kampen Senior Loan Fund
WCP Real Estate Strategies Fund
Westport Capital Partners LLC

Second Lien Lenders

AIG Annuity Insurance Company
Alexandra Global Master Fund Ltd
American General Life Insurance Company
American International Group Inc
Avenue Investments LP
Deutsche Bank AG New York Branch
Longacre Capital Partners QP LP
Longacre Master Fund Ltd
M.D. Sass Re/Enterprise Portfolio
Company LP
Merrill Lynch Pierce Fenner & Smith Inc.
Monarch Master Funding Ltd
Q Funding III LP
Quadrangle Master Funding Ltd
Stonehill Institutional Partners LP
SunAmerica Income Fund – SunAmerica
High Yield Bond Fund
SunAmerica Series Trust – High Yield
Bond Portfolio
The Master Trust Bank of Japan Ltd
The Variable Annuity Life Insurance
Company
Third Point Loan LLC
Valic Company II High Yield Bond Fund

Schedule 1, cont'd

Revolver Lenders

Bank of the West
Bank United
Branch Banking and Trust Co
Comerica Bank Db Services New Jersey, Inc.
Compass Bank
DK Acquisition Partners LP
Guaranty Group
Jeffries Buckeye Master Fund Ltd
Lispensard
NATIXIS
PNC Bank NA
Quattro Global Capital LLC
Grand Central Asset Trust SAN Series
Grand Central Asset Trust VCM Series
National City
Raymond James
Sovereign Bank
TRS Tenor LLC
UBS
US Bank
Venor Capital Master Fund Ltd
Wachovia Bank NA
Washington Mutual

New Subordinated Noteholders

Deutsche Bank Trust Company Americas
Highland CDO Opportunity Fund Ltd
Highland Floating Rate Advantage Fund
Highland Floating Rate Limited Liability
Company
Highland Legacy Limited
Highland Offshore Partners LP
Jasper CLO Ltd
Loan Funding VII LLC
Quadrangle Master Funding Ltd