

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION

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

MOTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF TOUSA, INC., ETAL. FOR ENTRY OF ORDER APPROVING THE DISCLOSURE STATEMENT FOR JOINT PLAN OF LIQUIDATION OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION AND ESTABLISHING SOLICITATION AND VOTING PROCEDURES WITH TO THE JOINT PLAN OF LIQUIDATION OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION

The Official Committee of Unsecured Creditors (the “Committee”) of TOUSA, Inc. (“TOUSA”) and its affiliated debtors and debtors in possession in the above-captioned, jointly administered chapter 11 cases (collectively, the “Debtors”), hereby moves for entry of an order, substantially in the form annexed hereto as Exhibit A (the “Disclosure Statement Order”),¹ approving (i) the Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code, dated July 16, 2010] [D.E. #5798 (as the same may be supplemented or otherwise modified, the “Disclosure Statement”)² and (ii) certain procedures that will govern the solicitation and

¹ Rule 3016-2(B) of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of Florida (the “Local Bankruptcy Rules”) requires that, upon approval of a disclosure statement, the Court enter the form order entitled “Order (I) Approving Disclosure Statement; (II) Setting Hearing on Confirmation of Plan; (III) Setting Hearing on Fee Applications; (IV) Setting Various Deadlines; and (V) Describing Plan Proponent’s Obligations.” For the reasons set forth herein, the Committee respectfully requests that this Court waive Local Bankruptcy Rule 3016-2(B) and enter the Debtors’ proposed Disclosure Statement Order attached hereto as Exhibit A.

² On July 16, 2010, the Committee filed the *Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* [D.E. #5799] the “Plan”).

tabulation of votes to accept or reject the Plan, which procedures are described herein and set forth in the Disclosure Statement Order (the “Solicitation and Voting Procedures”).

Jurisdiction

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The bases for the relief requested herein are (a) sections 502, 1123(a), 1124, 1125, 1126 and 1128 of title 11 of the United States Code (the “Bankruptcy Code”), (b) Rules 2002, 3003, 3016, 3017, 3018 and 3020 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and (c) Local Bankruptcy Rules 2002-1, 3016-2 and 3017-1.

Factual Background

A. Recent Events Leading to the Filing of the Plan and Related Disclosure Statement by the Committee

4. Since shortly after the commencement of the Debtors’ chapter 11 cases in January 2008, the Committee, with the authority of this Court, has been engaged in extensive litigation against the lenders under the Debtors’ prepetition secured credit facilities (the “First Lien Revolver Lenders,” “First Lien Term Loan Lenders,” “Second Lien Term Loan Lenders,” and collectively, the “Prepetition Secured Lenders”) and certain lenders who provided financing to the Debtors in connection with a failed prepetition joint venture (the “Transeastern Lenders”) in an effort to avoid certain fraudulent transfers and preferences (the “Committee Action”). Although the Committee, the Debtors and the Prepetition Secured Lenders made three attempts at negotiating a consensual plan of reorganization for the Debtors, ongoing litigation among the Debtors’ major creditor groups and against the Debtors’ directors and officers complicated the plan process. Indeed, the macroeconomic challenges facing the Debtors, as well as the

complicating factors relating to litigation among creditor groups, rendered the Debtors' previous plans³ obsolete before they could be finalized. Therefore, upon the successful prosecution of the Committee Action,⁴ the Committee began to develop the proposed Plan that would, among other things, allow the Debtors to emerge from chapter 11, permit distributions to be made to creditors and allow the appeals of the Committee Action, to the extent still applicable, to proceed post-Effective Date. The Committee believes that, under the circumstances and for the reasons described in the Disclosure Statement, the proposed Plan will maximize the distributable value in these chapter 11 cases and should be confirmed.

B. Overview Of The Plan

5. The Plan consists of separate chapter 11 plans for each of the thirty-eight Plan Debtors.⁵ The treatment of the classes of claims against and interests in each of the Plan Debtors is described in three parts: (i) claims against and equity interests in TOUSA; (ii) claims against and equity interests in the Plan Debtors other than TOUSA and Beacon Hill (the "Conveying Subsidiaries"); and (iii) claims against and equity interests in Beacon Hill.

6. The Plan contemplates the orderly monetization of the Plan Debtors' remaining homebuilding assets.⁶ The Plan also contemplates that all assets of the Plan Debtors, including

³ The Debtors filed the *Joint Plan of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* [D.E. # 1952] and the accompanying disclosure statement [D.E. # 1953] on October 13, 2008. On April 17, 2009, the Debtors filed the *First Amended Joint Plan of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* [D.E. # 2680] and related disclosure statement [D.E. # 2681].

⁴ All capitalized terms used herein and not otherwise defined will have the meanings ascribed to such terms in the Plan.

⁵ The Plan Debtors include each of the Debtors except TOUSA Homes, L.P. Because TOUSA Homes, L.P. has no assets and thus no plan can be confirmed, the Committee intends to file a motion dismissing the chapter 11 case of TOUSA Homes, L.P. prior to the hearing on confirmation of the Plan.

⁶ As there are no assets at TOUSA Homes, L.P. and, therefore, no plan can be confirmed, the Plan does not include a liquidation of TOUSA Homes, L.P. The Committee anticipates filing a motion to dismiss the Chapter 11 Case of TOUSA Homes, L.P. in advance of the Confirmation Hearing. The Debtors that will be liquidated through the joint

all causes of action and proceeds thereof (collectively, the “Liquidation Trust Assets”), will be transferred to a liquidation trust (the “Liquidation Trust”) on the Effective Date. Pursuant to the Plan, the Liquidation Trust will liquidate, monetize and distribute the Liquidation Trust Assets and make distributions to holders of allowed claims against the Plan Debtors as provided in the Plan.

7. The Liquidation Trust will be administered by a liquidation trustee (the “Liquidation Trustee”), in consultation with a three-member board (the “Liquidation Trust Committee”), whose initial members will be appointed by the Committee at or prior to the hearing on confirmation of the Plan. The Liquidation Trustee will oversee the liquidation of the Liquidation Trust Assets, including the prosecution of causes of action previously held by the Plan Debtors, including, without limitation, the Committee Action.

8. In February 2009, the Court entered an order compelling mediation of the Committee Action. Despite the Committee's best efforts, the negotiations were unsuccessful and on April 14, 2009, the mediator, Judge Isicoff, reported that that the parties were at an impasse. On October 13, 2009, this Court rendered a judgment in favor of the Committee in the Committee Action (as amended on October 30, 2009, the “Decision”). Pursuant to the Decision, the First Lien Term Loan Lenders, Second Lien Term Loan Lenders and Transeastern Lenders were required to disgorge monies that they had improperly received as a result of the fraudulent conveyances. The First Lien Term Loan Lenders, Second Lien Term Loan Lenders and Transeastern Lenders each filed appeals of the Decision in the United States District Court for the Southern District of Florida, which appeals are currently pending. Following entry of the

Plan are referred to herein as the “Plan Debtors.”

Decision, the Committee sought to restart settlement discussions and create a path to a consensual plan of reorganization. To date, such efforts have not yielded a settlement.

9. In order to resolve certain of the pending appeals of the Committee Action and to facilitate distributions under the Plan, the Plan relieves the First Lien Term Loan Lenders and Second Lien Term Loan Lenders of certain disgorgement obligations through the enforcement of the intercreditor agreement entered into among the Prepetition Secured Lenders and their respective agents. Specifically, the Plan provides that, in lieu of disgorgement, all payments previously made to or on behalf of the First Lien Term Loan Lenders and the Second Lien Term Loan Lenders will be deemed to have been made to the First Lien Revolver Lenders and redistributed in accordance with the waterfall provisions of the intercreditor agreement. Based on this reallocation, the First Lien Revolver Lenders' remaining claim will be paid from encumbered assets at TOUSA and the Conveying Subsidiaries. The First Lien Term Loan Lenders will receive their *pro rata* share of the value of the assets at TOUSA in which they have valid liens and unsecured creditors will receive interests in the Liquidation Trust (the "Liquidation Trust Interests") entitling them to distributions from the Liquidation Trust (based on the Plan Debtors against which the applicable unsecured creditors hold allowed claims) as the applicable Plan Debtors' assets are liquidated.

10. In accordance with section 1125 of the Bankruptcy Code, the Committee has prepared and filed a detailed and comprehensive Disclosure Statement to accompany and describe the Plan.⁷ As set forth herein, the Committee intends to present the Disclosure

⁷ It should be noted, however, that the Committee continues to develop and address certain issues with respect to the Plan, and anticipates that revisions and/or additions to the Disclosure Statement may be required at the request of the Debtors, creditors and other parties in interest. Consequently, the Committee will supplement the Disclosure Statement as necessary prior to submission to the Court for approval.

Statement to the Court for approval on August 25, 2010, and is targeting a hearing on confirmation of the Plan for the end of October 2010 on a date to be determined by the Court.

Relief Requested

11. By this Motion, the Committee respectfully requests that the Court enter the Disclosure Statement Order and thereby, among other things: (a) approve the Disclosure Statement; (b) fix, subject to modification as needed, the Voting Record Date, the Voting Deadline, the Plan Objection Deadline, the deadlines for filing objections to the Plan, if any, and replies thereto, and the date on which the Court will consider confirmation of the Plan (the “Confirmation Hearing”); (c) approve the Solicitation and Voting Procedures, as well as the form of certain documents to be distributed in connection with the solicitation of votes for or against the Plan; (d) direct Kurtzman Carson Consultants LLC (“KCC”), the Debtors’ voting and claims agent (the “Voting and Claims Agent”); and (e) waive the provisions of Local Bankruptcy Rules 3016-2(A), 3016-2(B) and 3017-1(A), all as more fully described below and as provided in the Disclosure Statement Order.

Basis for Relief

A. Approval of the Disclosure Statement

12. Pursuant to section 1125 of the Bankruptcy Code, the proponent of a proposed chapter 11 plan must provide holders of impaired claims and interests entitled to vote on the plan “adequate information” regarding the plan. Specifically, section 1125(a)(1) of the Bankruptcy Code provides, in relevant part, as follows:

‘[A]dequate information’ means information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor’s books and records, including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case, that would enable such a

hypothetical investor of the relevant class to make an informed judgment about the plan

11 U.S.C. § 1125(a)(1). “Adequate information” has been interpreted as information that is “reasonably practicable” to permit “informed judgment” by impaired creditors and interest holders entitled to vote on the plan. *See In re New Power Co.*, 438 F.3d 1113, 1118 (11th Cir. 2006).

13. The Disclosure Statement reflects a summary of the Plan and, in particular, the effect of the terms of the Plan on holders of claims and equity interests and parties in interest that would result if the Plan is confirmed and consummated. The Disclosure Statement also contains the pertinent information necessary for holders of claims entitled to vote on the Plan to make an informed decision about whether to vote to accept or reject the Plan. Specifically, the Disclosure Statement includes information regarding, among other things:

- (a) the Plan;
- (b) the history of the Debtors, including certain events leading to the commencement of these chapter 11 cases;
- (c) the operation of the Debtors’ businesses and significant events during these chapter 11 cases;
- (d) the Debtors’ prepetition capital structure and indebtedness;
- (e) claims asserted against the Debtors’ estates and the procedures for the resolution of contingent, unliquidated and disputed claims;
- (f) the classification and treatment of claims and equity interests under the Plan;
- (g) certain risk factors to consider that may affect the Plan;
- (h) certain federal income tax law consequences of the Plan;
- (i) the provisions governing distributions under the Plan;
- (j) the means for implementation of the Plan;

- (k) litigation involving the Debtors including the Committee Action;
- (l) identification of causes of action belonging to the Liquidation Trust and the intended disposition of such actions; and
- (m) settlement, release, injunctive and exculpation provisions of the Plan.

14. The Committee respectfully submits that the Disclosure Statement contains more than sufficient information for a hypothetical reasonable investor to make an informed judgment about the Plan and complies with all aspects of section 1125 of the Bankruptcy Code. *In re Metrocraft Publ'g Servs., Inc.*, 39 B.R. 567, 568 (Bankr. N.D. Ga. 1984) (listing the factors courts have considered in determining the adequacy of information provided in a disclosure statement); *see also In re U.S. Brass Corp.*, 194 B.R. 420, 424-25 (Bankr. E.D. Tex. 1996); *In re Scioto Valley Mortg. Co.*, 88 B.R. 168, 170-71 (Bankr. S.D. Ohio 1988) (same). To the extent necessary, the Committee will demonstrate at the hearing on this motion (the “Disclosure Statement Hearing”) that the Disclosure Statement addresses the information set forth above in a manner that provides holders of impaired claims entitled to vote to accept or reject the Plan with adequate information within the meaning of section 1125 of the Bankruptcy Code. As a result, the Disclosure Statement should be approved.

B. Establishment of the Voting Record Date and the Voting Deadline

15. Bankruptcy Rule 3017(c) provides, in relevant part, that “[o]n or before approval of the disclosure statement, the court shall fix a time within which the holders of claims and interests may accept or reject the plan.” Fed R. Bankr. P. 3017(c).

16. The Committee proposes that August 25, 2010, the date the Disclosure Statement Hearing is scheduled to commence, serve as the date on which the Committee will determine which creditors of the Debtors are entitled to receive the Disclosure Statement and to vote to

accept or reject the Plan (the “Voting Record Date”). The Voting Record Date will be for voting purposes only and will have no impact on who is entitled to receive distributions under the Plan.

The Voting Record Date will determine the following:

- (a) those holders of claims that are entitled to receive the Solicitation Package (see section D.ii below);
- (b) those holders of claims, including the identity of beneficial holders, that are entitled to vote to accept or reject the Plan; and
- (c) whether transferred claims have been properly assigned or transferred to an assignee pursuant to Bankruptcy Rule 3001(e) such that such assignee can vote as the holder of a claim against the Debtors.

17. To avoid potential confusion, the Disclosure Statement Hearing Notice and the Confirmation Hearing Notice (each as defined below) prominently state the applicable Voting Record Date. Furthermore, the Voting Record Date is clearly identified and described in the Disclosure Statement. Additionally, before the Disclosure Statement Hearing, the Committee, with the assistance of the Voting and Claims Agent, will contact the registrars of the Debtors’ public securities and the applicable indenture trustees so that such parties may compile and generate lists of holders of the Debtors’ securities as of the Voting Record Date.

18. The Committee further proposes that the Court establish the date that is approximately fourteen calendar days before the proposed Confirmation Hearing as the last date on which all properly executed and completed votes to reject or accept the Plan must be actually received by the appropriate entity (the “Voting Deadline”). The Committee proposes that, in order for votes to be counted as votes to accept or reject the Plan, all Ballots and Master Note Ballots (each as defined below), as applicable, must be properly executed, completed and delivered by first class mail, overnight courier or personal delivery, in each case so that they are *actually received* no later than the Voting Deadline by the Voting and Claims Agent.

C. Approval of Forms of Ballots and Master Note Ballots

19. Bankruptcy Rule 3018(c) provides, in part, that “[a]n acceptance or rejection [of a proposed plan of reorganization] shall be in writing, identify an authorized agent, and conform to the appropriate Official Form.” Fed. R. Bankr. P. 3018(c). Additionally, Bankruptcy Rule 3017(d) requires that, upon approval of a disclosure statement, “a form of ballot conforming to the appropriate Official Form shall be mailed to creditors and equity security holders entitled to vote on the plan.” Fed. R. Bankr. P. 3017(d).

20. The Committee has prepared the form of ballots for use by (a) parties and entities entitled to vote to accept or reject the Plan (the “Ballots”); (b) the beneficial owners of publicly traded securities who hold claims against the Debtors that are entitled to vote to accept or reject the Plan and hold such security through a bank or brokerage firm (each a “nominee”) maintaining a position through an account at the Depository Trust Company or other relevant security depository and/or applicable indenture trustee as of the Record Date (the “Note Ballots”); and (c) the brokerage firms or banks that serve as nominees for such beneficial owners (the “Master Note Ballot”). The Committee proposes that the Ballot, Note Ballot and Master Note Ballot be substantially in the forms annexed hereto as Exhibit 1, Exhibit 2 and Exhibit 3 to Exhibit A, respectively. The Ballots, Note Ballot and Master Note Ballots are based on Official Form No. 14; the Committee, however, has modified the form to address the particular circumstances of these chapter 11 cases and to include certain additional information that the Committee believes is relevant and appropriate for each class of claims entitled to vote on the Plan. The Committee respectfully submits that the forms of the Ballots, Note Ballots and Master Note Ballots comply with Bankruptcy Rule 3018(c) and should, therefore, be approved.

D. The Solicitation and Voting Procedures

21. The Committee has designed the Solicitation and Voting Procedures, which are detailed in the Disclosure Statement Order annexed hereto as Exhibit A, to facilitate a smooth and efficient distribution of the Disclosure Statement and the solicitation of votes to accept or reject the Plan, as follows:

(i) The Solicitation Package

22. Bankruptcy Rule 3017(d) provides, in relevant part, that

“[u]pon approval of a disclosure statement . . . the debtor in possession . . . shall mail to all creditors and equity security holders . . . [and] the United States trustee,

- (1) the plan or a court-approved summary of the plan;
- (2) the disclosure statement approved by the court;
- (3) notice of the time within which acceptances of the plan may be filed; and
- (4) any other information as the court may direct, including any court opinion approving the disclosure statement.

Fed. R. Bankr. P. 3017(d). Additionally, Bankruptcy Rule 2002(b) requires that “the debtor, the trustee, all creditors and indenture trustees [be given] not less than 25 days notice by mail of . . . the time fixed for filing objections and the hearing to consider confirmation of a . . . chapter 11 [plan].” Fed. R. Bankr. 2002(b).

23. Pursuant to these requirements, the Committee, with the assistance of the Voting and Claims Agent, proposes to prepare and distribute a solicitation package that will contain important information and required voting material with respect to the Plan (the “Solicitation Package”). The Solicitation Package will contain copies of documents related to the Plan and the Disclosure Statement, including, among other documents: (a) a cover letter, substantially in the form annexed hereto as Exhibit 4 to Exhibit A, describing the contents of the Solicitation

Package; (b) an appropriate form of Ballot and/or Master Note Ballot (including Note Ballot),⁸ (c) the approved form of the Disclosure Statement; (d) the Plan; (e) the Disclosure Statement Order; and (f) the Confirmation Hearing Notice.

24. The Disclosure Statement, the Plan and the Disclosure Statement Order total more than 200 pages, without including exhibits. Thus, the Committee seeks authority to serve (with the assistance of the Voting and Claims Agent), in its discretion, copies of the Disclosure Statement, the Plan and/or the Disclosure Statement Order in CD-ROM format instead of paper format.

25. Notwithstanding the foregoing, any party that receives a CD-ROM copy of the Solicitation Package but instead desires a paper copy of those documents may request such documents (a) at <http://www.tousadocket.com>; (b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245; (c) by calling (888) 647-1742 ; or (d) by emailing KCC_TOUSA@kccllc.com.

26. The Voting and Claims Agent will prepare the Solicitation Package, and will distribute the Solicitation Package, in accordance with the requirements of the Bankruptcy Rules. Specifically, as described below, the Committee plans to distribute the Solicitation Packages no later than 30 days before the Voting Deadline, which would provide substantially more notice than the required 25-day period before the Confirmation Hearing (as well as the 40-day period required under the Local Bankruptcy Rules). Additionally, the Committee has crafted the Solicitation Package to include each of the documents required by Bankruptcy Rule 3017(d) to

⁸ Consistent with securities industry practice in bankruptcy solicitations, Master Note Ballots will be distributed to nominees at a later date.

include important information with respect to the extent of parties in interest's support of the Plan.

