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Proposed Attorneys for Tarragon Corporation, *et al.*,
Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY
CASE NOS. 09-

In re:

TARRAGON CORPORATION, *et al.*,
Debtors-in-Possession.

Chapter 11
(Joint Administration Pending)

**NOTICE OF DEBTORS' MOTION FOR
AN ORDER: (A) GRANTING INTERIM
RELIEF PURSUANT TO 11 U.S.C. §
366(b); (B) AUTHORIZING THE
PAYMENT OF ADEQUATE
ASSURANCE FOR POSTPETITION
UTILITY SERVICES; (C) FIXING
FINAL HEARING DATE TO
DETERMINE ADEQUATE
ASSURANCE; AND (D) GRANTING
OTHER RELATED RELIEF**

HEARING DATE AND TIME:
January ____, 2009, at __:__ .m.

ORAL ARGUMENT REQUESTED

TO: All Parties-in-Interest

PLEASE TAKE NOTICE that pursuant to and in accordance with an Order Regarding Application For Expedited Consideration of First Day Matters served herewith, on the ____ day of January, 2009, at ____:__ .m., or as soon thereafter as counsel may be heard, the



undersigned, proposed attorneys for Tarragon Corporation, *et al.*, the within debtors and debtors-in-possession (collectively, the “Debtors”),¹ shall move before the assigned United States Bankruptcy Judge, at the United States Bankruptcy Court, Martin Luther King, Jr. Federal Building, 50 Walnut Street, Third Floor, Newark, New Jersey 07102, for entry of an Order: (a) granting interim relief pursuant to 11 U.S.C. § 366(b); (b) authorizing the payment of adequate assurance for postpetition utility services; (c) fixing final hearing date to determine adequate assurance; and (d) granting such other and further relief as the Court deems appropriate (the “Motion”).

PLEASE TAKE FURTHER NOTICE that in support of the Motion, the undersigned shall rely on the Affidavit of William S. Friedman in support of “First Day Motions,” and the accompanying Verified Application, which set forth the factual and legal bases upon which the requested relief should be granted. A proposed Order granting the relief requested in the Motion is also being submitted.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the requested relief in the Motion shall be presented in accordance with the Order Regarding Application for Expedited Consideration of First Day Matters.

¹ The Debtors are Tarragon Corporation, Tarragon Development Corporation, Tarragon South Development Corp., Tarragon Development Company LLC, Tarragon Management, Inc., Bermuda Island Tarragon LLC, Orion Towers Tarragon, LLP, Orlando Central Park Tarragon L.L.C., Fenwick Plantation Tarragon LLC, One Las Olas, Ltd., The Park Development West LLC, 800 Madison Street Urban Renewal, LLC, 900 Monroe Development LLC, Block 88 Development, LLC, Central Square Tarragon LLC, Charleston Tarragon Manager, LLC, Omni Equities Corporation, Tarragon Edgewater Associates, LLC, The Park Development East LLC, and Vista Lakes Tarragon, LLC.

PLEASE TAKE FURTHER NOTICE that unless objections are timely presented, the Motion shall be deemed uncontested in accordance with D.N.J. LBR 9013-1(a) and the requested relief may be granted without a hearing.

PLEASE TAKE FURTHER NOTICE that the undersigned requests oral argument on the return date of the Motion.

COLE, SCHOTZ, MEISEL,
FORMAN & LEONARD, P.A.
Proposed Attorneys for Tarragon Corporation,
et al., Debtors-in-Possession

By: /s/ Michael D. Sirota
Michael D. Sirota
Warren A. Usatine

DATED: January 12, 2009

**COLE, SCHOTZ, MEISEL,
FORMAN & LEONARD, P.A.**
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Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY
CASE NO. 09-

Chapter 11
(Joint Administration Pending)

In re:

TARRAGON CORPORATION, *et al.*,
Debtors-in-Possession.

**VERIFIED APPLICATION IN SUPPORT
OF THE DEBTORS' MOTION FOR AN
ORDER: (A) GRANTING INTERIM
RELIEF PURSUANT TO 11 U.S.C.
§366(b); (B) AUTHORIZING THE
PAYMENT OF ADEQUATE
ASSURANCE FOR POSTPETITION
UTILITY SERVICES; (C) FIXING
FINAL HEARING DATE TO
DETERMINE ADEQUATE
ASSURANCE; AND (D) GRANTING
OTHER RELATED RELIEF**

HEARING DATE AND TIME:
January __, 2009, at __:__ __.m.

