

Debtors' Motions for Entry of Orders (i) Approving Agreement with CESC Commerce Executive Park, L.L.C. and Authorizing the Assumption of Lease and (i) Authorizing the Assumption and Assignment of Sublease and Establishing Cure Amount (together, the "CESC Motions")

By the CESC Motions, the Debtors seek entry of orders approving (i) the agreement (the "Agreement") between WCI Communities Inc. ("WCI") and CESC Commerce Executive Park, L.L.C. ("CESC") and, together with WCI, the "Parties"), whereby the Debtors' would assume a lease agreement (the "Lease") relating to a 2,689 square foot premises located at Commerce Executive IV, 11400 Commerce Park Drive, Suite 160, Reston, Virginia 20191 (the "Premises"), and (ii) the assumption and simultaneous assignment to CESC a sublease agreement (the "Sublease"), whereby WCI subleases the Premises to Aderas, Inc. ("Aderas").¹

The Debtors maintain that CESC holds a \$5,602.08 security deposit on account of the Lease (the "Lease Deposit") and WCI holds a security deposit on account of the Sublease in the amount of \$15,000.00 ("Sublease Deposit"). The Lease and Sublease expire on July 31, 2009 and August 30, 2009, respectively.

On February 6, 2009, the Debtors filed their second omnibus assumption motion (the "Omnibus Assumption Motion"), which included the Lease. Thereafter, CESC informed the Debtors that it would object to the cure amount listed in the Omnibus Assumption Motion and submitted documentation of the fees and expenses incurred that would have to be cured in order for WCI to assume the Lease. As a result of the foregoing, the Debtors negotiated with CESC to resolve any potential cure claims in connection with the assumption of the Lease in an effort to avoid unnecessary and potentially costly litigation related to such claims and to avoid incurring any additional postpetition fees and expenses. As a result of these negotiations, WCI removed the Lease from the exhibit to the Omnibus Assumption Motion prior to the hearing date and the Parties began negotiating the terms of an agreement to resolve all issues related to the Lease and Sublease. These negotiations culminated in the Agreement. Under the Agreement (i) WCI will assume the Lease and Sublease and simultaneously assign the Sublease to CESC effective as of March 1, 2009, (ii) the Parties will exchange a mutual waiver of claims, subject to the terms and conditions of the Agreement, and (iii) WCI will pay CESC \$9,397.92, in full satisfaction of the Sublease Deposit, which amount represents the difference between the Sublease Deposit and the Lease Deposit.

As a result of the Agreement, the Debtors estimate that their estates will save in excess of \$6,000 in potential cure claims had the Debtors simply assumed the Lease. In addition, the Debtors' obligation to pay the approximately \$6,000 in monthly Lease obligations through the term of the Lease is deemed satisfied as a result of the Agreement.

¹ Under section 365(d)(4) of the Bankruptcy Code, if the Debtors do not assume or reject a nonresidential real property lease where the Debtors are a lessee by the date that is 210 days after the petition date (the "Assumption Deadline") and do not obtain the landlord's consent to a further extension, such lease will be deemed rejected. On February 24, 2009, the Bankruptcy Court approved an agreement between WCI and the CESC extending the Assumption Deadline until May 1, 2009.