27. The Committee also submits that permitting the Voting and Claims Agent to deliver CD-ROM copies of the Solicitation Package will eliminate additional expense and costs for the Debtors' estates without prejudicing any party because any party may request the documents in paper form and, furthermore, is in accord with the practice of bankruptcy courts in other districts in large chapter 11 cases. *See e.g., In re Calpine Corp.*, Case No. 05-60200 (Bankr. S.D.N.Y. Sept. 26, 2007); *In re Northwest Airlines Corp.*, Case No. 05-17930 (Bankr. S.D.N.Y. Mar. 30, 2007); *In re Delta Air Lines, Inc.*, Case No. 05-17923 (Bankr. S.D.N.Y. Feb. 7, 2007); *In re Adelphia Commc'ns Corp.*, Case No. 02-41729 (Bankr. S.D.N.Y. Oct. 17, 2006).

(ii) Distribution of the Solicitation Package

28. Section 1129 of the Bankruptcy Code establishes the requirements for confirmation of a chapter 11 plan and provides, in relevant part, that only those holders of claims against and equity interests in a debtor that are "impaired" by a plan are entitled to vote on the plan. 11 U.S.C. § 1129(a)(7). Section 1124 of the Bankruptcy Code provides that, generally, a claim or interest is not "impaired" if the plan does not alter the legal, equitable or contractual rights of the holder of the claim or interest or the plan reinstates the original terms of the obligation (*i.e.*, cures any default and reinstates the original terms of the obligation). 11 U.S.C. § 1124.

29. The following classes established under the Plan are "impaired" and are entitled to vote to accept or reject the Plan (collectively, the "Voting Classes"):

Debtor(s): TOUSA	
Class	Claim
1B	First Lien Term Loan Claims
2	Second Lien Term Loan Claims
5A	Senior Note Claims
5B	Lender Deficiency Claims
5C	General Unsecured Claims

Debtor(s): Conveying Subsidiaries	
Class	Claim
4A	Senior Note Claims
4B	General Unsecured Claims

Debtor(s): Beacon Hill	
Class	Claim
3	General Unsecured Claims

30. Except as provided in section D.iii below, the Committee proposes to distribute (with the assistance of the Voting and Claims Agent) the Solicitation Packages via first class mail to those holders of claims in the Voting Classes, or, with respect to the holders of Senior Note Claims holding through a Nominee, via overnight courier to the Nominees, no fewer than 30 days before the Voting Deadline (the “Solicitation Date”), as determined by the criteria set forth in the Solicitation and Voting Procedures. Briefly, this criteria provides a mechanism by which the Committee will identify those holders of claims that, although falling in one of the Voting Classes, are otherwise not permitted to vote to accept or reject the Plan (*e.g.*, because their claim is subject to an objection or was scheduled as contingent, disputed or unliquidated and was not superseded by a timely-filed proof of claim).

31. The Voting and Claims Agent will also provide paper copies of, or a CD-ROM containing, the Solicitation Package to each party on the Master Service List and the 2002 List as of the Voting Record Date, as well as the Internal Revenue Service and the Securities and Exchange Commission.

32. The Committee, with the assistance of the Voting and Claims Agent, will make every reasonable effort to ensure that holders of more than one claim in a single voting class receive no more than one Solicitation Package on account of such claims.

(iii) Delivery of Solicitation Packages to Undeliverable or Changed Addresses

33. The Committee anticipates that some of the notices sent before the mailing of the Solicitation Packages may be returned by the United States Postal Service or other carrier(s) as undeliverable. Additionally, the Committee anticipates that certain parties may have changed their mailing address since the Petition Date.

34. The Committee proposes that each address for which a notice is returned as undeliverable, the Voting and Claims Agent will not be required to mail a Solicitation Package unless a party associated with such address provides written confirmation correcting such address no less than ten business days before the Solicitation Date to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245.

35. With respect to a holder of a claim that has changed its mailing address after the Petition Date, the Committee proposes that such holder provide written notice to the Voting and Claims Agent of such change at the address above no less than ten business days before the Solicitation Date. In no event should the Voting and Claims Agent be required to update a mailing address without a timely written notice provided by the addressee. The Committee believes that the ability to avoid mailing Solicitation Packages to undeliverable address will obviate unnecessary expenditures of time and estate resources without prejudicing the rights or any creditor or party in interest.

(iv) Notice of the Disclosure Statement Hearing and the Distribution of Solicitation Packages

36. The Plan approval process will require that the Committee provide various forms of notice to different parties from time to time. Specifically, Bankruptcy Rule 3017(a) provides, in relevant part, that “after a disclosure statement is filed . . . the court shall hold a hearing on at least 25 days’ notice to the debtor, creditors, equity security holders and other parties in interest . . . to consider the disclosure statement and any objections or modifications thereto.” Fed. R. Bankr. P. 3017(a). Additionally, Bankruptcy Rule 3017(d) provides, in part, that a plan proponent provide “notice of the time fixed for filing objections [to a chapter 11 plan] and the hearing on confirmation shall be mailed to all creditors and equity security holders in accordance with Rule 2002(b).” Fed. R. Bankr. P. 3017(d). Bankruptcy Rule 2002(b) requires 25 days’ notice of a hearing to confirm a chapter 11 plan.

37. To avoid uncertainty, and consistent with the requirements of the Bankruptcy Code and the Bankruptcy Rules, the Committee proposes that the Court approve certain forms of notice, each as defined below, that will be used throughout the Plan approval process.

(a) Disclosure Statement Hearing Notice

38. Within two business days of the filing of this motion, the Committee, with the assistance of the Voting and Claims Agent, will serve notice of the filing of the Disclosure Statement and the Disclosure Statement Hearing on all known holders of claims against and equity interests in the Debtors in the form annexed hereto as Exhibit 5 to Exhibit A (the “Disclosure Statement Hearing Notice”). The Committee, with the assistance of the Voting and Claims Agent will provide the Disclosure Statement Hearing Notice by first class mail on or before July 21, 2010, which is 35 days before the date of the Disclosure Statement Hearing and

29 days before the proposed deadline (**August 19, 2010**) for filing objections to the Disclosure Statement.

39. Local Bankruptcy Rule 3016-2(A) requires that, once a disclosure statement is filed with the Court, the Court will enter the order entitled “Order (I) Setting Hearing to Consider Approval of Disclosure Statement; (II) Setting Deadline for Filing Objections to Disclosure Statement; and (III) Directing Plan Proponent to Serve Notice” (the “Local Notice Order”). Local Bankr. R. 3016-2(A). Similarly, Local Bankruptcy Rule 3017-1(A) requires the plan proponent to serve the Local Notice Order within 30 days of a disclosure statement hearing. The Debtors have more than 90,000 notice parties in these chapter 11 cases. As discussed with the Court at the hearing on July 13, 2010, the Committee, with the assistance of the Voting and Claims Agent, has prepared and will serve the Disclosure Statement Hearing Notice following the filing of this Motion. Thus, the Committee respectfully requests that the Court waive the requirements of Local Bankruptcy Rules 3016-2(A) and 3017-1(A) and approve the Disclosure Statement Hearing Notice and the service thereof.

40. The Committee’s proposed Disclosure Statement Order is tailored to the exigencies of these chapter 11 cases and is substantially similar to disclosure statement orders entered in other large chapter 11 cases. *See In re Edge Petroleum Corp., Case No. 09-20644* (Bankr. S.D. Tex. Nov. 10, 2009) (D.E. # 231); *In re Philadelphia Newspapers, LLC, Case No. 09-11204* (Bankr. E.D. Pa. Oct. 30, 2009) (D.E. # 1361, 1883, 2090); *In re Movie Gallery, Inc.*, Case No. 07-33849 (Bankr. E.D.Va. Feb. 5, 2008) (D.E. # 1426); *Global Power Equipment Group, Inc.*, Case No. 06-11045 (Bankr. Del. Oct 31, 2007) (D.E. # 1913); *In re Dura Automotive Systems, Inc.*, Case No. 06-11202 (Bankr. Del. Oct. 4, 2007) (D.E. # 1973); *In re Calpine Corp.*, Case No. 05-60200 (Bankr. S.D.N.Y. Sept. 26, 2007) (D.E. # 6136); *In re Access*

Cardio Systems, Inc., Case No. 05-40809 (Bankr. W.D. Mass. Mar. 19, 2007) (D.E. # 405);
Collins & Aikman Corp., Case No. 05-55927 (Bankr. E.D. Mich. Jan. 26, 2007) (D.E. # 3988).

41. The Committee submits that the Disclosure Statement Hearing Notice provides all holders of claims against the Debtors with appropriate notice of the Disclosure Statement Hearing, as required by Bankruptcy Rule 3017(a).

(b) Notice to Non-Voting Classes

42. Certain holders of claims are not entitled to vote to accept or reject the Plan (because, for example, they are not classified in accordance with section 1123(a)(1) of the Bankruptcy Code, they are unimpaired or are otherwise deemed to accept the Plan under section 1126(f) of the Bankruptcy Code) (collectively, the “Non-Voting Classes”). Solicitation Packages will not be mailed to creditors in Non-Voting Classes. The Committee proposes, however, to provide an alternative notice of non-voting status to parties in the Non-Voting Classes, as follows:

- (a) Non-Voting Status – Deemed to Accept. Non-Voting Parties that are deemed to accept the Plan will receive notice of their status, substantially in the form annexed hereto as Exhibit 6-A to Exhibit A.
- (b) Non-Voting Status – Deemed to Reject. Non-Voting Parties that are deemed to reject the Plan will receive notice of their status, substantially in the form annexed hereto as Exhibit 6-B to Exhibit A.

43. These notices will advise parties that the Plan is pending, that they are deemed to accept or reject the plan and that they may obtain certain materials in the Solicitation Package (including the Disclosure Statement but excluding a Ballot, Note Ballot or Master Note Ballot) from the Voting and Claims Agent.

(v) Voting and Tabulation Procedures

44. Section 1126(c) of the Bankruptcy Code provides, in relevant part, that

A class of claims has accepted a plan if such plan has been accepted by creditors . . . that hold at least two-thirds in amount and more than one-half in number of the allowed claims of such class held by creditors, other than any entity designed under subsection (e) of this section, that have accepted or rejected the plan.

11 U.S.C. § 1126(c). Additionally, Bankruptcy Rule 3018(c) provides, in part, that “[a]n acceptance or rejection [of a plan] shall be in writing, identify the plan or plans accepted or rejected, be signed by the creditor or equity security holder or an authorized agent and conform to the appropriate Official Form.” Fed. R. Bankr. P. 3018(c).

45. Consistent with these requirements, the Solicitation and Voting Procedures, which are set forth in detail in section D of the Disclosure Statement Order, include specific voting and tabulation requirements and procedures, as follows:

(a) Completion of Ballots and Master Note Ballots

46. To ease and clarify the process of tabulating all votes received, the Committee proposes that a Ballot, Note Ballot or Master Note Ballot, as the case may be, be counted in determining the acceptance or rejection of the Plan only if it satisfies certain criteria. Specifically, the Solicitation and Voting Procedures provide that the Committee not count a Ballot, Note Ballot or Master Note Ballot if it is, among other things, illegible, submitted by a holder of a claim that is not entitled to vote on the Plan, unsigned or not clearly marked.

(b) Establishing Claim Amounts for Voting Purposes

47. The Committee seeks to establish procedures for determining the amounts of each claim for purposes of tabulating votes. These procedures include determining amounts for voting purposes based upon, among other things, any settlements approved by the Court, amounts set forth in the Debtors’ schedules of assets and liabilities, amounts listed in proofs of claim not subject to objection and amounts established by temporarily allowed (as such term is

defined in the Plan) claims. These procedures will be used for voting purposes only and will not be used to determine the allowed amount of any claim for purposes of making distributions under the Plan. The Committee will, with the assistance of the Voting and Claims Agent, provide claim amounts on each Ballot, Note Ballot or Master Note Ballot as a courtesy; such information will not, however, be binding on any party (including the Debtors).

(c) General Ballot Tabulation, Voting Procedures Applicable to Beneficial Holders of Claims and Tabulation of Votes Cast by Beneficial Holders of Claims

48. The Committee proposed Solicitation and Voting Procedures set forth specific criteria with respect to the general tabulation of Ballots and Mater Ballots, voting procedures applicable to beneficial holders of claims and tabulation of such votes.

49. The Committee believes that the proposed voting and tabulation procedures will facilitate the Plan confirmation process. Specifically, the procedures will clarify the obligations of every holder of a claim entitled to vote to accept or reject the Plan and will create a straightforward process by which the Committee can determine whether they have satisfied the numerosity requirements of section 1126(c) of the Bankruptcy Code. Accordingly, the Committee submits that the voting and tabulation procedures are in the best interests of the Debtors' estates, holders of claims and other parties in interest, and that good cause supports the relief requested herein.

(d) Temporary Allowance of Claims for Voting Purposes and Related Notice

50. Bankruptcy Rule 3018(a) provides for temporary allowance of claims or interests for which an objection is pending at the time when plan votes are solicited so that holders may vote such claims or interests at a temporarily allowed amount. *See* Fed. R. Bankr. P. 3018(a).

51. Consistent with Bankruptcy Rule 3018(a), the Committee has designed procedures with respect to the temporary allowance of claims for voting purposes only for claims that are not otherwise allowed (a “Disputed Claim”). Generally, the procedures provide that a Disputed Claim not be entitled to vote unless at least one of certain “Resolution Events” has taken place with respect to such claim at least five business days before the Voting Deadline. These procedures are meant to provide sufficient notice to holders of Disputed Claims of the status of their claim and an appropriate process and period of time within which to resolve such dispute for voting purposes.

52. The Committee proposes that it send holders of a Disputed Claim a Non-Voting Status Notice with Respect to Disputed Claims (the “Disputed Claim Notice”), substantially in the form attached hereto as Exhibit 7 to Exhibit A, in lieu of the Solicitation Package. The Disputed Claim Notice will inform holders that (a) their claim is subject to an objection and (b) the holder of such claim cannot vote any disputed portion of its claim unless a Resolution Event takes place at least 5 business days before the Voting Deadline.

53. Furthermore, the Committee proposes that if the holder of a claim receives a Solicitation Package and an objection is filed to such claim after the Voting Record Date, but at least 15 days before the Confirmation Hearing, the notice of objection will inform such holder of the rules applicable to claims subject to a pending objection and the procedures for temporary allowance for voting purposes. If an objection to a claim is filed less than 15 days before the Confirmation Hearing, the holder’s claim will be deemed temporarily allowed, for voting purposes only, without further action by the holder of such claim and without further order of the Bankruptcy Court.

54. After any Resolution Event that allows for voting a particular claim, the proposed Solicitation and Voting Procedures require the Voting and Claims Agent to distribute a Solicitation Package and a pre-addressed, postage pre-paid envelope to the relevant claimholder; the ballot enclosed in the Solicitation Package must be returned according to the instructions on the Ballot or Master Note Ballot by no later than the Voting Deadline.

55. The Committee respectfully submits that these procedures, as more fully described in section D(v)(f) of the Solicitation and Voting Procedures, comply with Bankruptcy Rule 3018(a) and should be approved.

E. Confirmation of the Plan

(i) The Confirmation Hearing

56. The Committee expects that it will request a date for the Confirmation Hearing at the Disclosure Statement Hearing, but anticipates (as a preliminary matter) that the hearing would occur during the Court's omnibus hearing in these chapter 11 cases in October of 2010. Such date will comply with the requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules. The Committee proposes that the Confirmation Hearing may be continued from time to time by the Court or the Committee without further notice other than an adjournment announced in open court and/or a notice of adjournment filed with the Court and served on the Master Service List, the 2002 List (as each is defined in the Case Management Procedures) and any parties or entities who have filed objections to the Plan, without further notice to other parties in interest.

(ii) Procedures for Filing Objections to Confirmation of the Plan

57. Bankruptcy Rule 3020 requires, in part, that objections to a plan are governed by Bankruptcy Rule 9014 and, furthermore, that an objection to confirmation of a plan of

reorganization be served on the debtor, the trustee, the proponent of the plan and any committee appointed under the Bankruptcy Code. Fed. R. Bankr. Proc. 3020.

58. Consistent with these requirements, the Committee requests that the Bankruptcy Court establish a date that is 14 calendar days before the Confirmation Hearing as the last day on which all objections to the Plan must be filed with the Bankruptcy Court and served upon the Debtors, the Committee and certain other parties in interest (the "Plan Objection Deadline").

59. The Committee further requests the Court to direct that any objection to the Plan must:

- (a) be in writing;
- (b) conform to the Bankruptcy Rules and the Local Bankruptcy Rules;
- (c) state the name and address of the objecting party and the amount and nature of the claim or equity interest of such party;
- (d) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and
- (e) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that it is *actually received* by the notice parties identified in the Confirmation Hearing Notice on, or before, the Plan Objection Deadline.

60. The Committee believes that these requirements will assist the Committee, the Court and all other parties in interest in moving towards a swift and efficient resolution of any and all objections to the Plan.

(iii) Confirmation Hearing Notice (Mailed Notice)

61. If the Court approves the Disclosure Statement at the Disclosure Statement Hearing, the Committee proposes to send the Confirmation Hearing Notice, a copy of which is annexed hereto as Exhibit 8 to Exhibit A, to provide notice of the date, time and location of the

Confirmation Hearing. The Confirmation Hearing Notice contains, among other things: (a) instructions to holders of claims and equity interests and parties in interest on how such parties may view or obtain copies of the Disclosure Statement (with all appendices thereto, including the Plan), the Disclosure Statement Order, the Solicitation and Voting Procedures and all other materials in the Solicitation Package; (b) a disclosure regarding the settlement, third party release, exculpation and injunction language in Article VIII of the Plan; (c) the Voting Record Date; (d) the procedures for the temporary allowance of claims; (e) the Voting Deadline; (f) the Plan Objection Deadline; and (g) the date and time of the Confirmation Hearing.

62. Additionally, the Confirmation Hearing Notice will inform parties that the Solicitation Package (excluding Ballots and Master Note Ballots) can be obtained from the Voting and Claims Agent (a) at <http://www.tousadocket.com>; (b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245; (c) by calling (888) 647-1742; or (d) by emailing KCC_TOUSA@kccllc.com.

63. The proposed form of the Confirmation Hearing Notice complies with the requirements of Bankruptcy Rule 3017(d), because the Committee will deliver the Confirmation Hearing Notice, which complies with all informational requirements of the Bankruptcy Rules, to all known holders of claims against and equity interests in the Debtors with more than the required 25-days notice. Additionally, as discussed below, the anticipated publication of the Confirmation Hearing Notice will effectively provide notice to any parties in interest that otherwise do not actually receive the mailed Confirmation Hearing Notice.

(iv) Confirmation Hearing Notice (Published Notice)

64. The Committee proposes to publish a modified version of the Confirmation Hearing Notice at least 25 days before the Voting Deadline. The published version of the Confirmation Hearing Notice will provide notice of, among other things, the Plan Objection

Deadline, the Voting Deadline and the first date on which the Confirmation Hearing is scheduled. The publication of the Confirmation Hearing Notice will provide information about key dates with respect to confirmation of the Plan. To this end, the Committee proposes to publish the Confirmation Hearing Notice, as modified for publication, in the National Edition of *USA Today* and *The Wall Street Journal*, *The Miami Herald*, and the *South Florida Business Journal*.