ORAL ARGUMENT REQUESTED

TO: Honorable Judge of the
United States Bankruptcy Court

The Verified Application of Tarragon Corporation, *et al.*, the within debtors and debtors-in-possession (collectively, the “Debtors”),¹ by and through their proposed attorneys, Cole, Schotz, Meisel, Forman & Leonard, P.A., respectfully represents:

I. INTRODUCTION AND JURISDICTION

1. This motion seeks entry of an Order: (a) granting interim relief pursuant to 11 U.S.C. § 366(b); (b) authorizing the payment of adequate assurance for postpetition utility services; (c) fixing a final hearing date to determine the sufficiency of adequate assurance; and (d) granting other related relief (the “Motion”). As set forth below, granting the Debtors the relief requested in the Motion is crucial to the Debtors’ ability to operate their businesses during their Chapter 11 proceedings without interruption.

2. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 1334 and 157(b). This is a “core” proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (O).

3. Venue is proper in this Court pursuant to 28 U.S.C. § 1409(a).

II. BACKGROUND

4. On January 12, 2009 (the “Filing Date”), each of the Debtors filed a voluntary petition for relief pursuant to Chapter 11 of Title 11, United States Code (the “Bankruptcy Code”). Since the Filing Date, the Debtors have remained in possession of their assets and

¹ The Debtors are Tarragon Corporation (“Tarragon Corp.”), Tarragon Development Corporation, Tarragon South Development Corp., Tarragon Development Company LLC, Tarragon Management, Inc., Bermuda Island Tarragon LLC, Orion Towers Tarragon, LLP, Orlando Central Park Tarragon L.L.C., Fenwick Plantation Tarragon LLC, One Las Olas, Ltd., The Park Development West LLC, 800 Madison Street Urban Renewal, LLC, 900 Monroe Development LLC, Block 88 Development, LLC, Central Square Tarragon LLC, Charleston Tarragon Manager, LLC, Omni Equities Corporation, Tarragon Edgewater Associates, LLC, The Park Development East LLC, and Vista Lakes Tarragon, LLC.

continued management of their businesses as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

5. A detailed description of the Debtors' businesses and the facts precipitating the filing of the Debtors' Chapter 11 proceedings are set forth in the Affidavit of William S. Friedman (the "Friedman Affidavit") submitted in support of the Debtors' various "First Day Motions." Those facts are incorporated herein by reference.

6. As set forth in the Friedman Affidavit, Tarragon Corp. and its direct and indirect, debtor and non-debtor affiliates (collectively, "Tarragon") are real estate developers, owners and managers. Tarragon operates two (2) business divisions, a real estate development division (the "Development Division") and an investment division (the "Investment Division"). The Development Division focuses on developing, renovating, building and marketing homes in high-density, urban locations and in master-planned communities. The Investment Division owns and operates a portfolio of stabilized rental apartment communities.

III. RELIEF REQUESTED AND BASIS THEREFOR

7. In connection with their business operations, the Debtors obtain electric, oil, gas, water, heat, telephone, and other utility services (the "Utility Services") from numerous utility providers (the "Utility Companies"). A schedule identifying each of the Utility Companies is attached as **Exhibit A**.

8. The Debtors estimate that their projected average monthly utility payments to the Utility Companies total approximately \$75,000.00. Prior to the Filing Date, the Debtors paid all undisputed invoices for Utility Services on a timely basis.

9. For the Debtors to continue to operate their businesses, they must continue to receive services from the Utility Companies. Loss of the Utilities Services or even a temporary interruption thereof would be extremely harmful to the Debtors.

10. Pursuant to Section 366(b) of the Bankruptcy Code, a utility company cannot alter, refuse or discontinue service to a debtor within twenty (20) days after the commencement of a bankruptcy case solely on the basis of the filing of the bankruptcy proceeding. 11 U.S.C. § 366(a) and (b). A utility may, however, discontinue services if a debtor does not provide satisfactory adequate assurance of the performance of its postpetition obligations to the utility within thirty (30) days of the commencement of the case. 11 U.S.C. § 366(c)(2).

