

Motion of Susan Lawson, as Trustee for the Lawson Trust, Dated June 24, 1994, for Relief from Stay Under Section 362 of the Bankruptcy Code (the “Lawson Motion”)

By the Lawson Motion, Susan Lawson, as Trustee of the Lawson Trust (“Lawson”) seeks relief from the automatic stay to (i) pursue a pending Florida State Court action (the “Action”) against WCI Communities, Inc. (“WCI”), Chicago Title Insurance Company (“Chicago Title”), and Lexon Insurance Company (“Lexon”), and (ii) if successful in the Action, recover the Escrow Deposit (as defined below) from the non-WCI defendants.

In February of 2006, Lawson entered a purchase contract (the “Contract”) with WCI for a condominium unit (the “Unit”). At that time, Lawson provided a \$300,000 escrow deposit (the “Escrow Deposit”) to WCI, which was deposited with Chicago Title, as escrow agent.

Lawson alleges that (i) the Contract required WCI to complete construction of the Unit within two years of the date of the Contract, and (ii) WCI breached the Contract by failing to do so. Thereafter, Lawson asserts that it asked WCI to return the Escrow Deposit, but WCI failed to do so, further breaching the Contract. Lawson initially filed the Action on July 29, 2008 against WCI.

On November 19, 2008, Lawson learned from Chicago Title that (i) \$285,000 of the Escrow Deposit had been distributed to the Debtors in July of 2006, and (ii) a surety bond had been issued by Lexon and was still in force to protect buyers of condominium units under construction. Accordingly, on December 17, 2008, Lawson amended the Action to add counts to the complaint against Chicago Title and Lexon.

Lawson maintains that all of the litigants are indispensable to the Action, and Lawson should not be forced to litigate its claims in multiple courts, which could lead to inconsistent results. Lawson notes that, even if the automatic stay is lifted and Lawson prevails in the Action, it will only be able to collect the Escrow Deposit; it could not collect additional damages from WCI without Court approval. Indeed, Lawson expects that it will be able to recover its Escrow Deposit from one of the non-WCI defendants.