F. Duties of the Voting and Claims Agent

65. On or about January 31, 2008, the Bankruptcy Court entered the Order Authorizing the Employment and Retention of Kurtzman Carson Consultants LLC as Notice, Claims and Balloting Agent for the Debtors (the “KCC Order”) [D.E. #102]. The Committee respectfully requests that KCC, as Voting and Claims Agent be authorized (to the extent not already authorized) and directed to assist the Committee in (a) distributing the Solicitation Package; (b) receiving, tabulating and reporting on Ballots and Master Note Ballots cast to accept or reject the Plan by holders of claims against the Debtors; (c) responding to inquiries from holders of claims and equity interests and other parties in interest relating to the Disclosure Statement, the Plan, the Ballots and the Master Note Ballots, the Solicitation Package and all other related documents and matters related thereto, including, without limitation, the procedures and requirements for voting to accept or reject the Plan and for objecting to the Plan; (d) soliciting votes on the Plan; and (e) if necessary, contacting creditors and holders of claims and equity interests regarding the Plan.

Notice

66. The Committee have provided notice of this motion to: (a) the Debtors; (b) the Office of the United States Trustee for the Southern District of Florida; (c) counsel to the agent for the Debtors’ prepetition first lien facilities; (d) counsel to the agent for the Debtors’

prepetition second lien facility; (e) the Internal Revenue Service; (f) the Securities and Exchange Commission; (h) the indenture trustee for each of the Debtors' outstanding bond issuances; and (h) all parties who have filed notices of appearance and requests for pleadings in these chapter 11 cases. In light of the nature of the relief requested, the Committee respectfully submits that no further notice is necessary.

WHEREFORE, for the reasons set forth herein, the Committee respectfully requests that the Court enter the Disclosure Statement Order, substantially in the form annexed hereto as Exhibit A, to, among other things, (a) approve the Disclosure Statement; (b) fix, subject to modification as needed, the Voting Record Date, the Voting Deadline, the Plan Objection Deadline, the deadlines for filing objections to the Plan, if any, and replies thereto and the Confirmation Hearing; (c) approve the Solicitation and Voting Procedures, as well as the form of certain documents to be distributed in connection with the solicitation of the Plan; (d) authorize KCC to act as Voting and Claims Agent for the Committee; (e) waive the provisions of Local Bankruptcy Rules 3016-2(A), 3016-2(B) and 3017-1(A); and (f) grant any such other relief as may be appropriate under the circumstances.

Dated: July 19, 2010

Respectfully submitted,

By: Patricia A. Redmond

I hereby certify that I am admitted to the Bar of the United States District Court for the Southern District of Florida, and I am in compliance with the additional qualifications to practice in this Court as set forth in Local Bankruptcy Rule 2090-1.

STEARNS WEAVER MILLER

WEISSLER

ALHADEFF & SITTERSON, P.A.

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–and–

We hereby certify that the undersigned attorneys are appearing pro hac vice in this matter pursuant to Court orders dated February 27, 2008, March 3, 2008, and August 21, 2008.

AKIN GUMP STRAUSS HAUER & FELD LLP

Daniel H. Golden (New York Bar No. 1133859)

Philip C. Dublin (New York Bar No. 2959344)

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One Bryant Park

New York, NY 10036

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Co-Counsel to the Official Committee of Unsecured Creditors of TOUSA Inc., et al.

Exhibit A

Disclosure Statement Order

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

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

ORDER GRANTING MOTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF TOUSA, INC., ET AL. FOR ENTRY OF ORDER APPROVING THE DISCLOSURE STATEMENT FOR JOINT PLAN OF LIQUIDATION OF TOUSA, INC. AND CERTAIN OF ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION AND ESTABLISHING SOLICITATION AND VOTING PROCEDURES WITH TO THE JOINT PLAN OF LIQUIDATION OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION

Upon the motion [D.E. #__] (the "Motion")¹ of the Official Committee of Unsecured Creditors (the "Committee") of TOUSA, Inc. and its affiliated debtors and debtors in possession in the above-captioned, jointly administered chapter 11 cases (collectively, the "Debtors") for the entry of an order (the "Disclosure Statement Order") approving (i) the Disclosure Statement For Joint Plan Of Liquidation Of TOUSA, Inc. And Its Affiliated Debtors And Debtors In Possession Under Chapter 11 Of The Bankruptcy Code, filed by the Committee on July 16, 2010 [D.E. #5798] (the "Disclosure Statement")² and (ii) certain procedures by which creditors entitled to vote may vote to accept or reject the Plan, which procedures are described in section D of this Order (the "Solicitation and Voting Procedures"); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and

¹ Capitalized terms used, but not defined herein, shall have the meaning set forth in the Plan.

² On July 16, 2010, the Committee filed the Joint Plan Of Liquidation Of Touse, Inc. And Its Affiliated Debtors And Debtors In Possession Under Chapter 11 Of The Bankruptcy Code [D.E. # 5799] (the "Plan").

consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and upon the arguments and testimony presented at the hearing before the Court, and any objections to the Motion having been withdrawn, resolved or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is **ORDERED** that:

1. The Motion is granted in its entirety.

A. Approval of the Disclosure Statement

2. The Disclosure Statement complies with all aspects of section 1125 of the Bankruptcy Code and is hereby approved as containing “adequate information” (as defined by section 1125(a) of the Bankruptcy Code).

3. The Committee has provided adequate notice of the time fixed for filing objections and the hearing to consider approval of the Disclosure Statement in accordance with Bankruptcy Rules 2002 and 3017 and Rules 2002-1 and 3017-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of Florida (the “Local Bankruptcy Rules”).

4. Any objections to approval of the Disclosure Statement that were not withdrawn or resolved at or prior to the hearing to consider approval of the Disclosure Statement are overruled.

B. Establishment of the Voting Record Date and the Voting Deadline

5. **Voting Record Date.** August 25, 2010, shall be the Voting Record Date for identifying:

- (a) holders of claims that are entitled to receive the Solicitation Package;
- (b) holders of claims, including Record Holders³ and Beneficial Holders,⁴ that are entitled to vote to accept or reject the Plan; and
- (c) transferred claims that have been properly assigned or transferred to an assignee pursuant to Bankruptcy Rule 3001(e) such that the assignee can vote as the holder of a claim against the Debtors.

6. **Voting Deadline.** [____, 2010] at 5:00 p.m. prevailing Eastern Time shall be the last date on which all properly executed and completed votes to reject or accept the Plan must be **actually received** by the Voting and Claims Agent at the following address: TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, Attn: TOUSA Ballot Processing.

C. Approval of Forms of Ballots and Master Note Ballots

7. The Ballots, Note Ballots and Master Note Ballots, substantially in the forms attached hereto as Exhibit 1, Exhibit 2 and Exhibit 3, respectively, are hereby approved.

8. The form of the ballot instructions, substantially in the form attached to the Ballots, Note Ballots or Master Note Ballots on Exhibit 1, Exhibit 2 and Exhibit 3 hereto, respectively, are hereby approved.

9. All votes to accept or reject the Plan must be cast by using the appropriate Ballot, Note Ballot or Master Note Ballot.

³ A “Record Holder” is a holder of a securities in (1) Class 5A for TOUSA, Inc. and (2) Class 4A of the Conveying Subsidiaries, whose claim has not been satisfied before the Distribution Record Date pursuant to a Bankruptcy Court order or otherwise and holds such security in its own name (either on the records of the Indenture Trustee or through a security depository) and is the registered holder of such security for a Beneficial Holder or on its own behalf.

⁴ A “Beneficial Holder” is a beneficial owner of securities in (1) Class 5A for TOUSA, Inc. and (2) Class 4A of the Conveying Subsidiaries, whose claim has not been satisfied before the Record Date pursuant to a Bankruptcy Court order or otherwise and holds such security through The Depository Trust Company (“DTC”) or other relevant security depository and/or the applicable indenture trustee, as reflected in the records maintained by brokerage firms, or banks, dealers or other agents or nominees (collectively, the “Nominees”).

10. All Ballots, Note Ballots and Master Note Ballots must be properly executed, completed and delivered according to their applicable ballot instructions by first class mail, overnight courier, or personal delivery, in each case, so that the Ballots and Master Note Ballots (and, in certain instances, the Note Ballots) are actually received by the Voting and Claims Agent at the return address set forth in the applicable Ballot or Master Note Ballot no later than the Voting Deadline.

D. Approval of the Solicitation and Voting Procedures

11. The following procedures with respect to solicitation and voting procedures (collectively, the “Solicitation and Voting Procedures”) shall govern the solicitation and tabulation of votes to accept or reject the Plan.

12. The Solicitation and Voting Procedures set forth herein satisfy the requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules, and the Committee, with the assistance of the Voting and Claims Agent, shall distribute or cause to be distributed Solicitation Packages to all entities entitled to vote to accept or reject the Plan.

13. Notwithstanding anything to the contrary contained herein, the Committee shall reserve the right (subject to approval of this Court) to amend or supplement the Solicitation Procedures and Voting Procedures to better facilitate the solicitation process.

(i) The Solicitation Package

14. The following documents and materials shall constitute the solicitation package with respect to soliciting votes to accept or reject the Plan (the “Solicitation Package”):

- (a) a cover letter, substantially in the form annexed hereto as Exhibit 4, that (i) describes the contents of the Solicitation Package and instructions on how paper copies of any materials that may be provided in CD-ROM format can be obtained at no charge; (ii) explains that a supplement to the Plan will be filed on or before fourteen days before the

Voting Deadline; and (iii) encourages the holders in each of the classes entitled to vote on the Plan to accept the Plan;

- (b) an appropriate form of Ballot, Note Ballot and/or Master Note Ballot, as applicable, and instructions with respect thereto, together with a pre-addressed, postage prepaid return envelope;
- (c) the approved form of the Disclosure Statement, which shall be attached to the Plan;
- (d) the Disclosure Statement Order, as entered by the Bankruptcy Court; and
- (e) the Confirmation Hearing Notice.

15. The Committee, with the assistance of the Voting and Claims Agent, is hereby authorized to serve, in their discretion, copies of the Disclosure Statement, the Plan and the Disclosure Statement Order in CD-ROM format instead of paper format; *provided, however*, that any party that receives a CD-ROM copy of the Solicitation Package, but which desires a paper copy of those documents may request such documents (a) at <http://www.tousadocket.com>, (b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (c) by calling (888) 647-1742 or (d) by emailing KCC_TOUSA@kccllc.com.

16. The Committee's letter to the Voting Classes, substantially in the form annexed hereto as Exhibit 4, is hereby approved.

(ii) Distribution of the Solicitation Package

17. The Committee, with the assistance of the Voting and Claims Agent, shall distribute a copy of the Solicitation Package to those parties entitled to vote to accept or reject the Plan, as follows (collectively, the "Voting Classes"):

Debtor(s): TOUSA	
Class	Claim
1B	First Lien Term Loan Claims
2	Second Lien Term Loan Claims
5A	Senior Note Claims
5B	Lender Deficiency Claims
5C	General Unsecured Claims

Debtor(s): Conveying Subsidiaries	
Class	Claim
4A	Senior Note Claims
4B	General Unsecured Claims

Debtor(s): Beacon Hill	
Class	Claim
3	General Unsecured Claims

18. Notwithstanding the foregoing, and except as provided in subsection (iii) below, the Committee, with the assistance of the Voting and Claims Agent, shall distribute the Solicitation Packages no fewer than 30 days before the Voting Deadline (the “Solicitation Date”) by first class mail to holders of claims in the Voting Classes who are entitled to vote on the Plan, as determined by the following criteria:

- (a) holders of claims for which proofs of claim have been timely filed, as reflected on the Court’s claims register as of the Voting Record Date; *provided, however*, that holders of claims to which an objection is pending at least 15 days before the Confirmation Hearing shall not be entitled to vote unless such holders become eligible to vote through a Resolution Event in accordance with subsection (D)(v)(f) below;
- (b) parties listed in the Plan Debtors’ schedules of assets and liabilities (as amended and restated from time to time, the “Schedules”); *provided, however*, that claims that are scheduled as contingent, unliquidated or disputed, or any combination thereof, and that have been superseded by a timely filed proof of claim shall not receive a Solicitation Package; *provided, further*, that holders of claims that are scheduled as contingent, unliquidated or disputed for which the applicable bar date for such holder has not passed shall receive a Solicitation Packages;
- (c) holders of claims that arise pursuant to an agreement or settlement with the Debtors (with the consent of the

Committee) or the Committee, as reflected in a document filed with the Bankruptcy Court, in an order of the Bankruptcy Court or in a document executed by the Debtors or the Committee pursuant to authority granted by the Bankruptcy Court, regardless of whether a proof of claim with respect to such claim has been filed;

- (d) applicable Nominees with respect to a Beneficial Holder or Record Holder of a claim, as reflected in the relevant records as of the Voting Record Date; and
- (e) the assignee of any transferred or assigned claim, but only if such transfer or assignment has been fully effectuated pursuant to the procedures dictated by Bankruptcy Rule 3001(e) and such transfer is reflected on the claims register on or before the Voting Record Date.

19. The Committee, with the assistance of the Voting and Claims Agent, shall distribute sufficient copies of the Solicitation Packages to Nominees for distribution to the applicable Beneficial Holders. The Nominees will be required to distribute the Solicitation Packages they receive within five business days to the Beneficial Holders for which they provide services. In particular, to obtain votes of the Beneficial Holders, the Nominees will include as part of each Solicitation Package sent to a Beneficial Holder, a Note Ballot and a return envelope provided by and addressed to the Nominee. The Beneficial Holder must then return the Note Ballot to the Nominee in a timely manner so that the Nominee can summarize the votes of its respective Beneficial Holders on a Master Note Ballot (in accordance with the instructions attached to the Master Note Ballot) and return the Master Note Ballot to the Voting and Claims Agent so that it is received prior to the Voting Deadline.

20. Upon written request, the Debtors' estates will reimburse Nominees or their agents for their reasonable and documented out-of-pocket expenses incurred in connection with the tasks described above.

21. The Committee, with the assistance of the Voting and Claims Agent, shall provide paper copies of, or a CD-ROM containing, the Solicitation Package (excluding Ballots, Note Ballots or Master Note Ballots, as applicable) to each party on the Master Service List and the 2002 List (as each is defined in the Amended Order Establishing Certain Notice, Case Management and Administrative Procedures, dated March 25, 2008 [D.E. #655]) as of the Voting Record Date as well as the Internal Revenue Service and the Securities and Exchange Commission.

22. Ballots, Note Ballots or Master Note Ballots and copies of the Plan and Disclosure Statement need not be provided to the holders of claims in unimpaired classes or who are unclassified under the Plan and are, therefore, deemed to accept the Plan.

23. Ballots, Note Ballots or Master Note Ballots and copies of the Plan and Disclosure Statement need not be provided to the holders of equity interests who will not receive any distribution under the Plan and are, therefore, conclusively deemed to reject the Plan.

24. The applicable indenture trustee for the creditors in the following classes: (1) Class 5A for TOUSA and (2) Class 4A of the Conveying Subsidiaries shall make available to the Voting and Claims Agent the register maintained by such agent pursuant to the applicable indenture agreement. Following receipt of such list, the Voting and Claims Agent shall cause a Solicitation Package (including an appropriate Ballot) to be served upon each listed party holding a claim against a Plan Debtor as of the Voting Record Date.

(iii) Delivery of Solicitation Packages to Undeliverable or Changed Addresses

25. For any creditors for which any notices during the chapter 11 cases have been returned as undeliverable, the Committee shall not be required to mail a Solicitation Package unless the creditor provides written confirmation correcting its address no less than ten business

days before the Solicitation Date to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245.

26. For any creditor that that has changed its mailing address since the Petition Date, that creditor shall provide written notice of the address change to the Voting and Claims Agent no less than ten business days before the Solicitation Date, at the address set forth in the preceding paragraph. In no event shall the Committee be required to update a mailing address without a timely written notice provided by the addressee.

(iv) Notice of the Disclosure Statement Hearing and the Distribution of Solicitation Packages

(a) Disclosure Statement Hearing Notice

27. The form of the Disclosure Statement Hearing Notice, substantially in the form annexed hereto as Exhibit 5, and the distribution thereof, complies with the requirements of Bankruptcy Rules 2002(b), 2002(d) and 3017(d) and is hereby approved.

(b) Notice to Non-Voting Classes

28. The notices of Non-Voting Status – Deemed to Accept and Non-Voting Status – Deemed to Reject, substantially in the forms attached hereto as Exhibit 6-A and Exhibit 6-B, respectively, and the Committee’s proposed distribution thereof, are hereby approved.

(v) Voting and Tabulation Procedures

(a) Completion of Ballots and Master Note Ballots

29. A Ballot, Note Ballot or Master Note Ballot, as the case may be, shall not be counted in determining the acceptance or rejection of the Plan if it is:

- (a) illegible or contains insufficient information to permit the identification of the holder of a claim;
- (b) submitted by a holder of a claim in a class that is not entitled to vote on the Plan;

- (c) submitted by a holder of a claim listed in the Schedules as contingent, unliquidated or disputed, or any combination thereof, for which the applicable Bar Date has passed and no proof of claim was timely filed;
- (d) unsigned;
- (e) not clearly marked to accept or reject the Plan or any Ballot marked both to accept and reject the Plan (or, in the case of a Note Ballot, is marked both to accept and reject a Plan for any particular Debtor, in which case the Note Ballot shall not be counted with respect to the Plan for any Plan Debtor for which conflicting votes were submitted); or
- (f) submitted by any entity not entitled to vote pursuant to the Bankruptcy Code, the Bankruptcy Rules or otherwise.

(b) Establishing Claim Amounts for Voting Purposes

30. For purposes of tabulating the amount of the claim associated with each properly received vote, the Committee, with the assistance of the Voting and Claims Agent, shall, for voting purposes only, use the following claim amounts:

- (a) the amount of the claim settled and/or agreed upon by the Debtors (with the consent of the Committee) or the Committee, as reflected in a court pleading, stipulation, agreement or other document filed with the Bankruptcy Court, in an order of the Bankruptcy Court or in a document executed by the Debtors or the Committee pursuant to authority granted by the Bankruptcy Court;
- (b) the amount of the claim allowed (temporarily, provisionally or otherwise) pursuant to a Resolution Event described in subsection (v)(f) below;
- (c) the amount of the claim contained in a proof of claim that has been timely filed by the applicable Bar Date or determined to be timely filed by a final order of the Bankruptcy Court, except for any amounts in such proofs of claim asserted on account of any interest accrued after the Petition Date; *provided, however*, that Ballots cast by holders of claims whose claims are not listed on the Schedules, but that (i) timely file a proof of claim in an unliquidated or unknown amount (ii) and whose claims are not the subject of an objection, will count, solely for the

purposes of satisfying the dollar amount provisions of section 1126(c) of the Bankruptcy Code, in the amount of \$1.00;

- (d) the amount of each claim listed in the Plan Debtors' Schedules to the extent that such claim (i) is not listed on the Schedules as contingent, unliquidated or disputed and (ii) has not been paid during the Debtors' chapter 11 cases pursuant to the terms of a settlement, stipulation, order of the Bankruptcy Court or otherwise; *provided further* that if the Bar Date applicable to a holder of a contingent, unliquidated or disputed claim has not passed, then the amount of the claim listed in the Schedules, solely for voting purposes; and
- (e) in the absence of any of the foregoing, zero, in which case the creditor shall not be allowed to vote to accept or reject the Plan.