11. The term “adequate assurance of payment” is defined as: (a) a cash deposit; (b) a letter of credit; (c) a certificate of deposit; (d) a surety bond; (e) a prepayment of utility consumption; or (f) another form of security that is mutually agreed on between the utility and the debtor or the trustee. 11 U.S.C. §366(c)(1)(A).

12. Except as set forth herein, to comply with that statutory mandate, the Debtors respectfully submit that the posting of security deposits to the Utility Companies in an amount equal to ten (10) days of utility service will constitute “adequate assurance of payment” under Section 366 of the Bankruptcy Code. See In re Best Manufacturing Group LLC, et al., Case No. 06-17415 (Bankr. D.N.J. August 11, 2006); In the Matter of Beth Israel Hospital Association of Passaic d/b/a PBI Regional Medical Center, Case No. 06-16168 (Bankr. D.N.J. July 31, 2006); In re Marcal Paper Mills, Inc., Case No. 06-21886 (Bankr. D.N.J. December 4, 2006) (adequate assurance for all but two (2) utilities); In re Princeton Ski Shop, Inc. et al., Case No. 07-26206 (Bankr. D.N.J. November 7, 2007) (adequate assurance for all but one (1) utility); In Princeton Laundry, Inc. et al., Case No. 08-12744 (Bankr. D.N.J. February 20, 2008) (adequate assurance for all but one (1) utility).

13. As of the Filing Date, Bermuda Island had on deposit with Florida Power & Light the total amount of \$23,090.00 (the “Bermuda Island Deposit”). As of the Filing Date, Orlando

Central Park had on deposit with Progress Energy the total amounts of \$23,470.00 and \$11,485.00 for two (2) separate accounts (the “Orlando Central Park Deposits,” which together with the Bermuda Island Deposit are collectively referred to herein as the “Deposits”). The Deposits are amounts that are greater than the proposed ten (10) security deposit the Debtors propose to post as “adequate assurance of payment” to the other Utility Companies. Therefore, the Debtors respectfully submit that the Deposits constitute “adequate assurance of payment” under Section 366 of the Bankruptcy Code. Consistent with the Debtors’ past practices, the Debtors will pay all undisputed utility invoices for post-petition services on a timely basis during their Chapter 11 proceedings.

14. Moreover, the Debtors propose a procedure whereby a Utility Company objecting to the adequate assurance payments proposed by the Debtors may file objections prior to the return date of the final hearing. That procedure is set forth in detail in the accompanying proposed form of Order.

15. Based on the foregoing, the Debtors submit that the assurance of payment to the Utility Companies is adequate and conforms with the intent of Section 366 of the Bankruptcy Code, is not prejudicial to the rights of any Utility Company to object to the proposed adequate assurance payments, and is in the best interests of the Debtors and their estates.

IV. NOTICE

16. The Debtors seek the requested interim relief and propose to serve (a) the Utility Companies, (b) the consolidated thirty (30) largest unsecured creditors of the Debtors, (c) counsel for Arko Holdings, Ltd., the Debtor’s proposed post-petition lender, and (d) the Office of the United States Trustee. The Debtors submit that such service will constitute good and sufficient notice.

17. The Debtors request that the Court fix a return date for the final order no later than thirty (30) days after the Filing Date, which would allow the Debtors ample time to provide notice of the hearing date by United States first-class mail, postage prepaid.

18. No prior application for the relief requested herein has been made to this or any other court.

WHEREFORE, the Debtors respectfully request entry of an Order: (i) for interim relief pursuant to 11 U.S.C. § 366; (ii) authorizing the payment of adequate assurance to the Utility Companies in an amount equivalent to ten (10) days of the average prepetition monthly bill; (iii) prohibiting the Utility Companies from altering, refusing or discontinuing postpetition Utility Services, (iv) fixing final hearing date to determine adequate assurance; and (v) granting other related relief.

