

**(I) Motion of Topaz Cove Condominium Association, Inc. for Relief from Stay and (II) Motion of Mariposa Condominium Owners Association, Inc. for Relief from Stay (together, the “Association Motions”)**

By the Association Motions, Topaz Cove Condominium Association, Inc. (“Topaz”) and Mariposa Condominium Owners Association, Inc. (“Mariposa,” and, together with Topaz, the “Associations”) each seek relief from the automatic stay to proceed with their respective Florida state court construction defect actions (collectively, the “Actions”) for the purposes of (i) effectuating and pursuing coverage on liability policies (together, the “Policies”) issued by the Evanston Insurance Company (the “Insurer”) to cover the construction defect claims asserted against Debtor WCI Communities, Inc. (“WCI”) in the Actions, and (ii) determining liability of WCI and the amount of damages that might be claimed against the Insurer. According to the Association Motions, the Associations are not seeking to proceed directly against the Debtors’ estates.

Topaz and Mariposa are the corporate entities operating Topaz Cove Condominium (the “Topaz Condominium”) and Mariposa Condominium (“Mariposa Condominium,” and, together with Topaz Condominium, the “Condominiums”), respectively. In the Actions, the Associations allege that WCI, as developer of the Topaz Condominium and general contractor of the Mariposa Condominium, is liable to the Associations for (i) construction defects, (ii) expenses already paid by the Associations, and (iii) repair items and other items that have yet to be completed. Topaz and Mariposa assert that WCI is liable for damages in excess of \$1,863,753 and \$1,869,076, respectively. The Associations maintain that WCI was insured for the work performed on the Condominiums by the Policies. The Associations both maintain that the Actions were noticed for trial prior to WCI’s chapter 11 filing, and Topaz further maintains that the parties in its Action have already completed discovery.

The Associations assert that, by law, the Policies are not property of the Debtors’ estates, and therefore should not be subject to the automatic stay. Additionally, the Associations assert that granting the relief sought will not prejudice the Debtors or their creditors since (i) the Associations do not seek to reduce the property of the Debtors’ estates, and (ii) prior to WCI’s chapter 11 filing, discovery for the Actions was complete or nearly complete and the parties to the Actions were nearly ready to go to trial. Finally, the Associations assert that they will suffer significant injury if the automatic stay is not lifted because the Condominiums’ structures will suffer irreparable harm unless the Actions are resolved quickly so that the Associations will have funds to timely repair existing known defects.