31. For the avoidance of doubt, the criteria provided in this subsection shall control for voting purposes only and shall not constitute the allowed amount of any claim or the amount of any claim for any other purpose.

(c) General Ballot Tabulation

32. The following procedures shall be used to tabulate all Ballots and Master Note Ballots:

- (a) the Voting and Claims Agent shall reject as invalid each and every Ballot, Note Ballot or Master Note Ballot that is not timely submitted on or before the Voting Deadline and shall, except as otherwise expressly set forth herein or by a final order of the Bankruptcy Court, decline to count such Ballot, Note Ballot or Master Note Ballot in voting to accept or reject the Plan;
- (b) the Voting and Claims Agent shall date and time-stamp all Ballots and Master Note Ballots when received. The Voting and Claims Agent shall retain originals and copies of all Ballots and Master Note Ballots for a period of one year after the effective date of the Plan, unless otherwise ordered by the Bankruptcy Court;

- (c) each party permitted to submit a Ballot or Master Note Ballot shall submit an originally executed version of such Ballot or Master Note Ballot in paper form to the Voting and Claims Agent. Submission of a Ballot or Master Note Ballot by facsimile, email or any other electronic means shall not be valid and the Committee shall decline to count such Ballot or Master Note Ballot in tabulating votes to accept or reject the Plan;
- (d) the Voting and Claims Agent shall file a report of all votes received (a "Voting Report") with the Bankruptcy Court no later than five calendar days before the Confirmation Hearing. The Voting Report shall, among other things, delineate every irregular Ballot and Master Note Ballot including, without limitation, those Ballots and Master Note Ballots that are late or (in whole or in material part as determined by the Voting and Claims Agent) illegible, unidentifiable, lacking signatures or lacking necessary information, received via facsimile or electronic mail or damaged. The Voting Report shall indicate the intentions of the Committee with regard to such irregular Ballots and Master Note Ballots;
- (e) the method of delivery of Ballots or Master Note Ballots to the Voting and Claims Agent is at the election and risk of each holder of a claim. Except as otherwise provided herein, such delivery will be deemed made only when the Voting and Claims Agent *actually receives* the originally executed Ballot or Master Note Ballot;
- (f) no Ballot, Note Ballot or Master Note Ballot shall be sent to any of the Debtors, the Debtors' agents (other than the Voting and Claims Agent), the Indenture Trustees, the Debtors' financial or legal advisors or the Committee, its agents or financial and legal advisors, and if so sent shall not be counted and debt instruments or securities should not be sent with any Ballots, Note Ballots or Master Note Ballots;
- (g) if multiple Ballots, Note Ballots or Master Note Ballots are received from the same holder of a claim with respect to the same claim before the Voting Deadline, the last Ballot, Note Ballot or Master Note Ballot timely received will supersede and revoke in its entirety any previously received Ballot, Note Ballot or Master Note Ballot;

- (h) holders must vote all of their claims within a particular class either to accept or reject the Plan (or in the case of a Note Ballot, to accept or reject any of the 38 Plans on which they are entitled to vote) and may not split any such votes. A Ballot, Note Ballot or Master Note Ballot that includes an individual claim, the amount of which partially rejects and partially accepts an individual Plan, shall not be counted. Further, if a holder has multiple claims within the same class, the Committee may, in its discretion, aggregate the claims of any particular holder within a class for the purpose of counting votes;
- (i) a person signing a Ballot or Note Ballot in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation or otherwise acting in a fiduciary or representative capacity must indicate such capacity when signing and, if required or requested by the applicable Nominee or its agent, the Voting and Claims Agent, Committee or the Bankruptcy Court, must submit proper evidence to the requesting party to so act on behalf of such holder or Beneficial Holder;
- (j) the Committee, subject to contrary order of the Bankruptcy Court, may waive any defects or irregularities as to any particular Ballot, Note Ballot or Master Note Ballot at any time, either before or after the close of voting, and any such waivers shall be documented in the Voting Report;
- (k) neither the Committee, nor any other party, shall be under any duty to provide notification of defects or irregularities with respect to delivered Ballots, Note Ballots and Master Note Ballots other than as provided in the Voting Report, nor will any such party incur any liability for failure to provide such notification;
- (l) unless waived by the Committee and subject to contrary order of the Bankruptcy Court, any defects or irregularities in connection with the delivery of a Ballot, Note Ballot or Master Note Ballot must be cured before the Voting Deadline or such Ballots, Note Ballots or Master Note Ballots will not be counted in voting to accept or reject the Plan;
- (m) in the event a designation for lack of good faith is requested by a party in interest under section 1126(e) of the Bankruptcy Code, the Bankruptcy Court shall determine whether any vote to accept and/or reject the Plan cast with

respect to that claim will be counted for purposes of determining whether the Plan has been accepted and/or rejected by such claim;

- (n) subject to any contrary order of the Bankruptcy Court, the Committee reserves the right to reject any and all Ballots, Note Ballots and Master Note Ballots not in proper form, the acceptance of which, in the opinion of Committee, would not be in accordance with the provisions of the Bankruptcy Code or the Bankruptcy Rules; *provided* that any such rejections shall be documented in the Voting Report;
- (o) the following Ballots, Note Ballots and Master Note Ballots shall not be counted in determining the acceptance or rejection of the Plan: (i) any Ballot, Note Ballot or Master Note Ballot that is illegible or contains insufficient information to permit the identification of the holder of the claim; (ii) any Ballot, Note Ballot or Master Note Ballot cast by a party that does not hold a claim in a class that is entitled to vote on the Plan; (iii) any Ballot, Note Ballot or Master Note Ballot cast for a claim scheduled as contingent, unliquidated or disputed for which the applicable Bar Date has passed and no proof of claim was timely filed; (iv) any unsigned Ballot, Note Ballot or Master Note Ballot; (v) any Ballot, Note Ballot or Master Note Ballot not marked to accept or reject the Plan; (vi) any Ballot or Master Note Ballot submitted by any entity not entitled to vote pursuant to the procedures described herein; and (vii) received via facsimile or electronic mail or damaged.

(d) Voting Procedures Applicable to Beneficial Holders of Claims

33. The Committee shall use the following procedures to tabulate votes submitted by the Beneficial Holders of claims:

- (a) no later than three weeks before the Voting Deadline, the Voting and Claims Agent shall distribute or cause to be distributed the appropriate number of copies of Master Note Ballots to each Nominee identified by the Voting and Claims Agent as a party through which Beneficial Holders hold their claims relating to the Debtors' publicly traded securities;

- (b) any Nominee that is a holder of record with respect to securities shall vote on behalf of Beneficial Holders of such securities by: (i) immediately distributing the Solicitation Package, including Note Ballots, it receives from the Voting and Claims Agent to all such Beneficial Holders; (ii) promptly collecting Note Ballots from such Beneficial Holders that cast votes on the Plan; (iii) compiling and validating the votes and other relevant information of all such Beneficial Holders on the Master Note Ballot; and (iv) transmitting the Master Note Ballot to the Voting and Claims Agent by the Voting Deadline;
- (c) any Beneficial Holder holding securities as a record holder in its own name shall vote on each of the applicable Plans by completing and signing a Note Ballot and returning it directly to the Voting and Claims Agent on or before the Voting Deadline;
- (d) the Indenture Trustees will not be entitled to vote or tabulate votes on behalf of Beneficial Holders; rather, each such Beneficial Holder must submit his or her own Note Ballot in accordance with the Beneficial Holder voting procedures;
- (e) any Beneficial Holder holding securities in “street name” through a Nominee (i.e., a brokerage firm, commercial bank, trust company or other nominee or agent) must vote on the Plan through such Nominee by completing and signing the Note Ballot and returning such Ballot to the appropriate Nominee as promptly as possible and in sufficient time to allow such Nominee to process the Note Ballot and return the Master Note Ballot to the Voting and Claims Agent before the Voting Deadline. Any Beneficial Holder holding securities in “street name” that submits a Note Ballot to the Debtors, the Debtors’ agents, the Debtors’ financial or legal advisors or the Committee will not have such Note Ballot counted for purposes of accepting or rejecting the Plan;
- (f) any Note Ballot returned to a Nominee by a Beneficial Holder shall not be counted for purposes of accepting or rejecting the Plan until such Nominee properly completes and delivers to the Voting and Claims Agent a Master Note Ballot that reflects the vote of such Beneficial Holders by the Voting Deadline or otherwise validates the Note Ballot in a manner acceptable to the Voting and Claims Agent. Nominees shall retain all Note Ballots returned by

Beneficial Holders for a period of one year after the effective date of the Plan;

- (g) if a Beneficial Holder holds securities through more than one Nominee or through multiple accounts, such Beneficial Holder may receive more than one Note Ballot and each such Beneficial Holder should execute a separate Note Ballot for each block of securities that it holds through any Nominee and must return each such Note Ballot to the appropriate Nominee; and
- (h) if a Beneficial Holder holds a portion of its securities through a Nominee or Nominees and another portion in its own name as the record holder, such Beneficial Holder should follow the procedures described in this subsection to vote the portion held in its own name and to vote the portion held by the Nominee(s).
- (e) **Tabulation of Votes Cast by Beneficial Holders of Claims**

34. The Committee shall use the following criteria to tabulate Note Ballots and Master Note Ballots cast by Nominees and Beneficial Holders of claims:

- (a) votes cast by Beneficial Holders through Nominees will be applied to the applicable positions held by such Nominees in class 5A of TOUSA and class 4A for each of the Conveying Subsidiaries as of the Voting Record Date, as evidenced by the record and depository listings. Votes submitted by a Nominee, whether pursuant to a Master Note Ballot or prevalidated Note Ballot, will not be counted in excess of the amount of such securities held by such Nominee as of the Voting Record Date;
- (b) if conflicting votes or “over-votes” are submitted by a Nominee, whether pursuant to a Master Note Ballot or prevalidated Note Ballot, the Committee will use reasonable efforts to reconcile discrepancies with the Nominees;
- (c) if over-votes on a Master Note Ballot or prevalidated Note Ballot are not reconciled prior to the preparation of the vote certification, the Committee shall apply the votes to accept and to reject the Plan in the same proportion as the votes to accept and to reject the Plan submitted on the Master Note Ballot or prevalidated Ballot that contained the overvote,

but only to the extent of the Nominee's position in classes 5A of TOUSA and class 4A of the Conveying Subsidiaries;

- (d) for purposes of tabulating votes, each Nominee or Beneficial Holder will be deemed to have voted the principal amount of its claims in class 5B of TOUSA and class 4A of the Conveying Subsidiaries, although any principal amounts may be adjusted by the Voting and Claims Agent to reflect the amount of the claim actually voted, including prepetition interest; and
- (e) a single Nominee may complete and deliver to the Voting and Claims Agent multiple Master Note Ballots. Votes reflected on multiple Master Note Ballots will be counted, except to the extent that they are duplicative of other Master Note Ballots. If two or more Master Note Ballots are inconsistent, the latest dated Master Note Ballot received prior to the Voting Deadline will, to the extent of such inconsistency, supersede and revoke any prior Master Note Ballot.

(f) Temporary Allowance of Claims for Voting Purposes

35. The amount of a claim for voting purposes shall be calculated in accordance with paragraph 30 hereof. If a creditor disagrees with the resulting amount of its claim (such claim, a "Disputed Claim"), the holder of such Disputed Claim may seek to obtain one of the following "Resolution Events" at least five business days before the Voting Deadline:

- (a) an order by the Bankruptcy Court, after notice and a hearing, allowing a Disputed Claim in a specified amount;
- (b) an order by the Bankruptcy Court temporarily allowing a Disputed Claim in a specified amount for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing;
- (c) a stipulation or other agreement is executed between the holder of a Disputed Claim and the Debtors or the Committee resolving the objection and allowing such Disputed Claim in an agreed upon amount;
- (d) a stipulation or other agreement is executed between the holder of Disputed Claim and the Debtors or the

Committee temporarily allowing the holder of such claim to vote its claim in an agreed upon amount; or

- (e) the Debtors, with the consent of the Committee, voluntarily withdraw a pending objection to a Disputed Claim is voluntarily withdrawn.

36. No later than two business days after a Resolution Event, the Voting and Claims Agent shall distribute a Solicitation Package and a pre-addressed, postage pre-paid envelope to the relevant holder of a temporarily allowed claim that has been allowed for voting purposes only (or for other purposes as set forth in an applicable order of the Bankruptcy Court) by such Resolution Event, which must be returned according to the instructions on the applicable Ballot, Note Ballot or Master Note Ballot by no later than the Voting Deadline.

37. In the event the holder of a claim receives a Solicitation Package and an objection is filed to such claim after the Voting Record Date but at least 15 days before the Confirmation Hearing, the notice of objection will inform such holder of the rules applicable to Claims subject to a pending objection and the procedures for temporary allowance for voting purposes described above. Additionally, in the event the holder of a claim receives a Solicitation Package and an objection is filed to such claim less than 15 days before the Confirmation Hearing, the holder's claim will be deemed temporarily allowed for voting purposes only without further action by the holder of such claim and without further order of the Bankruptcy Court.

38. The form of the Disputed Claim Notice, substantially in the form attached to the Motion as Exhibit 7, is hereby approved.

E. Confirmation of the Plan

(i) The Confirmation Hearing

39. The Confirmation Hearing shall commence on [_____, 2010] [at ____] prevailing Eastern Time, which hearing may be continued from time to time without further

notice other than such adjournment announced in open court or a notice of adjournment filed with the Bankruptcy Court and served on the Master Service List, the 2002 List (as each is defined in the Amended Order Establishing Certain Notice, Case Management and Administrative Procedures [D.E. #655] entered on March 25, 2008) and the entities who have filed objections to the Plan, without further notice to parties in interest.

(ii) Procedures for Filing Objections to Confirmation of the Plan

40. The Plan Objection Deadline shall be 5:00 p.m. prevailing Eastern Time on [_____, 2010], which date is fourteen days before the confirmation hearing.

41. Any objections to the Plan must be filed by the Plan Objection Deadline and must:

- (a) be in writing;
- (b) conform to the Bankruptcy Rules and the Local Bankruptcy Rules;
- (c) state the name and address of the objecting party and the amount and nature of the claim or equity interest of such party; and
- (d) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection.

42. The form of the Confirmation Hearing Notice, substantially in the form attached to the Motion as Exhibit 8, is hereby approved.

43. The Committee, with the assistance of the Voting and Claims Agent, shall publish a modified form of the Confirmation Hearing Notice, in the National Edition of *USA Today* and *The Wall Street Journal*, *The Miami Herald*, and the *South Florida Business Journal*.

44. The Disclosure Statement, the Plan and the form of Ballots, Note Ballots and Master Note Ballots (including instructions for such ballots), substantially in the form annexed

hereto provide holders of claims and equity interests and other parties in interest with sufficient notice regarding the injunction, exculpation and release provisions contained in the Plan in compliance with Bankruptcy Rule 3016(c).

45. The terms of this Disclosure Statement Order shall be binding upon the Debtors, all holders of claims and equity interests and any trustees appointed under chapter 7 or chapter 11 of the Bankruptcy Code relating to the Debtors and all other parties in interest.

46. All time periods set forth in this Disclosure Statement Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

47. The requirements set forth in Local Bankruptcy Rules 2002-1, 3016-2 and 3017-1 are satisfied by the contents of the Motion or otherwise deemed waived.

48. The Committee and the Debtors, as applicable, are authorized to take all actions necessary to effectuate the relief granted pursuant to this Disclosure Statement Order in accordance with the Motion.

49. The Debtors are directed to assist the Committee in effectuating the relief granted by this Order to the extent reasonably requested by the Committee.

50. KCC is authorized and directed to act as Voting and Claims Agent for the Committee.

51. The terms and conditions of this Disclosure Statement Order shall be immediately effective and enforceable upon its entry.

52. The Bankruptcy Court shall retain jurisdiction, even after the closing of these chapter 11 cases, with respect to all matters arising from or related to the implementation of this Disclosure Statement Order.

###

Submitted by:

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Co-Counsel to the Official Committee of Unsecured Creditors of TOUSA Inc., *et al.*

Exhibit 1-A to Exhibit A

Ballots for:

Class 5C – Claims Against TOUSA, Inc.

Class 4B – Claims Against Conveying Subsidiaries

Class 3 – Claims Against Beacon Hill at Mountain's Edge, LLC

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION

www.flsb.uscourts.gov

In re:	)	Chapter 11 Cases
	)	Case No. 08-[NUMBER]-JKO
TOUSA, Inc., <i>et al.</i>,	)	Jointly Administered
	)	Under Case No. 08-10928-JKO
Debtors.)	
)	

**BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN LIQUIDATION
OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND
DEBTORS IN POSSESSION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Class 5C – Claims Against TOUSA, Inc.

Class 4B – Claims Against Conveying Subsidiaries

Class 3 – Claims Against Beacon Hill at Mountain’s Edge, LLC

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS
FOR COMPLETING BALLOTS CAREFULLY BEFORE COMPLETING THIS BALLOT.**

**THIS BALLOT MUST BE ACTUALLY RECEIVED BY THE VOTING AND CLAIMS AGENT BY
5:00 P.M. PREVAILING EASTERN TIME [___, 2010] (THE “VOTING DEADLINE”).**

The Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtor (the “Debtor”) has sent this ballot (the “Ballot”) to you because the Debtor’s records indicate that you are a direct or beneficial holder of a (1) Class 5C Claim against TOUSA, Inc., (2) Class 4B Claim against Conveying Subsidiaries (excluding TOUSA, Inc. and Beacon Hill at Mountain’s Edge, LLC), or (3) Class 3 Claims against Beacon Hill at Mountain’s Edge, LLC as of the Record Date (August 25, 2010). Accordingly, you have a right to vote to accept or reject the *Joint Plan Of Liquidation Of TOUSA, Inc. and Its Affiliated Debtors And Debtors In Possession Under Chapter 11 Of The Bankruptcy Code* [D.E. #5799] (the “Plan”), filed in connection with the jointly-administered chapter 11 cases of TOUSA, Inc. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”). This Ballot is being submitted pursuant to the *Order Granting Motion By The Committee For Order Approving The Disclosure Statement Filed By the Committee And Establishing Solicitation And Voting Procedures With Respect Thereto* [D.E. #___] (the “Disclosure Statement Order”) and in conjunction with the *Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* and all exhibits thereto [D.E. #5798] (the “Disclosure Statement”).

Your rights are described in the Disclosure Statement and the Plan. The Disclosure Statement, the Plan, the Disclosure Statement Order and certain other materials are included in the package you are receiving with this Ballot (the “Solicitation Package”).

The Solicitation Package (except Ballots) may also be obtained from the Voting and Claims Agent of the Committee (a) at its website at <http://www.tousadocket.com>, (b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (c) by calling (888) 647-1742 or (d) by emailing KCC_TOUSA@kccllc.com. If you prefer, the Solicitation Package (except Ballots) may be obtained for a fee via PACER at <https://ecf.flsb.uscourts.gov>. If you received Solicitation Package materials in CD-ROM format and desire paper copies, please contact the Voting and Claims Agent at the address or telephone number set forth above. Copies of the Ballots may be obtained for free from the Voting and Claims Agent by (a) writing to TOUSA,

Inc., c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (b) calling (888) 647-1742, (c) emailing KCC_TOUSA@kccllc.com or (d) visiting the Voting and Claims Agent's website at <http://www.tousadocket.com>.

