

On May 19, 2009, the Debtors filed their sixth, seventh and eighth omnibus claims objections (together, the "Claims Objections") seeking to disallow and expunge, and reduce or reclassify 243 claims (collectively, the "Claims") asserted against the Debtors in various priorities in the aggregate amount of approximately \$46 million plus certain unspecified amounts.

The Debtors assert that (i) 45 of the Claims are duplicative of other proofs of claim filed in these cases, (ii) 9 of the Claims have been amended or superseded, (iii) 30 of the Claims have already been satisfied in full, (iv) 1 of the Claims has already been partially satisfied and should be reduced by the satisfied amount, and (v) 30 of the Claims failed to attach supporting documentation.

In addition, the Debtors assert that they have no liability for (i) 45 of the Claims seeking the return of amounts related to equity memberships in non-debtor equity clubs, which are not legally cognizable, (ii) 7 of the Claims seeking the return of home purchase contract deposits, which the Debtors are entitled to keep, (iii) 11 of the Claims that do not set forth any legally cognizable claims, (iv) 2 of the Claims that have been released pursuant to settlement agreements with the applicable claimants, (v) 39 of the Claims for payment of non-ad valorem assessments made by the Pelican March Community Development District, which the Debtors are not obligated to pay, (vi) 9 of the Claims filed by individual bondholders, for which proofs of claim have already been filed on such bondholders' behalf by the applicable indenture trustee, (vii) 4 of the Claims relating to obligations of non-Debtor entities, and (viii) 5 of the Claims that do not reconcile with the Debtors' books and records.

Finally, the Debtors allege that 43 additional Claims are incorrectly asserted as priority or secured status and should be reclassified as general unsecured claims.

Akin Gump has reviewed the Claims Objections and believes that formally expunging and disallowing, and reducing or reclassifying the Claims, as applicable, will (i) streamline the claims process, (ii) avoid the potential for double recoveries and (iii) enable the Debtors to maintain a more accurate claims register. Accordingly, we recommend that no response to the Claims Objections be filed.