Respectfully submitted,

COLE, SCHOTZ, MEISEL,
FORMAN & LEONARD, P.A.
Proposed Attorneys for Tarragon Corporation,
et al., Debtor-in-Possession

By: /s/ Michael D. Sirota
Michael D. Sirota
Warren A. Usatine

DATED: January 12, 2009

VERIFICATION

WILLIAM S. FRIEDMAN, of full age, certifies as follows:

1. I am the Chief Executive Officer of Tarragon Corporation, one of the within debtors and debtors-in-possession (collectively, the “Debtors”). As such, I have full knowledge of the facts set forth in, and am duly authorized to make this Application on the Debtors’ behalf.
2. I have read the Verified Application and certify that the statements contained therein are true based upon my personal knowledge, information and belief.
3. I am aware that if any of the factual statements contained in the Verified Application are willfully false, I am subject to punishment.

/s/ William S. Friedman
WILLIAM S. FRIEDMAN

DATED: January 12, 2009

TARRAGON CORPORATION, ET. AL

UTILITIES LIST

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Broward City Water & Wastewater Services P.O. Box 669300 Pompano Beach, FL 33066	Water	Central Square Tarragon LLC	\$3,062.93
FP&L P.O. Box 025576 Miami, FL 33102 Ph – 954-797-5000	Electricity	Central Square Tarragon LLC	\$9.34
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 843 557-1880 002 1893	Phone	Fenwick Plantation Tarragon, LLC	\$550.00
AT&T Bellsouth P.O. Box 70529 Charlotte, NC 28272 Ph – 800-945-6500	Phone	Fenwick Plantation Tarragon, LLC	\$101.97
AT&T P.O. Box 8110 Aurora, IL 60507-8110 Ph – 800-945-6500	Phone	Fenwick Plantation Tarragon, LLC	\$48.17
AT&T P.O. Box 9001310 Louisville, KY 40290-1310 Ph – 1-800-945-6500	Phone	Fenwick Plantation Tarragon, LLC	\$521.64
Qwest P.O. Box 856169 Louisville, KY 40285-6169 Ph – 800-860-1020	Phone	Fenwick Plantation Tarragon, LLC	\$31.40
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 492-3132 001 1807	Phone	One Las Olas Ltd.	

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 767 6221 737 1806	Phone	One Las Olas Ltd.	\$151.82
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 465-0214 001 1802	Phone	One Las Olas Ltd.	\$604.91
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 462-0214 777	Phone	One Las Olas Ltd.	\$33.46
FP&L General Mail Facility Miami, FL 33188-0001	Electricity	One Las Olas Ltd.	\$4,286.82
FP&L P.O. Box 025576 Miami, FL 33102 Ph – 954-797-5000	Electricity	One Las Olas Ltd.	\$4,286.82
Nextel Communications P.O. Box 4181 Carol Stream, IL 60197 Ph –877-639-8351	Phone	One Las Olas Ltd.	\$24.72
Paetec Communications P.O. Box 1283 Buffalo, NY 14240-1283 Ph – 1-877-340-2600	Phone	One Las Olas Ltd.	\$413.92
Sprint P.O. Box 4181 Carol Stream, IL 60197-4181 Ph – 800-927-2199	Phone	One Las Olas Ltd.	\$262.19

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-945-6500	AT&T	One Las Olas, Ltd.	\$228.79
Orlando Utilities Commission P.O. Box 3193 Orlando, FL 32802 Ph – 1-407-423-9018 Acct. No. 0000007418410001	Water/Irrigation	Orlando Central Park Tarragon LLC	\$2,322.29
Orlando Waste Paper P.O. Box 547874 Orlando, FL 32854 Ph – 1-407-299-1380 Fax – 1-407-295-5956 Acct. No. 0000000000770613	Trash	Orlando Central Park Tarragon LLC	\$213.00
Progress Energy P.O. Box 33199 St. Petersburg, FL 33733 Tel #800-228-8485 Acct. No. 29746-11028	Electric	Orlando Central Park Tarragon LLC	\$9,847.32
Progress Energy P.O. Box 33199 St. Petersburg, FL 33733 Tel #800-228-8485 Acct. No. 21384-42549	Electric	Orlando Central Park Tarragon LLC	
Answerlink Communications P.O. Box 912 Norwell, MA 02061 Ph – 1-800-480-0774 Acct. No. 9495384	Answering Service	Orlando Central Park Tarragon, LLC	\$65.00
AT&T P.O. Box 105262 Atlanta, GA 30348 1-866-620-6000 Acct. No. 407-859-8578-455 3143	Phone	Orlando Central Park Tarragon. LLC	\$222.35

