

Motion of MMA Capital Corporation for Relief from the Automatic Stay to Conduct Trustee's Sale (the "MMA Motion").

By the MMA Motion, MMA Capital Corporation ("MMA") seeks relief from the automatic stay to conduct a trustee's sale of certain real property in Pinal County, Arizona (the "Property").

MMA alleges that in September 2005, TOUSA Homes, Inc. ("TOUSA Homes") made a loan of \$5,600,000 to McCloud Investors, LLC ("McCloud"). In connection with the loan, McCloud executed a deed of trust and granted TOUSA Homes a lien on the Property. In June 2006, McCloud and MMA entered into a loan agreement (the "Loan Agreement"), pursuant to which MMA advanced McCloud \$47.5 million in exchange for a lien on the Property. In addition, TOUSA Homes, MMA and McCloud entered into an agreement (the "Subordination Agreement"), pursuant to which TOUSA Homes agreed to subordinate its recoveries to those of MMA. Moreover, TOUSA Homes agreed (i) not to receive any payments from McCloud if the loan to MMA was in default and (ii) to consent to any motion for relief from the automatic stay in a bankruptcy proceeding.

MMA argues that McCloud is in default under the Loan Agreement because (i) McCloud has not made required payments pursuant to the terms of the Loan Agreement and (ii) McCloud has failed to pay certain taxes on the Property as required by the Loan Agreement. MMA has obtained an appraisal of the Property for \$11.65 million. According to MMA, McCloud owes MMA approximately \$53.5 million in principal, interest, late fees and other amounts under the Loan Agreement. MMA alleges that because the value of the property is significantly less than the value of MMA's loan, TOUSA Homes has no interest in the property and relief from the automatic stay will not prejudice TOUSA Homes.

A hearing on the MMA Motion has been scheduled for May 14, 2009, with a corresponding objection deadline of May 8, 2009.