The Bankruptcy Court has approved the Disclosure Statement as containing adequate information, as required under section 1125 of the Bankruptcy Code. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. This Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan. If you believe you have received this Ballot in error, please contact the Voting and Claims Agent at the address or telephone number set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and treatment of your Claim. Your Claim has been placed in either (1) Class 5C against TOUSA, Inc., (2) Class 4B against Conveying Subsidiaries (excluding TOUSA, Inc. and Beacon Hill at Mountain's Edge, LLC), or (3) Class 3 against Beacon Hill at Mountain's Edge, LLC under the Plan. If you hold claims in more than one class, you will receive a separate Ballot for each class in which you are entitled to vote.

If the Voting and Claims Agent does not actually receive your Ballot on or before 5:00 p.m. prevailing Eastern Time on [_____, 2010], and if the Voting Deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan.

If the Bankruptcy Court confirms the Plan, the Plan will bind you whether or not you vote.

INSTRUCTIONS FOR COMPLETING BALLOTS

1. The Committee is soliciting votes on the Plan attached as Exhibit A to the Disclosure Statement.
2. The Bankruptcy Court may confirm the Plan, and thereby bind you, whether or not you vote to approve the Plan. Please review the Disclosure Statement for more information.
3. To ensure that your vote is counted, you must: (a) complete the Ballot; (b) indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the Ballot; and (c) sign and return the Ballot to the address set forth on the enclosed pre-addressed envelope. The Voting Deadline for the receipt of Ballots by the Voting and Claims Agent, is 5:00 p.m. prevailing Eastern time on [_____, 2010].
4. You must vote all of your claims within a particular class either to accept or reject the Plan, and you may not split your vote. Accordingly, a Ballot that partially rejects and partially accepts the Plan will not be counted. Further, if a holder has multiple claims within the same class, the Committee may, in its discretion, aggregate the claims of any particular holder within a class for the purpose of counting votes.
5. If a Ballot is received after the Voting Deadline, it will not be counted unless the Committee determines otherwise. The method of delivery of Ballots to the Voting and Claims Agent is at the election and risk of each holder of a claim. Except as otherwise provided herein, such delivery will be deemed made only when the Voting and Claims Agent actually receives the originally executed Ballot. Instead of effecting delivery by mail, it is recommended, though not required, that holders use an overnight or hand delivery service. In all cases, holders should allow sufficient time to assure timely delivery. Delivery of a Ballot to the Voting and Claims Agent by facsimile, e-mail or any other electronic means shall not be valid. No Ballot should be sent to any of the Debtors, the Debtors' agents (other than the Voting and Claims Agent) any indenture trustee (unless specifically instructed to do so by the ballot instructions), the Debtors' financial or legal advisors, or the Committee. If your ballot is sent to an incorrect address, it will not be counted.
6. If multiple Ballots are received with respect to the same claim before the Voting Deadline, the last Ballot timely received will supersede and revoke any earlier received Ballots.
7. The Ballot is not a letter of transmittal and it may not be used for any purpose other than to vote to accept or reject the Plan. Accordingly, at this time, holders of claims should not surrender certificates or instruments

representing or evidencing their claims, and neither the Committee nor the Voting and Claims Agent will accept delivery of any such certificates or instruments surrendered together with a Ballot. This Ballot does not constitute, and shall not be deemed to be (a) a proof of claim or (b) an assertion or admission of a claim.

8. Please be sure to sign and date your Ballot. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no mailing label is attached to the Ballot. If you are signing this Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation or otherwise acting in a fiduciary or representative capacity, you must indicate such capacity when signing and, if required or requested by the applicable nominee or its agent, the Voting and Claims Agent, the Debtors, the Creditor or the Bankruptcy Court, you must submit proper evidence that you were authorized to act on behalf of such holder or beneficial holder.
9. If you hold claims in more than one class under the Plan or in multiple accounts, you may receive more than one Ballot coded for each different class or account. Each Ballot votes only your claims indicated on that Ballot. Please complete and return each Ballot you received.
10. Any Ballot that is completed and executed that fails to indicate acceptance or rejection of the Plan or that indicates both an acceptance and a rejection of the Plan will not be counted.
11. The following Ballots shall not be counted in determining the acceptance or rejection of the Plan: (a) any Ballot that is illegible or contains insufficient information to permit the identification of the holder of the claim; (b) any Ballot cast by a party that does not hold a claim in a class that is entitled to vote on the Plan; (c) any Ballot cast for a claim listed on a Debtor's schedules of assets and liabilities as contingent, unliquidated or disputed for which the applicable bar date has passed and no proof of claim was timely filed; (d) any unsigned Ballot; (e) any Ballot not marked to accept or reject the Plan or any Ballot marked both to accept and reject the Plan; and (f) any Ballot submitted by any party not entitled to vote pursuant to the procedures set forth in the Disclosure Statement Order.
12. If you believe that you have received the wrong Ballot, you should contact the Voting and Claims Agent at (a) (888) 647-1742 or (b) KCC_TOUSA@kccllc.com, immediately.

PLEASE MAIL YOUR BALLOT PROMPTLY!

TOUSA Balloting Center
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, California 90245
Telephone: (888) 647-1742
Email: KCC_TOUSA@kccllc.com

**IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING PROCEDURES,
YOU SHOULD CONTACT THE VOTING AND CLAIMS AGENT (A) BY WRITING TO TOUSA
BALLOTING CENTER, C/O KURTZMAN CARSON CONSULTANTS LLC, 2335 ALASKA AVENUE, EL
SEGUNDO, CALIFORNIA 90245, (B) BY CALLING (888) 647-1742 OR (C) BY EMAILING
KCC_TOUSA@KCCCLLC.COM.**

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

In re:	)	Chapter 11 Cases
[DEBTOR],	)	Case No. 08-[NUMBER]-JKO
	)	Jointly Administered
Debtor.	)	Under Case No. 08-10928-JKO
)	

**BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN OF LIQUIDATION
OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND
DEBTORS IN POSSESSION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Class 5C – Claims Against TOUSA, Inc.

Class 4B – Claims Against Conveying Subsidiaries

Class 3 – Claims Against Beacon Hill at Mountain’s Edge, LLC

Item 1. Principal Amount of Class [] [] Claims Against [DEBTOR].

The undersigned hereby certifies that as of the Record Date (August 25, 2010), the undersigned was the holder of Class [] [] Claims against [DEBTOR] in the following amount:

\$ _____

Item 2. Class [] [] Claims Vote.

The holder of the Class [] [] Claims against [DEBTOR] set forth in Item 1 votes to (please check **only** one box):

ACCEPT THE PLAN **REJECT** THE PLAN

PLEASE TAKE NOTE THAT IF YOU FAIL TO ACCEPT OR REJECT THE PLAN AND THE BANKRUPTCY COURT CONFIRMS THE PLAN, YOU WILL BE BOUND BY THE TERMS OF THE PLAN, INCLUDING, WITHOUT LIMITATION, THE RELEASES, EXCULPATION AND INJUNCTION PROVISIONS SET FORTH IN ARTICLE VII OF THE PLAN.

ANY BALLOT THAT IS EXECUTED BY THE HOLDER OF A CLAIM BUT WHICH INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN OR DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN WILL NOT BE COUNTED.

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Item 3. Certifications.

By signing this Ballot, the undersigned certifies to the Bankruptcy Court, the Debtors and the Committee that:

- (a) it is either (i) the holder of the Class [__][_____] Claims against **[DEBTOR]** being voted or (ii) is an authorized signatory for a party that is a holder of the Class [__][_____] Claims against **[DEBTOR]** being voted;
- (b) it has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) it has cast the same vote with respect to all Class [__][_____] Claims against **[DEBTOR]** in a single Class;
- (d) no other Ballots with respect to the amount of the Class [__][_____] Claims against **[DEBTOR]** identified in Item 1 have been cast or, if any other Ballots have been cast with respect to such claims, then any such earlier Ballots are hereby revoked.

Name of Holder: _____
(Print or Type)

Social Security¹ or Federal Tax Identification Number: _____

Signature: _____

Name of Signatory: _____
(If other than Holder)

Title: _____

Address: _____

Date Completed: _____

PLEASE COMPLETE, SIGN AND DATE THE BALLOT AND RETURN IT PROMPTLY IN THE ENVELOPE PROVIDED TO:

<p>TOUSA Balloting Center c/o Kurtzman Carson Consultants LLC 2335 Alaska Avenue El Segundo, California 90245 Telephone: (888) 647-1742 Email: KCC_TOUSA@kccllc.com</p>
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¹ Ballots will be mailed directly to KCC, the Voting and Claims Agent. As such, ballots, including social security information contained therein, will not be publicly available.

YOUR BALLOT MUST BE ACTUALLY RECEIVED AT THE ABOVE ADDRESS BY THE VOTING DEADLINE, WHICH IS 5:00 P.M. PREVAILING EASTERN TIME ON [____, 2010].

Exhibit 1-B to Exhibit A

Ballots for Classes 1B and Class 2

Class 1B – First Lien Term Loan Claims Against TOUSA, Inc.

Class 2 – Second Lien Term Loan Claims Against TOUSA, Inc.

Class 5B – Lender Deficiency Claims

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

In re:	)	Chapter 11 Cases
	)	Case No. 08-[NUMBER]-JKO
TOUSA, Inc., <i>et al.</i>,	)	Jointly Administered
	)	Under Case No. 08-10928-JKO
Debtors.)	
)	

BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN LIQUIDATION OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

Class 1B – First Lien Term Loan Claims Against TOUSA, Inc.

Class 2 – Second Lien Term Loan Claims Against TOUSA, Inc.

Class 5B – Lender Deficiency Claims Against TOUSA, Inc.

PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS FOR COMPLETING BALLOTS CAREFULLY BEFORE COMPLETING THIS BALLOT.

THIS BALLOT MUST BE ACTUALLY RECEIVED BY THE VOTING AND CLAIMS AGENT BY 5:00 P.M. PREVAILING EASTERN TIME [__, 2010] (THE “VOTING DEADLINE”).

The Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtor (the “Debtor”) has sent this ballot (the “Ballot”) to you because the Debtor’s records indicate that you are a direct or beneficial holder of either a Class 1B First Lien Term Loan Claim, (2) Class 2 Second Lien Term Loan Claim, or (3) Class 5B Lender Deficiency Claim against TOUSA, Inc. as of the Record Date (August 25, 2010). Accordingly, you have a right to vote to accept or reject the *Joint Plan Of Liquidation Of TOUSA, Inc. and Its Affiliated Debtors And Debtors In Possession Under Chapter 11 Of The Bankruptcy Code* [D.E. #5799] (the “Plan”), filed in connection with the jointly-administered chapter 11 cases of TOUSA, Inc. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”). This Ballot is being submitted pursuant to the *Order Granting Motion By The Committee For Order Approving The Disclosure Statement Filed By the Committee And Establishing Solicitation And Voting Procedures With Respect Thereto* [D.E. #___] (the “Disclosure Statement Order”) and in conjunction with the *Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* and all exhibits thereto [D.E. #5798] (the “Disclosure Statement”).

Your rights are described in the Disclosure Statement and the Plan. The Disclosure Statement, the Plan, the Disclosure Statement Order and certain other materials are included in the package you are receiving with this Ballot (the “Solicitation Package”).

The Solicitation Package (except Ballots) may also be obtained from the Voting and Claims Agent of the Committee (a) at its website at <http://www.tousadocket.com>, (b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (c) by calling (888) 647-1742 or (d) by emailing KCC_TOUSA@kccllc.com. If you prefer, the Solicitation Package (except Ballots) may be obtained for a fee via PACER at <https://ecf.flsb.uscourts.gov>. If you received Solicitation Package materials in CD-ROM format and desire paper copies, please contact the Voting and Claims Agent at the address or telephone number set forth above. Copies of the Ballots may be obtained for free from the Voting and Claims Agent by (a) writing to TOUSA, Inc., c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (b) calling (888) 647-1742, (c) emailing KCC_TOUSA@kccllc.com or (d) visiting the Voting and Claims Agent's website at <http://www.tousadocket.com>.

The Bankruptcy Court has approved the Disclosure Statement as containing adequate information, as required under section 1125 of the Bankruptcy Code. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. This Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan. If you believe you have received this Ballot in error, please contact the Voting and Claims Agent at the address or telephone number set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and treatment of your Claim. Your Claim has been placed in either Class 1B (First Lien Term Loan Claim), (2) Class 2 (Second Lien Term Loan Claim, or (3) Class 5B (Lender Deficiency Claim) under the Plan. If you hold claims in more than one class, you will receive a separate Ballot for each class in which you are entitled to vote.

If the Voting and Claims Agent does not actually receive your Ballot on or before 5:00 p.m. prevailing Eastern Time on [_____, 2010], and if the Voting Deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan.

If the Bankruptcy Court confirms the Plan, the Plan will bind you whether or not you vote.

INSTRUCTIONS FOR COMPLETING BALLOTS

1. The Committee is soliciting votes on the Plan attached as Exhibit A to the Disclosure Statement.
2. The Bankruptcy Court may confirm the Plan, and thereby bind you, whether or not you vote to approve the Plan. Please review the Disclosure Statement for more information.
3. To ensure that your vote is counted, you must: (a) complete the Ballot; (b) indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the Ballot; and (c) sign and return the Ballot to the address set forth on the enclosed pre-addressed envelope. The Voting Deadline for the receipt of Ballots by the Voting and Claims Agent, is 5:00 p.m. prevailing Eastern time on [_____, 2010].
4. You must vote all of your claims within a particular class either to accept or reject the Plan, and you may not split your vote. Accordingly, a Ballot that partially rejects and partially accepts the Plan will not be counted. Further, if a holder has multiple claims within the same class, the Committee may, in its discretion, aggregate the claims of any particular holder within a class for the purpose of counting votes.
5. If a Ballot is received after the Voting Deadline, it will not be counted unless the Committee determines otherwise. The method of delivery of Ballots to the Voting and Claims Agent is at the election and risk of each holder of a claim. Except as otherwise provided herein, such delivery will be deemed made only when the Voting and Claims Agent actually receives the originally executed Ballot. Instead of effecting delivery by mail, it is recommended, though not required, that holders use an overnight or hand delivery service. In all cases, holders should allow sufficient time to assure timely delivery. Delivery of a Ballot to the Voting and Claims Agent by facsimile, e-mail or any other electronic means shall not be valid. No Ballot should be sent to any of the Debtors, the Debtors' agents (other than the Voting and Claims Agent) any indenture trustee (unless specifically instructed to do so by the ballot instructions), the Debtors' financial or legal advisors, or the Committee. If your ballot is sent to an incorrect address, it will not be counted.

6. If multiple Ballots are received with respect to the same claim before the Voting Deadline, the last Ballot timely received will supersede and revoke any earlier received Ballots.
7. The Ballot is not a letter of transmittal and it may not be used for any purpose other than to vote to accept or reject the Plan. Accordingly, at this time, holders of claims should not surrender certificates or instruments representing or evidencing their claims, and neither the Committee nor the Voting and Claims Agent will accept delivery of any such certificates or instruments surrendered together with a Ballot. This Ballot does not constitute, and shall not be deemed to be (a) a proof of claim or (b) an assertion or admission of a claim.
8. Please be sure to sign and date your Ballot. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no mailing label is attached to the Ballot. If you are signing this Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation or otherwise acting in a fiduciary or representative capacity, you must indicate such capacity when signing and, if required or requested by the applicable nominee or its agent, the Voting and Claims Agent, the Debtors, the Creditor or the Bankruptcy Court, you must submit proper evidence that you were authorized to act on behalf of such holder or beneficial holder.
9. If you hold claims in more than one class under the Plan or in multiple accounts, you may receive more than one Ballot coded for each different class or account. Each Ballot votes only your claims indicated on that Ballot. Please complete and return each Ballot you received.
10. Any Ballot that is completed and executed that fails to indicate acceptance or rejection of the Plan or that indicates both an acceptance and a rejection of the Plan will not be counted.
11. The following Ballots shall not be counted in determining the acceptance or rejection of the Plan: (a) any Ballot that is illegible or contains insufficient information to permit the identification of the holder of the claim; (b) any Ballot cast by a party that does not hold a claim in a class that is entitled to vote on the Plan; (c) any Ballot cast for a claim listed on a Debtor's schedules of assets and liabilities as contingent, unliquidated or disputed for which the applicable bar date has passed and no proof of claim was timely filed; (d) any unsigned Ballot; (e) any Ballot not marked to accept or reject the Plan or any Ballot marked both to accept and reject the Plan; and (f) any Ballot submitted by any party not entitled to vote pursuant to the procedures set forth in the Disclosure Statement Order.
12. If you believe that you have received the wrong Ballot, you should contact the Voting and Claims Agent at (a) (888) 647-1742 or (b) KCC_TOUSA@kccllc.com, immediately.

PLEASE MAIL YOUR BALLOT PROMPTLY!

TOUSA Balloting Center
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, California 90245
Telephone: (888) 647-1742
Email: KCC_TOUSA@kccllc.com

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING PROCEDURES, YOU SHOULD CONTACT THE VOTING AND CLAIMS AGENT (A) BY WRITING TO TOUSA BALLOTING CENTER, C/O KURTZMAN CARSON CONSULTANTS LLC, 2335 ALASKA AVENUE, EL SEGUNDO, CALIFORNIA 90245, (B) BY CALLING (888) 647-1742 OR (C) BY EMAILING KCC_TOUSA@KCCLLC.COM.

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

In re:	)	Chapter 11 Cases
[DEBTOR],	)	Case No. 08-[NUMBER]-JKO
	)	Jointly Administered
Debtor.	)	Under Case No. 08-10928-JKO
)	

**BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN OF LIQUIDATION
OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND
DEBTORS IN POSSESSION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Class 1B – First Lien Term Loan Claims Against TOUSA, Inc.

Class 2 – Second Lien Term Loan Claims Against TOUSA, Inc.

Class 5B – Lender Deficiency Claims Against TOUSA, Inc.

Item 1. Principal Amount of Class [] [] Claims Against [DEBTOR].

The undersigned hereby certifies that as of the Record Date ([], 2010), the undersigned was the holder of Class [] [] Claims against [DEBTOR] in the following amount:

\$ _____

Item 2. Class [] [] Claims Vote.

The holder of the Class [] [] Claims against [DEBTOR] set forth in Item 1 votes to (please check **only** one box):

ACCEPT THE PLAN **REJECT** THE PLAN

PLEASE TAKE NOTE THAT IF YOU FAIL TO ACCEPT OR REJECT THE PLAN AND THE BANKRUPTCY COURT CONFIRMS THE PLAN, YOU WILL BE BOUND BY THE TERMS OF THE PLAN, INCLUDING, WITHOUT LIMITATION, THE RELEASES, EXCULPATION AND INJUNCTION PROVISIONS SET FORTH IN ARTICLE VII OF THE PLAN.

ANY BALLOT THAT IS EXECUTED BY THE HOLDER OF A CLAIM BUT WHICH INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN OR DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF THE PLAN WILL NOT BE COUNTED.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Item 3. Certifications.