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
AT&T P.O. Box 105414 Atlanta, GA 30348-5414 Ph – 1-800-559-7928 Acct. No. 0091874368625941	Phone	Tarragon Corporation	\$282.00
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 492-3132 001 1807	Phone	Tarragon Corporation	\$418.19
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 767 6221 737 1806	Phone	Tarragon Corporation	\$151.82
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 465-0214 001 1802	Phone	Tarragon Corporation	\$604.91
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 462-0214 777	Phone	Tarragon Corporation	\$33.46
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 492-3132 000	Phone	Tarragon Corporation	\$37.46
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 15 1229 0627017437 06	Phone	Tarragon Corporation	\$149.06

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
AT&T P.O. Box 105262 Atlanta, GA 30348-5262 Ph – 1-800-222-7956 Acct. No. 954 492-3132 000	Phone	Tarragon Corporation	\$37.46
AT&T P.O. Box 650661 Dallas, TX 75265 Ph - 1-800-559-7928 Acct. No. 214-522-2115-715	Phone	Tarragon Corporation	\$337.60
AT&T P.O. Box 930170 Dallas, TX 75393 Ph - 1-800-559-7928 Acct. No. 214 522-2115-751	ISDN Video	Tarragon Corporation	\$351.61
AT&T P.O. Box 78225 Phoenix, AZ 85062 Ph - 1-800-847-3595 Acct. No. 0578394021001	Phone	Tarragon Corporation	\$31.06
AT&T P.O. Box 78152 Phoenix, AZ 85062 Ph - 1-800-222-7956 Acct. No. 2145221926	Video Conference ISDN	Tarragon Corporation	\$210.03
AT&T P.O. Box 5001 Carol Stream, IL 60197 Acct. No. 214 522-2115	Phone	Tarragon Corporation	\$329.28
AT&T P.O. Box 105262 Atlanta, GA Ph - 1-888-401-4336 Acct. No. 407 816-0823	Phone	Tarragon Corporation	\$550.04

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
AT&T/Bellsouth P.O. Box 70529 Charlotte, NC 28272 Ph – 1-800-945-6500 Acct. No. 904 724-8483	Video Conference ISDN	Tarragon Corporation	\$486.85
AT&T P.O. Box 9001310 Louisville, KY 40290-1310 Ph – 1-800-847-3595 Acct. No. 052 432 0210 001	All Corp Office Cell Phone	Tarragon Corporation	\$28.50
AT&T Mobility / Cingular P.O. Box 650661 Dallas, TX 75265 Ph - 1-800-559-7928 Acct. No. 995381494	Phone	Tarragon Corporation	\$1,173.17
AT&T Mobility / Cingular P.O. Box 650661 Dallas, TX 75265 Ph - 1-800-559-7928 Foundation Acct. No. 00100574	Phone	Tarragon Corporation	\$713.47
AT&T Mobility / Cingular P.O. Box 650661 Dallas, TX 75265 Ph - 1-800-559-7928	Phone	Tarragon Corporation	\$713.47
AT&T Mobility / Cingular P.O. Box 650661 Dallas, TX 75265 Ph - 1-800-559-7928	Phone	Tarragon Corporation	\$713.47
AT&T Mobility / Cingular P.O. Box 650661 Dallas, TX 75265 Ph - 1-800-559-7928	Phone	Tarragon Corporation	\$713.47
AT&T Mobility / Cingular P.O. Box 650661 Dallas, TX 75265 Ph - 1-800-559-7928	Phone	Tarragon Corporation	\$713.47

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Clay Electric P.O. Box 308 Keystone Heights, FL 32656 Ph - 1-904-272-2456 Acct. No. 722904-0	Electric	Tarragon Corporation	\$53.46
Direct TV P.O. Box 60036 Las Angeles, CA 90060 Ph - 1-888-388-4249 Acct. No. 50335841	Cable	Tarragon Corporation	\$116.49
FP&L Attn: PPC Room 2420 9250 W. Flagler Avenue Miami, FL 33174 Ph – 1-954-581-5668 Acct. No. 96814-99357	Electric	Tarragon Corporation	\$24.43
FP&L Attn: PPC Room 2420 9250 W. Flagler Ave. Miami, FL 33174 Ph - 1-954-581-5668 Acct. No. 11532-32226	Electric	Tarragon Corporation	\$2,168.06
FP&L Attn: PPC Room 2420 9250 W. Flagler Avenue Miami, FL 33174 Ph - 1-954-581-5668 Acct. No. 25920-95505	Electric	Tarragon Corporation	\$23.46
Logix Communications P.O. Box 3608 Houston, TX 77253 Ph - 1-800-444-0258 Acct. No. 43778425	Phone	Tarragon Corporation	\$1,602.65

