

**CP Red Oak Partners, Ltd.’s Motion to Compel Assumption or Rejection of Executory Contract (the “CP Red Oak Motion”).**

By the CP Red Oak Motion, creditor CP Red Oak Partners, Ltd. (“CP Red Oak”) seeks entry of an order directing Newmark Homes, L.P. (“Newmark”) to (i) reject the Red Oaks Subdivision Lot Sale and Purchase Contract dated May 5, 2004 (as amended, the “Purchase Agreement”), (ii) relieve CP Red Oak of any and all obligations under the terms of the Purchase Agreement, and (iii) allow CP Red Oak to retain a deposit as liquidated damages. Alternatively, CP Red Oak requests the Court order the Debtors to either assume or reject the Purchase Agreement within ten days of entry of an order related to the CP Red Oak Motion.

On December 19, 2008, CP Red Oak and Newmark entered into the Fifth Amendment to the Purchase Agreement (the “Fifth Amendment”) which required Newmark to purchase a total of 190 lots (132 of which had already been purchased) at the Red Oaks Subdivision in Cedar Park, Texas pursuant to a takedown schedule. CP Red Oak asserts that on April 15, 2009, Newmark defaulted under the Purchase Agreement by failing to purchase seven of the remaining 58 lots in accordance with the takedown schedule.

CP Red Oak alleges that entry of an order compelling assumption or rejection of the Purchase Agreement is necessary because CP Red Oak is prejudiced by (i) its inability to re-list and sell the related lots to other interested purchasers and (ii) its obligations to make interest payments, real estate tax payments, insurance payments and monthly maintenance payments on the lots which cost, in the aggregate, approximately \$750.00 per day.

***The CP Red Oak Motion has been scheduled for a hearing on May 28, 2009, with a corresponding objection deadline of May 22, 2009.***