By signing this Ballot, the undersigned certifies to the Bankruptcy Court, the Debtors and the Committee that:

- (a) it is either (i) the holder of the Class [] [] Claims against [DEBTOR] being voted or (ii) is an authorized signatory for a party that is a holder of the Class [] [] Claims against [DEBTOR] being voted;
- (b) it has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) it has cast the same vote with respect to all Class [] [] Claims against [DEBTOR] in a single Class;
- (d) no other Ballots with respect to the amount of the Class [] [] Claims against [DEBTOR] identified in Item 1 have been cast or, if any other Ballots have been cast with respect to such claims, then any such earlier Ballots are hereby revoked.

Name of Holder: _____
(Print or Type)

Social Security¹ or Federal Tax Identification Number: _____

Signature: _____

Name of Signatory: _____
(If other than Holder)

Title: _____

Address: _____

Date Completed: _____

PLEASE COMPLETE, SIGN AND DATE THE BALLOT AND RETURN IT PROMPTLY IN THE ENVELOPE PROVIDED TO:

<p>TOUSA Balloting Center c/o Kurtzman Carson Consultants LLC 2335 Alaska Avenue El Segundo, California 90245 Telephone: (888) 647-1742 Email: KCC_TOUSA@kccllc.com</p>
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¹ Ballots will be mailed directly to KCC, the Voting and Claims Agent. As such, ballots, including social security information contained therein, will not be publicly available.

YOUR BALLOT MUST BE ACTUALLY RECEIVED AT THE ABOVE ADDRESS BY THE VOTING DEADLINE, WHICH IS 5:00 P.M. PREVAILING EASTERN TIME ON [____, 2010].

Exhibit 2 to Exhibit A

Note Ballot

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION

www.flsb.uscourts.gov

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

**NOTE BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN OF LIQUIDATION
OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND
DEBTORS IN POSSESSION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Class [] — [] Note Claims Against [DEBTOR]

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS
FOR COMPLETING NOTE BALLOTS CAREFULLY BEFORE COMPLETING THIS NOTE BALLOT.**

**THIS NOTE BALLOT, OR THE MASTER BALLOT CAST BY YOUR NOMINEE, MUST BE
ACTUALLY RECEIVED BY THE VOTING AND CLAIMS AGENT BY
5:00 P.M. PREVAILING EASTERN TIME [____, 2010] (THE “VOTING DEADLINE”).**

The Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) have sent this note ballot (the “Note Ballot”) to you because their records indicate that you are a direct or beneficial holder of a Class [] [] Note Claims (the “Note Claims”) against each of the Debtors that are liquidating under the Plan (excluding Beacon Hill at Mountain’s Edge, LLC, Engle Sierra Verde P5, LLC and Engle Gillian, LLC) as of the Record Date, August 25, 2010. Accordingly, you have a right to vote to accept or reject the *Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* [D.E. #5799] filed in connection with the jointly-administered chapter 11 cases. This Note Ballot is being submitted pursuant to the *Order Granting Motion By the Committee For Order Approving The Disclosure Statement Filed By the Committee And Establishing Solicitation And Voting Procedures With Respect Thereto* [D.E. #] (the “Disclosure Statement Order”) and in conjunction with the *Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* filed by the Committee and all exhibits thereto [D.E. #5798] (the “Disclosure Statement”).

Your rights are described in the Disclosure Statement and the Plan. The Disclosure Statement, the Plan, the Disclosure Statement Order and certain other materials are included in the package you are receiving with this Ballot (the “Solicitation Package”).

The Solicitation Package (except Ballots) may also be obtained from the Voting and Claims Agent (a) at its website at <http://www.tousadocket.com>, (b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (c) by calling (888) 647-1742 or (d) by emailing KCC_TOUSA@kccllc.com. If you prefer, the Solicitation Package (except Ballots) may be obtained for a fee via PACER at <https://ecf.flsb.uscourts.gov>. If you received Solicitation Package materials in CD-ROM format and desire paper copies, please contact the Voting and Claims Agent at the address or telephone number set forth above. Copies of the Ballots may be obtained for free from the Voting and Claims Agent by (a) writing to TOUSA, Inc., c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (b) calling (888) 647-1742, (c) emailing KCC_TOUSA@kccllc.com or (d) visiting the Voting and Claims Agent’s website at <http://www.tousadocket.com>. Copies of the Ballots may be obtained for free from the Voting and Claims Agent by

(a) writing to TOUSA, Inc., c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (b) calling (888) 647-1742, (c) emailing KCC_TOUSA@kccllc.com or (d) visiting the Voting and Claims Agent's website at <http://www.tousadocket.com>.

Any questions with respect to this Note Ballot should be directed to Kurtzman Carson Consultants LLC at the number listed above. The Bankruptcy Court has approved the Disclosure Statement as containing adequate information, as required under section 1125 of the Bankruptcy Code. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court. This Note Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan. If you believe you have received this Note Ballot in error, please contact the Voting and Claims Agent at the address or telephone number set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and treatment of your Note Claims. Your Note Claims have been placed in Class [] [] Claims under the Plan. If you hold Note Claims (or other claims) in more than one class, you will receive a separate Note Ballot for each class in which you are entitled to vote.

The Voting Deadline for receipt of Note Ballots and Master Note Ballots by the Voting and Claims Agent is 5:00 p.m. prevailing Eastern Time on [], 2010. If you received a Note Ballot and a return envelope addressed to the Voting and Claims Agent, your completed Note Ballot must be received by the Voting and Claims Agent on or before the Voting Deadline. If you received a Note Ballot and a return envelope addressed to your nominee, your completed Note Ballot must be sent to your nominee, not the Voting and Claims Agent, allowing sufficient time for your nominee to receive your Note Ballot, complete a Master Note Ballot, and transmit the Master Note Ballot to the Voting and Claims Agent so that it is received by the Voting Deadline.

If the Bankruptcy Court confirms the Plan, the Plan will bind you whether or not you vote.

INSTRUCTIONS FOR COMPLETING NOTE BALLOTS

1. The Committee is soliciting votes on the Plan attached as Exhibit A to the Disclosure Statement. To this end, holders of Note Claims may choose to accept or reject all 38 chapter 11 Plans, as indicated in Item 2 of the Note Ballot. Additionally, holders of Note Claims may choose to accept some of the 35 chapter 11 Plans and to reject some of the 35 chapter 11 Plans, as indicated in Item 2 of the Note Ballot. A Beneficial Holder must vote the full amount of such Beneficial Holder's Note Claims to accept or reject the Plan and may not split the amount of such vote. Any Note Ballot executed by a Beneficial Holder that does not indicate a clear acceptance or rejection of each of the 35 chapter 11 Plans or that indicates both an acceptance and a rejection of each of the 35 chapter 11 Plans will not be counted.
2. The Bankruptcy Court may confirm the Plan, and thereby bind you, whether or not you vote to approve the Plan. Please review the Disclosure Statement for more information.
3. To ensure that your vote is counted, you must: (a) complete the Note Ballot; (b) indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the Note Ballot; and (c) sign and return the Note Ballot to the address set forth on the enclosed pre-addressed envelope. The Voting Deadline for the receipt of Ballots and Master Note Ballots by the Voting and Claims Agent is 5:00 p.m. prevailing Eastern time on [], **2010**.
4. If you received a Note Ballot and a return envelope addressed to the Voting and Claims Agent, your completed Note Ballot must be received by the Voting and Claims Agent on or before the Voting Deadline. If you hold bank or bond debt through an agent, broker or other nominee and you received a Note Ballot and a return envelope addressed to your nominee, your completed Note Ballot must be sent to your nominee, not the Voting and Claims Agent, allowing sufficient time for your nominee to receive your Note Ballot, complete a Master Note Ballot and return the Master Note Ballot to the Voting and Claims Agent so that it is received by the Voting and Claims Agent by the Voting Deadline.

5. You must vote the amount of all of your claims within a particular class either to accept or reject any of the individual Plans, and you may not split the amount of your vote.
6. If a Note Ballot or a Master Note Ballot is received after the Voting Deadline, it will not be counted unless the Committee determines otherwise. The method of delivery of Note Ballots or Master Note Ballots to the Voting and Claims Agent is at the election and risk of each holder of Note Claims. Instead of effecting delivery by mail, it is recommended, though not required, that holders use an overnight or hand delivery service. In all cases, holders should allow sufficient time to assure timely delivery. Delivery of a Note Ballot or a Master Note Ballot to the Voting and Claims Agent by facsimile, e-mail or any other electronic means shall not be valid. No Note Ballot or Master Note Ballot should be sent to any of the Debtors, the Debtors' agents (other than the Voting and Claims Agent) any indenture trustee (unless specifically instructed to do so by the Note Ballot Instructions), the Debtors' financial or legal advisors, or the Committee. If your Note Ballot is sent to an incorrect address, it will not be counted.
7. If multiple Note Ballots are received with respect to the same claim before the Voting Deadline, the last Note Ballot or Master Note Ballot timely received will supersede and revoke any earlier received Note Ballots.
8. The Note Ballot is not a letter of transmittal and it may not be used for any purpose other than to vote to accept or reject the Plan. Accordingly, at this time, holders of claims should not surrender certificates or instruments representing or evidencing their claims, and neither the Committee, the Debtors or the Voting or Claims Agent will accept delivery of any such certificates or instruments surrendered together with a Note Ballot. This Note Ballot does not constitute, and shall not be deemed to be, (a) a proof of claim or (b) an assertion or admission of a claim.
9. Please be sure to sign and date your Note Ballot. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no mailing label is attached to the Note Ballot. If you are signing this Note Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation or otherwise acting in a fiduciary or representative capacity, you must indicate such capacity when signing and, if required or requested by the applicable nominee or its agent, the Voting and Claims Agent, the Debtors, the Committee or the Bankruptcy Court, you must submit proper evidence that you were authorized to act on behalf of such holder or beneficial holder.
10. If you hold claims in more than one class under the Plan or in multiple accounts, you may receive more than one Note Ballot coded for each different class or account. Each Note Ballot votes only your claims indicated on that Note Ballot. Please complete and return each Note Ballot you received.
11. Any Note Ballot that is completed and executed that fails to indicate acceptance or rejection of the Plan or that indicates both an acceptance and a rejection of the Plan (or individual Plans) will not be counted.
12. The following Note Ballots and Master Note Ballots shall not be counted in determining the acceptance or rejection of the Plan: (a) any Note Ballot or Master Note Ballot that is illegible or contains insufficient information to permit the identification of the holder of the claim; (b) any Note Ballot or Master Note Ballot cast by a party that does not hold a claim in a class that is entitled to vote on the Plan; (c) any Note Ballot or Master Note Ballot cast for a claim listed on a Debtor's schedules of assets and liabilities as contingent, unliquidated or disputed for which the applicable bar date has passed and no proof of claim was timely filed; (d) any unsigned Note Ballot or Master Note Ballot; (e) any Note Ballot or Master Note Ballot not marked to accept or reject the Plan; and (f) any Note Ballot or Master Note Ballot submitted by any party not entitled to vote pursuant to the procedures set forth in the Disclosure Statement Order.
13. If you believe that you have received the wrong Note Ballot, you should contact the Voting and Claims Agent at (888) 647-1742, immediately.

PLEASE MAIL YOUR NOTE BALLOT PROMPTLY!

IF YOU HAVE ANY QUESTIONS REGARDING THIS NOTE BALLOT OR THE VOTING PROCEDURES, YOU SHOULD CONTACT THE VOTING AND CLAIMS AGENT BY CALLING (888) 647-1742.

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

In re:	)	Chapter 11 Cases
TOUSA, Inc., <i>et al.</i>,	)	Case No. 08-10928-JKO
	)	Jointly Administered
Debtor.)	
)	

**NOTE BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN OF LIQUIDATION
OF TOUSA, INC. AND ITS AFFILIATED DEBTORS AND
DEBTORS IN POSSESSION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Class [] — [] Claims Against [DEBTOR]

Item 1. Principal Amount of Class [] [] Claims.

The undersigned hereby certifies that as of the Record Date ([], 2010), the undersigned was the holder of Class [] [] Claims (the “Note Claims”) against each of the debtors and debtors in possession in the above-captioned chapter 11 cases (excluding Beacon Hill at Mountain’s Edge, LLC Engle Sierra Verde P5, LLC and Engle Gillian, LLC), in the following amount:

\$ _____

Item 2. Note Claims Vote.

The holder of the Note Claims set forth in Item 1 votes to (please check **only** one box):

- ACCEPT** ALL 35 PLANS
- REJECT** ALL 35 PLANS
- ACCEPT **SOME** OF THE 35 PLANS AND REJECT **SOME** OF THE 35 PLANS, AS FOLLOWS:

	ACCEPT THE PLAN FOR THE FOLLOWING DEBTOR(S):	REJECT THE PLAN FOR THE FOLLOWING DEBTOR(S):
1. TOUSA, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
2. Engle Homes Commercial Construction, LLC	<input type="checkbox"/>	<input type="checkbox"/>
3. Engle Homes Delaware, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
4. Engle Homes Residential Construction, L.L.C.	<input type="checkbox"/>	<input type="checkbox"/>
5. Engle Sierra Verde P4, LLC	<input type="checkbox"/>	<input type="checkbox"/>
6. Engle/James LLC	<input type="checkbox"/>	<input type="checkbox"/>

	<u>ACCEPT</u> THE PLAN FOR THE FOLLOWING DEBTOR(S):	<u>REJECT</u> THE PLAN FOR THE FOLLOWING DEBTOR(S):
7. LB/TE #1, LLC	<input type="checkbox"/>	<input type="checkbox"/>
8. Lorton South Condominium, LLC	<input type="checkbox"/>	<input type="checkbox"/>
9. McKay Landing, LLC	<input type="checkbox"/>	<input type="checkbox"/>
10. Newmark Homes Business Trust	<input type="checkbox"/>	<input type="checkbox"/>
11. Newmark Homes Purchasing, LP	<input type="checkbox"/>	<input type="checkbox"/>
12. Newmark Homes, LLC	<input type="checkbox"/>	<input type="checkbox"/>
13. Newmark Homes, LP	<input type="checkbox"/>	<input type="checkbox"/>
14. Preferred Builders Realty, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
15. Reflection Key, LLC	<input type="checkbox"/>	<input type="checkbox"/>
16. Silverlake Interests LLC	<input type="checkbox"/>	<input type="checkbox"/>
17. TOI, LLC	<input type="checkbox"/>	<input type="checkbox"/>
18. TOUSA Associates Services Company	<input type="checkbox"/>	<input type="checkbox"/>
19. TOUSA Delaware, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
20. TOUSA Funding, LLC	<input type="checkbox"/>	<input type="checkbox"/>
21. TOUSA Homes Arizona, LLC	<input type="checkbox"/>	<input type="checkbox"/>
22. TOUSA Homes Colorado, LLC	<input type="checkbox"/>	<input type="checkbox"/>
23. TOUSA Homes Florida, LP	<input type="checkbox"/>	<input type="checkbox"/>
24. TOUSA Homes Investment #1, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
25. TOUSA Homes Investment #2, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
26. TOUSA Homes Investment #2, LLC	<input type="checkbox"/>	<input type="checkbox"/>
27. TOUSA Homes Mid-Atlantic Holding, LLC	<input type="checkbox"/>	<input type="checkbox"/>
28. TOUSA Homes Mid-Atlantic, LLC	<input type="checkbox"/>	<input type="checkbox"/>

		<u>ACCEPT</u> THE PLAN FOR THE FOLLOWING DEBTOR(S):	<u>REJECT</u> THE PLAN FOR THE FOLLOWING DEBTOR(S):
29.	TOUSA Homes Nevada, LLC	<input type="checkbox"/>	<input type="checkbox"/>
30.	TOUSA Homes, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
31.	TOUSA Investment #2, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
32.	TOUSA Mid-Atlantic Investment, LLC	<input type="checkbox"/>	<input type="checkbox"/>
33.	TOUSA Realty, Inc.	<input type="checkbox"/>	<input type="checkbox"/>
34.	TOUSA, LLC	<input type="checkbox"/>	<input type="checkbox"/>
35.	TOUSA/West Holdings, Inc.	<input type="checkbox"/>	<input type="checkbox"/>

THE PLAN CONSISTS OF SEPARATE CHAPTER 11 PLANS FOR EACH OF THE DEBTORS. THIS NOTE BALLOT REPRESENTS YOUR VOTE ON THE SEPARATE CHAPTER 11 PLANS FOR EACH DEBTOR.

PLEASE TAKE NOTE THAT IF YOU FAIL TO ACCEPT OR REJECT THE PLAN AND THE BANKRUPTCY COURT CONFIRMS THE PLAN, YOU WILL BE BOUND BY THE TERMS OF THE PLAN, INCLUDING, WITHOUT LIMITATION, THE RELEASES, EXCULPATION AND INJUNCTION PROVISIONS SET FORTH IN ARTICLE VII OF THE PLAN.

ANY VOTE THAT IS EXECUTED BY THE HOLDER OF A CLAIM, BUT WHICH INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF A PLAN OR DOES NOT INDICATE EITHER AN ACCEPTANCE OR REJECTION OF A PLAN, WILL NOT BE COUNTED.

[Remainder of page intentionally left blank.]

Item 3. Certification as to Note Claims Held in Additional Accounts.

By completing and returning this Note Ballot, the beneficial owner certifies that either (a) it has not submitted any other Note Ballots (or Ballots) for other Note Claims held in other accounts or other record names or (b) it has provided the information specified in the following table for all other Note Claims for which it has submitted additional Note Ballots, each of which indicates the same vote to accept or reject the Plans (please use additional sheets of paper if necessary): **ONLY COMPLETE THIS SECTION IF YOU HAVE VOTED NOTE BALLOTS OTHER THAN THIS NOTE BALLOT.**

Account Number	Name of Owner¹	Amount of Other Note Claim(s) Voted	Type of Other Note Claim(s) Voted²

Item 4. Certifications.

By signing this Note Ballot, the undersigned certifies to the Bankruptcy Court, the Debtors, and the Committee that:

- (a) it is either (i) the holder of the Note Claims being voted or (ii) is an authorized signatory for a party that is a holder of the Note Claims against being voted;
- (b) it has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
- (c) it has cast the same vote with respect to all Note Claims in a single Class;
- (d) no other Ballots or Note Ballots with respect to the amount of the Note Claims identified in **Item 1** have been cast or, if any other Note Ballots have been cast with respect to such claims, then any such earlier Note Ballots are hereby revoked.

[Remainder of page intentionally left blank.]

¹ Insert your name if the notes are held by you in record name or, if held in street name, insert the name of your broker or bank.

² Insert CUSIP number of other Note Claim(s) voted.

Name of Holder: _____
(Print or Type)

Social Security³ or Federal Tax Identification Number: _____

Signature: _____

Name of Signatory: _____
(If other than Holder)

Title: _____

Address: _____

Date Completed: _____

PLEASE COMPLETE, SIGN AND DATE THE NOTE BALLOT AND RETURN IT PROMPTLY IN THE ENVELOPE PROVIDED.

IF YOUR NOTES ARE HELD THROUGH A NOMINEE, PLEASE ALLOW SUFFICIENT TIME FOR YOUR NOMINEE TO PROCESS YOUR VOTE ON A MASTER NOTE BALLOT AND RETURN THE MASTER NOTE BALLOT TO THE VOTING AND CLAIMS AGENT BEFORE 5:00 P.M. PREVAILING EASTERN TIME ON [____, 2010].

ANY QUESTIONS WITH RESPECT TO THIS NOTE BALLOT SHOULD BE DIRECTED TO KURTZMAN CARSON CONSULTANTS, THE VOTING AND CLAIMS AGENT, BY CALLING (888) 647-1742.

