

Debtors' Motion to Assume Nonresidential Real Property Leases and Pay Related Cure Amounts (the "Lease Motion").

By the Lease Motion, the Debtors seek entry of an order authorizing the Debtors to (a) assume certain nonresidential real property leases (the "Leases") and (b) pay in full the cure amounts with respect to such Leases (the "Cure Amounts"). The Leases include (i) leases of model homes which the Debtors use to show their products to potential customers (the "Model Home Leases"); (ii) leases of office space to administer the Debtors various divisions (the "Office Space Leases"); and (iii) leases of off-site storage space (the "Off-Site Leases").

The Debtors assert that each of the Leases is necessary to the Debtors' continued operations. Specifically, the Debtors argue that the Model Home Leases are crucial to their sales efforts because the model homes are located in communities where the Debtors are selling homes and therefore cannot easily be replaced. In addition, the Debtors argue that relocating their office space would cause significant disruption of the Debtors' businesses and distract the Debtors from their reorganization efforts.

The Debtors estimate that the Cure Amounts related to the Leases total approximately \$73,000. The Debtors submit that their past payment history and their intention to pay the Cure Amounts constitute adequate assurance of future performance to the landlords under each of the Leases.

A hearing on the Lease Motion is scheduled for August 25, 2008, with a corresponding objection deadline of August 21, 2008 at 5:00 p.m. (ET).