

Debtors' Motion for an Order Pursuant to Section 365(d)(4) of the Bankruptcy Code Extending the Time within Which the Debtors Must Assume or Reject Unexpired Leases or Nonresidential Real Property (the "Extension Motion").

By the Extension Motion, the Debtors seek entry of an order granting a 90-day extension (the "Extension") of the 120-day period (the "Initial Statutory Period") in which the Debtors must assume or reject certain unexpired leases (the "Unexpired Leases") of non-residential real property. The Initial Statutory Period expires on May 28, 2008 and the Extension would provide the Debtors with additional time to assume or reject Unexpired Leases, through and including August 26, 2008.

In the ordinary course of their business operations, the Debtors are party to approximately 40 Unexpired Leases. The terms of a number of the Unexpired Leases extend beyond the Initial Statutory Period. The Unexpired Leases include properties that serve various functions in the Debtors' day-to-day operations, including as office space and model homes. The Debtors submit that they are still in the process of determining what role, if any, each of the Unexpired Leases will play in the Debtors' reorganization and that proper evaluation of the Unexpired Leases will depend, in certain circumstances, on the Debtors' overall business plan, which is still being finalized. Specifically, among other things, the Debtors must review their performance in particular locations and analyze the location and purpose of each of the leased premises. The Debtors assert that the Extension will not cause any undue hardship on non-Debtor parties to the Unexpired Leases. Moreover, the Debtors maintain that wherever possible, they have already identified those executory contracts and Unexpired Leases which do not provide a benefit to the Debtors' estates, which are subject to a separate motion to reject certain executory contracts and Unexpired Leases.

A hearing on the Extension Motion has been scheduled for May 7, 2008, with an objection deadline of May 2, 2008 at 5:00 p.m. (ET).