³ Ballots will be mailed directly to KCC, the Voting and Claims Agent. As such, ballots, including social security information contained therein, will not be publicly available.

Exhibit 3 to Exhibit A

Master Note Ballot

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

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

**MASTER NOTE BALLOT FOR ACCEPTING OR REJECTING THE
JOINT PLAN OF LIQUIDATION OF TOUSA, INC. AND ITS AFFILIATED
DEBTORS AND DEBTORS IN POSSESSION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

**Class 5A Senior Note Claims of TOUSA, Inc. and
Class 4A Senior Note Claims of Conveying Subsidiaries**

**PLEASE READ AND FOLLOW THE ENCLOSED INSTRUCTIONS FOR COMPLETING
MASTER NOTE BALLOTS CAREFULLY BEFORE COMPLETING THIS MASTER NOTE BALLOT.**

**THIS MASTER NOTE BALLOT MUST BE ACTUALLY RECEIVED BY THE VOTING AND CLAIMS
AGENT BY 5:00 P.M. PREVAILING EASTERN TIME [____, 2010] (THE "VOTING DEADLINE").**

The Official Committee of the Unsecured Creditors (the "Committee") above-captioned debtors and debtors in possession (collectively, the "Debtors") have sent this Master Note Ballot (the "Master Note Ballot") to you because our records indicate that you are a broker, dealer, commercial bank, trust company or other agent nominee (each, a "Nominee") of a Beneficial Holder of Class 5A Senior Note Claims of TOUSA, Inc. and Class 4A of Conveying Subsidiaries (excluding Beacon Hill at Mountain's Edge, LLC, Engle Sierra Verde P5, LLC and Engle Gillian, LLC) (collectively, the "Note Claims") against each of the Debtors listed in the Note Ballot as of the Record Date, August 25, 2010.¹ Accordingly, you have a right to vote to accept or reject the *Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* [D.E. 5799] (the "Plan") filed in connection with the above-captioned chapter 11 cases. This Master Note Ballot is being submitted pursuant to the *Motion By The Committee for Order Approving the Disclosure Statement Filed by the Committee and Establishing Solicitation and Voting Procedures with Respect Thereto* [D.E. ____] (the "Disclosure Statement Order") and in conjunction with the *Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code* and all exhibits thereto [D.E. 5798] (the "Disclosure Statement").

This Master Note Ballot is accompanied with copies of the Disclosure Statement, the Plan, the Disclosure Statement Order and certain other materials included in the package you are receiving with this Mater Note Ballot (the "Solicitation Package"). This Master Note Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain certifications with respect thereto. If you believe that you have received this Master Note Ballot in error, please contact Kurtzman Carson Consultants ("KCC"), the Voting and Claims

¹ A "Beneficial Holder" is a beneficial owner of publicly-traded securities in Class 5A of TOUSA, Inc. and Class 4A of the Conveying Subsidiaries whose claims have not been satisfied prior to the Record Date pursuant to Court order or otherwise, as reflected in the records maintained by Nominees holding through The Depository Trust Company or other relevant security depository and/or the applicable indenture trustee, as of the Record Date.

[

**Security Description
CUSIP Number**

Agent with respect to solicitation of votes of holders of claims and equity interests based on publicly-traded securities, by calling (877) 833-4150.

The Bankruptcy Court may confirm the Plan and thereby bind all holders of claims. To have the votes of your Beneficial Holders count as either an acceptance or rejection of the Plan, you must complete and return this Master Note Ballot so that the Voting and Claims Agent actually receives it on or before on [____, 2010], 5:00 p.m. prevailing Eastern Time at the following address: TOUSA Balloting Center c/o Kurtzman Carson Consultants LLC, 599 Lexington Avenue, 39th Floor, New York, NY 10022. Master Note Ballots should not be sent to the Debtors, Committee or the Indenture Trustees.

INSTRUCTIONS FOR COMPLETING MASTER NOTE BALLOTS

1. The Committee is soliciting votes on the joint Plan attached as **Exhibit A** to the Disclosure Statement.
2. The Bankruptcy Court may confirm the Plan and thereby bind Beneficial Holders of Note Claims, whether or not your Beneficial Holders vote to approve the Plan. Please review the Disclosure Statement for more information.
3. You should immediately distribute the Note Ballots and other documents in the Solicitation Package to all Beneficial Holders of Note Claims or intermediary Nominees and take any action required to enable each such Beneficial Holder to vote timely the Note Claims that it holds. Any Note Ballot returned to you by a Beneficial Holder of a Note Claim or intermediary Nominee shall not be counted for purposes of accepting or rejecting the Plan until you properly complete and deliver to the Voting and Claims Agent a Master Note Ballot that reflects the vote of such Beneficial Holders or intermediary Nominees on or before [____, 2010], 5:00 p.m. prevailing Eastern Time (the "Voting Deadline") or otherwise validate the Note Ballot in a manner acceptable to the Voting and Claims Agent
4. With regard to any Note Ballots returned to you by a Beneficial Holder or intermediary Nominee, you must: (a) compile and validate the votes and other relevant information of each such Beneficial Holder on the Master Note Ballot using the customer name or account number assigned by you or an intermediary Nominee to each such Beneficial Holder; (b) execute the Master Note Ballot; (c) transmit such Master Note Ballot to the Voting and Claims Agent by the Voting Deadline; and (d) retain such Note Ballots in your files for a period of one year after the effective date of the Plan. You may be ordered to produce the Note Ballots to the Debtors, the Committee or the Bankruptcy Court.
5. If a Master Note Ballot is received after the Voting Deadline, it will not be counted unless the Committee determines otherwise. The method of delivery of Master Note Ballots to the Voting and Claims Agent is at the election and risk of each entity. Except as otherwise provided herein, such delivery will be deemed made only when the Voting and Claims Agent actually receives the originally executed Master Note Ballot. Instead of effecting delivery by mail, it is recommended, though not required, that parties use an overnight or hand delivery service. In all cases, parties should allow sufficient time to assure timely delivery. Delivery of a Master Note Ballot to the Voting and Claims Agent by facsimile, e-mail or any other electronic means shall not be valid. No Master Note Ballot should be sent to any of the Debtors, the Debtors' agents (other than the Voting and Claims Agent), the Indenture Trustees, the Debtors' financial or legal advisors or the Committee. If your Master Note Ballot is sent to an incorrect address, it will not be counted.
6. If multiple Master Note Ballots are received from the same Nominee with respect to the same Note Ballot belonging to a Beneficial Holder of a Note Claim prior to the Voting Deadline, the last dated Master Note Ballot timely received will supersede and revoke any earlier received Master Note Ballot(s).
7. The Master Note Ballot is not a letter of transmittal and it may not be used for any purpose other than to vote to accept or reject the Plan and make certifications with respect to the Note Ballots. Accordingly, at this time, holders of Note Claims should not surrender certificates or instruments representing their Note Claims and you should not accept delivery of any such certificates or instruments surrendered together with a Note Ballot.
8. This Master Note Ballot does not constitute, and shall not be deemed to be (a) a proof of claim or (b) an assertion or admission of a claim.

9. Please be sure to sign and date your Master Note Ballot. In addition, please provide your name and mailing address if it is different from that set forth on the attached mailing label or if no mailing label is attached to the Master Note Ballot. You must indicate that you are signing a Master Note Ballot in your capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation or otherwise acting in a fiduciary or representative capacity and, if required or requested by the Voting and Claims Agent, the Debtors, the Committee or the Bankruptcy Court, you must submit proper evidence to the requesting party to so act on behalf of such Beneficial Holder.
10. If you are both the Nominee and the Beneficial Holder of any of the Note Claims and you wish to vote such Note Claims, you may return a Ballot or Master Note Ballot for such Note Claims.
11. A Master Note Ballot shall not be counted in determining the acceptance or rejection of the Plan if it: (a) is illegible or contains insufficient information to permit the identification of the holder of the claim; (b) is cast by a party that does not hold a claim in a class that is entitled to vote on the Plan; (c) is cast for a claim listed on a Debtor's schedules of assets and liabilities as contingent, unliquidated or disputed for which the applicable bar date has passed and no proof of claim was timely filed; (d) is unsigned; (e) is not marked to accept or reject the Plan; and (f) is submitted by any party not entitled to vote pursuant to the procedures set forth in the Disclosure Statement Order.
12. If you believe that you have received the wrong Master Note Ballot, please contact the Voting and Claims Agent immediately.

PLEASE RETURN YOUR MASTER NOTE BALLOT PROMPTLY!

TOUSA, Inc.
c/o Kurtzman Carson Consultants LLC
599 Lexington Avenue, 39th Floor
New York, NY 10022

**IF YOU HAVE ANY QUESTIONS REGARDING THIS MASTER NOTE BALLOT
OR THE VOTING PROCEDURES, PLEASE CALL
THE VOTING AND CLAIMS AGENT AT (877) 833-4150.**

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL RENDER YOU OR ANY OTHER ENTITY, THE AGENT OF THE DEBTORS OR THE VOTING AND CLAIMS AGENT OR AUTHORIZE YOU OR ANY OTHER ENTITY TO USE ANY DOCUMENT OR MAKE ANY STATEMENTS ON BEHALF OF ANY OF THE DEBTORS WITH RESPECT TO THE PLAN, EXCEPT FOR THE STATEMENTS CONTAINED IN THE DOCUMENTS ENCLOSED HERewith.

Item 2(A). For those holders of Note Claims, if any, who chose to accept or reject all 38 chapter 11 Plans, as indicated in **Item 2** of the Note Ballot, please indicate, in the appropriate column in the table below, the aggregate principal amount voted for each account or attach such information to this Master Note Ballot in the form of the following table. Please note that each account of a Beneficial Holder must vote the full amount of such Beneficial Holder's Note Claims to accept or reject the Plan and may not split the amount of such vote. Do not count any Note Ballot executed by the Beneficial Holder that does not indicate a clear acceptance or rejection of Plan or that indicates both an acceptance and a rejection of each of the 38 chapter 11 Plans (you may include additional sheets as needed and attach them to this Master Note Ballot).

Your Customer Account Number for Each Beneficial Holder of Voting Note Claims	VOTE(S) ON THE PLAN	
	ACCEPT	REJECT
1.	\$	\$
2.	\$	\$
3.	\$	\$
4.	\$	\$
5.	\$	\$
6.	\$	\$
7.	\$	\$
8.	\$	\$
9.	\$	\$
10.	\$	\$
TOTALS:	\$	\$

Item 3. Certification as to Transcription of Information from Item 3 of the Note Ballots as to Note Claims Voted Through Other Ballots.

The undersigned certifies that the undersigned has transcribed in the following table the information, if any, provided by Beneficial Holders in Item 3 of each of the Beneficial Holder's original note Ballots, identifying any Note Claims for which such Beneficial Holders have submitted other Note Ballots. ONLY COMPLETE THIS SECTION IF YOU RECEIVE NOTE BALLOTS FOR WHICH ITEM 3 IS COMPLETED. (You may attach additional pages if necessary.)

Your Customer Account Number for Each Beneficial Holder Who Completed <u>Item 2</u> of the Note Ballot	TRANSCRIBE FROM ITEM 3 OF THE NOTE BALLOTS:			
	Account Number	Name of Owner	Amount of Other Note Claim Voted	Type of Other Note Claim(s) Voted
1.			\$	
2.			\$	
3.			\$	
4.			\$	
5.			\$	
6.			\$	
7.			\$	
8.			\$	
9.			\$	
10.			\$	

Item 4. Certification.

By signing this Master Note Ballot, the undersigned certifies that:

- (a) it has (i) received a copy of the Disclosure Statement, the Note Ballots and the Solicitation Package and has delivered the same to the Beneficial Holders listed on the Note Ballots or to any intermediary Nominee, as applicable; (ii) received a completed and signed Note Ballot from each Beneficial Holder listed in Item 2 of this Master Note Ballot or from an intermediary Nominee, as applicable; (iii) it is the registered holder of the securities being voted; and (iv) it has been authorized by each such Beneficial Holder or intermediary Nominee, as applicable, to vote on the Plan and to make applicable elections;
- (b) it has properly disclosed: (i) the number of Beneficial Holders who completed Note Ballots; (ii) the respective amounts and issues of the Note Claims owned, as the case may be, by each Beneficial Holder who completed a Note Ballot; (iii) each such Beneficial Holder's respective vote concerning the Plan; (iv) each such Beneficial Holder's certification as to other Note Claims voted; and (v) the customer account or other identification number for each such Beneficial Holder;
- (c) each such Beneficial Holder has certified to the undersigned or to an intermediary Nominee, as applicable, that it is eligible to vote on the Plan; and
- (d) it will maintain Note Ballots and evidence of separate transactions returned by Beneficial Holders or by intermediary Nominees (whether properly completed or defective) for at least one year after the Voting Deadline and disclose all such information to the Bankruptcy Court, the Debtors, or the Committee, as the case may be, if so ordered.

Name of Nominee:

(Print or Type)

Participant Number: _____

Name of Proxy Holder or Agent for Nominee:

(Print or Type)

Social Security² or Federal Tax Identification Number: _____

Signature: _____

Name of Signatory: _____

Title: _____

Address: _____

Date Completed: _____

PLEASE COMPLETE, SIGN AND DATE THIS MASTER NOTE BALLOT AND RETURN IT PROMPTLY IN THE ENVELOPE PROVIDED TO:

TOUSA, Inc. c/o Kurtzman Carson Consultants LLC 599 Lexington Avenue, 39 th Floor New York, NY 10022
--

THIS MASTER NOTE BALLOT MUST BE ACTUALLY RECEIVED AT THE ABOVE ADDRESS BY THE VOTING DEADLINE, WHICH IS 5:00 P.M. PREVAILING EASTERN TIME ON [____, 2010].

DO NOT SEND THIS MASTER NOTE BALLOT TO THE DEBTORS, THE COMMITTEE, OR THE INDENTURE TRUSTEES.

² Ballots will be mailed directly to KCC, the Voting and Claims Agent. As such, ballots, including social security information contained therein, will not be publicly available.

Exhibit 4 to Exhibit A
Form of Letter to Voting Classes

Re: Solicitation of Votes to Accept or Reject Votes on Proposed Joint Plan

On July 16, 2010, the Official Committee of Unsecured Creditors (the "Committee") of TOUSA, Inc. and its affiliated debtors and debtors in possession (collectively, the "Debtors") filed the following documents with the United States Bankruptcy Court for the Southern District of Florida, Fort Lauderdale Division (the "Bankruptcy Court"):

- (a) the Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors In Possession Under Chapter 11 of the Bankruptcy Code (the "Disclosure Statement"); and
- (b) the Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code (as it may be amended or supplemented from time to time, the "Plan").

On July 19, 2010, the Committee filed a motion for an order approving the Disclosure Statement and seeking related relief thereto (the "Disclosure Statement Motion"). On [____, 2010], the Bankruptcy Court entered an order approving the relief sought in the Disclosure Statement Motion, which, among other things, approved certain procedures with respect to the solicitation of votes to accept or reject the Plan (the "Disclosure Statement Order").

You have received this letter and the enclosed materials because you are entitled to vote on the Plan.

The enclosed materials constitute the "Solicitation Package" and consist of the following:

- (a) this cover letter;
- (b) the Disclosure Statement Order;
- (c) an appropriate form of Ballot and/or Master Ballot and instructions with respect thereto, together with a pre-addressed, postage prepaid return envelope;
- (d) a notice containing information with respect to the hearing at which the Committee will present the Plan to the Bankruptcy Court for approval;
- (e) the approved form of the Disclosure Statement in either paper or CD-ROM format; and
- (f) the Plan, in either paper or CD-ROM format.

The Committee believes that the acceptance of the Plan is in the best interests of the holders of claims against the Plan Debtors. Moreover, the Committee believes that any alternative other than confirmation of the Plan could result in extensive delays and increased administrative expenses, thereby resulting in smaller distributions or no distributions on account of claims.

THE COMMITTEE THEREFORE RECOMMENDS THAT ALL ENTITIES ENTITLED TO VOTE SUBMIT A TIMELY BALLOT VOTING TO ACCEPT THE PLAN.

The materials in the Solicitation Package are intended to be self-explanatory. If you have any questions, however, please feel free to contact the Voting and Claims Agent by (a) writing to TOUSA, Inc., c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (b) calling (888) 647-1742, (c) emailing KCC_TOUSA@kccllc.com or tousacommittee@akingump.com, or d) visiting the Voting and Claims Agent's website at <http://www.tousadocket.com>.

Exhibit 5 to Exhibit A

Form of Notice of Disclosure Statement Hearing

<p>Richard M. Cieri (New York Bar No. 420712) Paul M. Basta (New York Bar No. 2568046) M. Natasha Labovitz (New York Bar No. 2813251) KIRKLAND & ELLIS LLP Citigroup Center 153 East 53rd Street New York, NY 10022 Telephone: (212) 446-4800 Facsimile: (212) 446-4900</p>	<p>Paul Steven Singerman (Florida Bar No. 378860) BERGER SINGERMAN, P.A. 200 South Biscayne Boulevard, Suite 1000 Miami, FL 33131 Telephone: (305) 755-9500 Facsimile: (305) 714-4340</p>
<i>Co-Counsel to the Debtors</i>	
<p>Daniel H. Golden, Esq. (New York Bar No. 1133859) Philip C. Dublin, Esq. (New York Bar No. 2959344) AKIN GUMP STRAUSS HAUER & FELD LLP One Bryant Park New York, NY 10036 Telephone: (212) 872-1000 Facsimile: (212) 872-1002</p>	<p>Patricia A. Redmond (Florida Bar No. 303739) STEARNS WEAVER MILLER WEISSLER ALHADEFF & SITTERSON, P.A. 150 West Flagler Street, Miami, Florida 33130 Telephone: (305) 789-3553 Facsimile: (305) 789-3395</p>
<i>Co-Counsel to the Statutory Committee of Unsecured Creditors</i>	
<p>Seven Rivera CHADBOURNE & PARKE LLP 30 Rockefeller Plaza New York, NY 10112 Telephone: (212) 408-5100 Facsimile: (212) 541-5369</p>	<p>Stephen D. Busey (Florida Bar No. 117790) James H. Post (Florida Bar No. 175460) SMITH HULSEY & BUSEY 225 Water Street, Suite 1800 Jacksonville, Florida 32202 Telephone: (904) 359-7700 Facsimile: (904) 359-7708</p>
<i>Co-Counsel to the Agents to the First Lien Lenders</i>	
<p>Gregory W. Nye, Esq. (CT Bar No. 300188) Evan Flaschen, Esq. (CT Bar No. 304232) Marcy Kurtz, Esq. (TX Bar No. 11768600) BRACEWELL & GIULIANI LLP Goodwin Square 225 Asylum Street, Suite 2600 Hartford, CT 06103</p>	<p>Scott L. Baena, Esq. (Florida Bar No. 186445) Matthew I. Kramer, Esq. (Florida Bar No. 0937231) Jason Z. Jones, Esq. (Florida Bar No. 186554) BILZIN SUMBER BAENA PRICE & AXELROD LLP 2500 Wachovia Financial Center 200 South Biscayne Boulevard Miami, Florida 33131-2385 Telephone: (305) 374-7580 Facsimile: (305) 374-7593</p>
<i>Co-Counsel to the Agent to the Second Lien Lenders</i>	
<p>CLERK OF THE BANKRUPTCY COURT United States Bankruptcy Court Southern District of Florida, Fort Lauderdale Division 299 E. Broward Blvd., Room 112 Fort Lauderdale, FL 33301 T: (954) 769-5700</p>	<p>OFFICE OF THE UNITED STATES TRUSTEE FOR THE SOUTHERN DISTRICT OF FLORIDA 51 S.W. First Avenue Room 1204 Miami, FL 33130 T: 305-536-7285 F: 305-536-7360 Attn: Steven Schneiderman</p>

Exhibit 6-A to Exhibit A

Non-Voting Status Notice–Deemed to Accept

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

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

NON-VOTING STATUS NOTICE WITH RESPECT TO UNCLASSIFIED CLAIMS AND UNIMPAIRED CLASSES DEEMED TO ACCEPT THE PLAN

PLEASE TAKE NOTICE THAT, on July 16, 2010, the Official Committee of Unsecured Creditors (the “Committee”) of TOUSA, Inc. and its affiliated debtors and debtors in possession in the above-captioned, jointly administered chapter 11 cases (collectively, the “Debtors”) filed (a) the proposed Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code [D.E. 5798] (as amended from time to time and including all exhibits and supplements thereto, the “Disclosure Statement”) and (b) the proposed Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code [D.E. 5799] (as amended from time to time and including all exhibits thereto, the “Plan”). On July 19, 2010, the Committee filed a motion seeking approval of the Disclosure Statement and other related relief (the “Disclosure Statement Motion”).

PLEASE TAKE NOTICE THAT, on [____], 2010, the United States Bankruptcy Court for the Southern District of Florida, Fort Lauderdale Division (the “Bankruptcy Court”) entered an order (the “Disclosure Statement Order”) that, among other things, (a) approved the Disclosure Statement filed in support of the Plan as containing adequate information, as required under section 1125(a) of title 11 of the United States Code (the “Bankruptcy Code”) and (b) authorized the Committee to solicit votes with regard to the acceptance or rejection of the Plan.

The Disclosure Statement Order established [____, 2010] as the date for a hearing at which the Committee will seek approval of the Plan. A separate notice is being sent to you that describes procedures for voting on, or objecting to, the Plan.

Consistent with the Disclosure Statement Order, parties may obtain copies of the Disclosure Statement Order, the Disclosure Statement, the Plan and other documents and materials included in the Solicitation Package¹ (except the Ballots, Note Ballots Master Note Ballots) (i) from the Voting and Claims Agent, (a) at its website at <http://www.tousadocket.com>,

¹ Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Disclosure Statement.

(b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (c) by calling (888) 647-1742 or (d) by emailing KCC_TOUSA@kccllc.com or (ii) for a fee via PACER at <https://ecf.flsb.uscourts.gov>.

You are receiving this notice because, under the terms of the Disclosure Statement Order, either: (a) your claim(s) is/are unclassified pursuant to section 1123(a)(1) of the Bankruptcy Code and, therefore, you are not entitled to vote on the Plan; or (b) your claims against the Debtors is/are “unimpaired” and, therefore, in accordance with section 1126(f) of the Bankruptcy Code, you are (i) deemed to have accepted the Plan and (ii) not entitled to vote on the Plan.

Accordingly, this notice is being sent to you for informational purposes only.

If you have any questions about the status of your claim(s), you should contact the Voting and Claims Agent in accordance with the instructions provided above.

Exhibit 6-B to Exhibit A

Non-Voting Status Notice–Deemed to Reject

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

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

NON-VOTING STATUS NOTICE WITH RESPECT TO INTERESTS DEEMED TO REJECT THE PLAN

PLEASE TAKE NOTICE THAT, on July 16, 2010, the Official Committee of Unsecured Creditors (the “Committee”) of TOUSA, Inc. and its affiliated debtors and debtors in possession in the above-captioned, jointly administered chapter 11 cases (collectively, the “Debtors”) filed (a) the proposed Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code [D.E. #5798] (the “Disclosure Statement”) and (b) the proposed Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code [D.E. #5799] (the “Plan”). On July 19, 2010, the Committee filed a motion seeking approval of the Disclosure Statement and other related relief (the “Disclosure Statement Motion”).

PLEASE TAKE NOTICE THAT, on [____], 2010, the United States Bankruptcy Court for the Southern District of Florida, Fort Lauderdale Division (the “Bankruptcy Court”) entered an order (the “Disclosure Statement Order”) that, among other things, (a) approved the Disclosure Statement filed in support of the Plan as containing adequate information, as required under section 1125(a) of title 11 of the United States Code (the “Bankruptcy Code”) and (b) authorized the Committee to solicit votes with regard to the acceptance or rejection of the Plan.

The Disclosure Statement Order established [____, 2010] as the date for a hearing at which the Committee will seek approval of the Plan. A separate notice is being sent to you that describes procedures for voting on, or objecting to, the Plan.

Consistent with the Disclosure Statement Order, parties may obtain copies of the Disclosure Statement Order, the Disclosure Statement, the Plan and other documents and materials included in the Solicitation Package¹ (except the Ballots, Note Ballots Master Note Ballots) (i) from the Voting and Claims Agent, (a) at its website at <http://www.tousadocket.com>, (b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska

¹ Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Disclosure Statement.

Avenue, El Segundo, California 90245, (c) by calling (888) 647-1742 or (d) by emailing KCC_TOUSA@kccllc.com or (ii) for a fee via PACER at <https://ecf.flsb.uscourts.gov>.

You are receiving this notice because, under the terms of the Disclosure Statement Order: you are not entitled to receive or retain any property of the Debtors on account of your equity interests in the Debtors and, therefore, pursuant to section 1126(g) of the Bankruptcy Code, you are (a) deemed to have rejected the Plan and (b) not entitled to vote on the Plan.

Accordingly, this notice is being sent to you for informational purposes only.

If you have any questions about the status of your claim(s), you should contact the Voting and Claims Agent in accordance with the instructions provided above.

Exhibit 7 to Exhibit A
Notice of Disputed Claims

Avenue, El Segundo, California 90245, (c) by calling (888) 647-1742 or (d) by emailing KCC_TOUSA@kccllc.com or (ii) for a fee via PACER at <https://ecf.flsb.uscourts.gov>.

You are receiving this notice because as of the Record Date, August 25, 2010, you are the holder of a claim that is subject to a pending objection by the Debtors. You are not entitled to vote on the Plan unless, at least five days before the Voting Deadline: (a) an order of the Bankruptcy Court is entered allowing such Claim pursuant to section 502(b) of the Bankruptcy Code, after notice and a hearing; (b) an order of the Bankruptcy Court is entered temporarily allowing such Claim for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing; (c) a stipulation or other agreement is executed between the Holder of such Claim and the Debtors resolving the objection and allowing such Claim in an agreed upon amount; (d) a stipulation or other agreement is executed between the Holder of the such Claim and the Debtors temporarily allowing the Holder of such Claim to vote its Claim in an agreed upon amount; or (e) the pending objection to such Claim is voluntarily withdrawn by the Debtors (each, a “Resolution Event”).

Accordingly, this notice is being sent to you for informational purposes only.

If a Resolution Event occurs, then, no later than two business days thereafter, the Voting and Claims Agent shall distribute a Ballot or Note Ballot (as applicable) and a pre-addressed, postage pre-paid envelope to you, which must be returned to the Voting and Claims Agent no later than the Voting Deadline, which is 5:00 p.m. prevailing Eastern Time on [____], 2010.

If you have any questions about the status of your claim(s), you should contact the Voting and Claims Agent in accordance with the instructions provided above.

Exhibit 8 to Exhibit A
Confirmation Hearing Notice

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION

www.flsb.uscourts.gov

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

**NOTICE OF (A) THE SOLICITATION AND VOTING PROCEDURES AND
(B) THE OBJECTION DEADLINE AND THE CONFIRMATION HEARING
WITH RESPECT TO THE PLAN FILED BY THE COMMITTEE**

TO ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS AND PARTIES IN INTEREST:

1. **Bankruptcy Court Approval of the Disclosure Statement and the Solicitation Procedures.** On [____], 2010 the United States Bankruptcy Court for the Southern District of Florida, Fort Lauderdale Division (the "Bankruptcy Court") entered an order (the "Disclosure Statement Order") that, among other things, (a) approved the Disclosure Statement for Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors In Possession Under Chapter 11 of the Bankruptcy Code (as amended from time to time and including all exhibits and supplements thereto, the "Disclosure Statement") filed in support of the Joint Plan of Liquidation of TOUSA, Inc. and Its Affiliated Debtors and Debtors in Possession Under Chapter 11 of the Bankruptcy Code (as amended from time to time and including all exhibits thereto, the "Plan") as containing adequate information, as required under section 1125(a) of title 11 of the United States Code (the "Bankruptcy Code") and (b) authorized the Official Committee of Unsecured Creditors (the "Committee") of TOUSA, Inc. and the above-captioned debtors and debtors in possession (collectively, the "Debtors") to solicit votes with regard to the acceptance or rejection of the Plan.
2. **Record Date.** The Record Date for purposes of determining which Holders of Claims are entitled to vote on the Plan is August 25, 2010.
3. **Voting Deadline.** If you hold a claim against one of the Debtors as of the Record Date and are entitled to vote to accept or reject the Plan, you have received a Ballot, Note Ballot or Master Note Ballot and ballot instructions appropriate for your claim(s). For your vote to accept or reject the Plan to be counted, you must follow the appropriate ballot instructions, complete all required information on the Ballot, Note Ballot or Master Note Ballot, execute and return the completed Ballot, Note Ballot or Master Note Ballot so that it is actually received in accordance with the ballot instructions at the address indicated on the Ballot, Note Ballot or Master Note Ballot by 5:00 p.m. prevailing Eastern Time on [____, 2010] (the "Voting Deadline"). Any failure to follow the ballot instructions included with the Ballot, Note Ballot or Master Note Ballot may disqualify your Ballot, Note Ballot or Master Note Ballot and your vote.
4. **Objections to the Plan.** The Bankruptcy Court has established [____, 2010] at 5:00 p.m. prevailing Eastern Time, as the last date and time for filing and serving objections to the Confirmation of the Plan (the "Plan Objection Deadline"). Any objection to the Plan must (a) be in writing, (b) conform to the Bankruptcy Rules and the Local Bankruptcy Rules, (c) state the name and address of the objecting party and the amount and nature of the claim or equity interest of such entity, (d) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection and (e) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that it is actually received no later than the Plan Objection Deadline, by:

Richard M. Cieri (New York Bar No. 420712) Paul M. Basta (New York Bar No. 2568046) M. Natasha Labovitz (New York Bar No. 2813251) KIRKLAND & ELLIS LLP Citigroup Center 153 East 53rd Street New York, NY 10022 Telephone: (212) 446-4800 Facsimile: (212) 446-4900	Paul Steven Singerman (Florida Bar No. 378860) BERGER SINGERMAN, P.A. 200 South Biscayne Boulevard, Suite 1000 Miami, FL 33131 Telephone: (305) 755-9500 Facsimile: (305) 714-4340
<i>Co-Counsel to the Debtors</i>	
Daniel H. Golden, Esq. (New York Bar No. 1133859) Philip C. Dublin, Esq. (New York Bar No. 2959344) Brian D. Geldert, Esq. (New York Bar No. 4225694) AKIN GUMP STRAUSS HAUER & FELD LLP One Bryant Park New York, NY 10036 Telephone: (212) 872-1000 Facsimile: (212) 872-1002	Patricia A. Redmond (Florida Bar No. 303739) STEARNS WEAVER MILLER WEISSLER ALHADEFF & SITTERSON, P.A. 150 West Flagler Street, Miami, Florida 33130 Telephone: (305) 789-3553 Facsimile: (305) 789-3395
<i>Co-Counsel to the Statutory Committee of Unsecured Creditors</i>	
Seven Rivera CHADBOURNE & PARKE LLP 30 Rockefeller Plaza New York, NY 10112 Telephone: (212) 408-5100 Facsimile: (212) 541-5369	Stichter, Riedel, Blain & Prosser, P.A. Amy D. Harris (634506) Harley Edward Riedel (183628) Richard Craig Prosser (354831) 110 E. Madison Street, Suite 200 Tampa, Florida 33602-4718 Telephone: (813) 229-0144 Facsimile: (813) 229-1811
<i>Co-Counsel to the Agents to the First Lien Lenders</i>	
Gregory W. Nye, Esq. (CT Bar No. 300188) Evan Flaschen, Esq. (CT Bar No. 304232) Marcy Kurtz, Esq. (TX Bar No. 11768600) BRACEWELL & GIULIANI LLP Goodwin Square 225 Asylum Street, Suite 2600 Hartford, CT 06103	Scott L. Baena, Esq. (Florida Bar No. 186445) Matthew I. Kramer, Esq. (Florida Bar No. 0937231) Jason Z. Jones, Esq. (Florida Bar No. 186554) BILZIN SUMBER BAENA PRICE & AXELROD LLP 2500 Wachovia Financial Center 200 South Biscayne Boulevard Miami, Florida 33131-2385 Tel: (305) 374-7580 Facsimile: (305) 374-7593
<i>Co-Counsel to the Agent to the Second Lien Lenders</i>	
CLERK OF THE BANKRUPTCY COURT United States Bankruptcy Court Southern District of Florida, Fort Lauderdale Division 299 E. Broward Blvd., Room 112 Fort Lauderdale, FL 33301 Telephone: 954-769-5700	OFFICE OF THE UNITED STATES TRUSTEE FOR THE SOUTHERN DISTRICT OF FLORIDA 51 S.W. First Avenue Room 1204 Miami, FL 33130 Telephone: (305) 536-7285 Facsimile: (305) 536-7360

5. **Confirmation Hearing.** A hearing to confirm the Plan (the “Confirmation Hearing”) will commence on [____, 2010] at 10:00 a.m. prevailing Eastern Time before the Honorable John K. Olson, United States Bankruptcy Judge. The Confirmation Hearing may be continued from time to time without further notice other than an announcement of the adjournment in open court or a notice of adjournment filed with the Court and served on the Core Group, the 2002 List (as defined in the Case Management Order) and the

Entities who have filed objections to the Plan, without further notice to other parties in interest. In accordance with the Plan, the Plan may be modified, if necessary, prior to, during or as a result of the Confirmation Hearing, without further notice to interested parties.

6. **Inquiries.** The Committee shall serve either paper copies of or a CD-ROM containing the Disclosure Statement Order, the Disclosure Statement and all exhibits to the Disclosure Statement, including the Plan, on the Master Service List, the 2002 List (each as defined in the Case Management Order), all entities entitled to vote to accept or reject the Plan, the Internal Revenue Service, the Securities and Exchange Commission and the Office of the United States Trustee for the Southern District of Florida. Holders of claims who are entitled to vote to accept or reject the Plan shall receive a Solicitation Package, containing paper copies of this Notice, applicable Ballot(s), Note Ballot(s) or Master Ballot(s) and the Solicitation Procedures. The Solicitation Package (except the Ballots and Master Ballots) may also be obtained (i) from the Notice, Claims and Balloting Agent, Kurtzman Carson Consultants, LLC, in its capacity as the Voting and Claims Agent, (a) at its website at <http://www.tousadocket.com>, (b) by writing to TOUSA Balloting Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (c) by calling (888) 647-1742 or (d) by emailing KCC_TOUSA@kccllc.com or (ii) for a fee via PACER at <https://ecf.flsb.uscourts.gov>. For Holders of Claims, the Voting and Claims Agent will answer questions regarding the procedures and requirements for voting to accept or reject the Plan and for objecting to the Plan, provide additional copies of all materials and oversee the voting tabulation.
7. **Temporary Allowance of Claims for Voting Purposes.** Holders of claims that are subject to a pending objection as of the Record Date cannot vote on the Plan; provided, however, that if only a portion of the claim has been objected to, such claim may be voted in the undisputed amount. Moreover, holders of claims cannot vote any disputed portion of their claim unless one or more of the following has taken place at least five business days before the Voting Deadline: (a) an order of the Bankruptcy Court is entered allowing such claim pursuant to section 502(b) of the Bankruptcy Code, after notice and a hearing; (b) an order of the Bankruptcy Court is entered temporarily allowing such claim for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing; (c) a stipulation or other agreement is executed between the holder of such claim and the Committee (in consultation with the Debtors) resolving the objection and allowing such claim in an agreed upon amount; (d) a stipulation or other agreement is executed between the holder of such claim and the Committee (in consultation with the Debtors) temporarily allowing the holder of such claim to vote its claim in an agreed upon amount; or (e) the pending objection to such claim is voluntarily withdrawn by the Debtors (each, a "Resolution Event"). If an objection to a disputed claim is filed after the Record Date but at least 15 days prior to the Confirmation Hearing, the notice of objection will inform such holder of the rules applicable to claims subject to a pending objection and the procedures for temporary allowance for voting purposes. If an objection to a claim is filed on or less than 15 days prior to the Confirmation Hearing, the holder's claim shall be deemed temporarily allowed for voting purposes only without further action by the holder of such claim and without further order of the Bankruptcy Court.
8. **Distribution Date.** The Bankruptcy Court has approved August 25, 2010, at 4:00 p.m. prevailing Eastern Time as the record date for purposes of determining which holders of allowed claims, except claims based on publicly traded instruments, are entitled to receive distributions under the Plan.
9. **Release, Exculpation and Injunction Language in the Plan.** Please be advised that the Plan contains certain release, exculpation and injunction provisions. Article VIII of the Plan proposes an injunction and provides as follows:

Except as otherwise expressly provided in the Plan or for obligations issued pursuant to the Plan, all entities who have held, hold, or may hold Claims against or Equity Interests in the Debtors (excluding TOUSA Homes, L.P.) are permanently enjoined, from and after the Effective Date, from: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Equity Interests against the Debtors (excluding TOUSA Homes, L.P.), the Liquidation Trust, the Plan Releasees or the Exculpated Parties; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree or order against the Debtors (excluding TOUSA Homes, L.P.), the Liquidation Trust, the Plan Releasees or the Exculpated Parties on account of or in connection with or with respect to any such Claims or Equity

Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against the Debtors (excluding TOUSA Homes, L.P.), the Liquidation Trust, the Plan Releasees or the Exculpated Parties or the property of the Debtors (excluding TOUSA Homes, L.P.), the Liquidation Trust, the Plan Releasees or the Exculpated Parties or the Estates on account of or in connection with or with respect to any such Claims or Equity Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from the Debtors (excluding TOUSA Homes, L.P.), the Liquidation Trust, the Plan Releasees or the Exculpated Parties or against the property of the Debtors, the Liquidation Trust, the Plan Releasees or the Exculpated Parties or the Estates on account of or in connection with or with respect to any such Claims or Equity Interests notwithstanding an indication in a Proof of Claim or Equity Interest or otherwise that such holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Equity Interests released or settled pursuant to the Plan. Nothing in the Plan or Confirmation Order shall preclude any entity from pursuing an action against one or more of the Debtors (excluding TOUSA Homes, L.P.) in a nominal capacity to recover insurance proceeds so long as the Committee or the Liquidation Trustee, as applicable, and any such entity agree in writing that such entity will: (a) waive all Claims against the Debtors (excluding TOUSA Homes, L.P.) or the Liquidation Trust, as applicable, related to such action and (b) enforce any judgment on account of such Claim solely against applicable insurance proceeds, if any. You are advised to carefully review and consider the Plan, including the release, exculpation and injunction provisions, as your rights might be affected.