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Nextel Communications P.O. Box 4191 Carol Stream, IL 60197 Ph – 1-877-639-8351 Acct. No. 736003524	Cell Phone	Tarragon Corporation	\$50.41
Nextel Communications P.O. Box 4191 Carol Stream, IL 60197 Ph – 1-877-639-8351 Acct. No. 58498115	Cell Phone	Tarragon Corporation	\$50.41
Nextel Communications P.O. Box 4191 Carol Stream, IL 60197 Ph – 1-877-639-8351 Acct. No. 793638418	Cell Phone	Tarragon Corporation	\$50.41
Nextel Communications P.O. Box 4191 Carol Stream, IL 60197 Ph – 1-877-639-8351 Acct. No. 958506419	Cell Phone	Tarragon Corporation	\$50.41
North Hudson Sewerage Auth 1600 Adams Street Hoboken, NJ 07030 Ph – 201-963-6043 Fax – 201-963-3907	Sewerage Connections/ Permits	Tarragon Corporation	\$37.28
Paetec Communications P.O. Box 1283 Buffalo, NY 14240-1283 Ph – 1-877-340-2600 Acct. No. 2445715	Corp Office Phones and Lease	Tarragon Corporation	\$2,194.20
Paetec Communications P.O. Box 1283 Buffalo, NY 14240-1283 Ph – 1-877-340-2600 Acct. No. 2401776	Corp Office Phones and Lease	Tarragon Corporation	\$2,194.20

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Paetec Communications P.O. Box 1283 Buffalo, NY 14240 Ph – 1-877-340-2600 Acct. No. 2445668	Corp Office Phones and Lease	Tarragon Corporation	\$2,194.20
Paetec Communications P.O. Box 1283 Buffalo, NY 14240 Ph – 1-877-340-2600 Acct. No. 2451601	Corp Office Phones and Lease	Tarragon Corporation	\$2,194.20
Paetec Communications P.O. Box 1283 Buffalo, NY 14240 Ph – 1-877-340-2600 Acct. No. 2446929	Corp Office Phones and Lease	Tarragon Corporation	\$2,194.20
Paetec Communications P.O. Box 1283 Buffalo, NY 14240 Ph – 1-877-340-2600 Acct. No. 2446927	Corp Office Phones and Lease	Tarragon Corporation	\$2,194.20
PSE&G 80 Park Plaza Newark, NJ 07102 Ph – 1-800-436-7734 Acct. No. 21 863 008 42	Electric	Tarragon Corporation	\$197.61
PSE&G P.O. Box 1444 New Brunswick, NJ 08906-4444 Ph – 800-436-7734 Fax – 908-272-1438	Gas & Electric	Tarragon Corporation	\$600.51
Qwest Communications P.O. Box 856169 Louisville, KY 40285 Ph – 1-800-860-1020 Acct. No. 67645645	Phone	Tarragon Corporation	\$59.32

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Qwest Communications P.O. Box 856169 Louisville, KY 40285 Ph – 1-800-860-1020 Acct. No. 56762836	Phone	Tarragon Corporation	\$59.32
Qwest Communications P.O. Box 856169 Louisville, KY 40285 Ph – 1-800-860-1020 Acct. No. 66548285	Phone	Tarragon Corporation	\$59.32
Qwest Communications P.O. Box 856169 Louisville, KY 40285 Ph – 1-800-860-1020 Acct. No. 57051636	Phone	Tarragon Corporation	\$59.32
Qwest Communications P.O. Box 856169 Louisville, KY 40285 Ph – 1-800-860-1020 Acct. No. 56318973	Phone	Tarragon Corporation	\$59.32
Savvis 13322 Collections Center Dr Chicago, IL 60693 Ph - 1-877-728-8477 Fax - 1-314-628-7390 Acct. No. 208485	Deducted Internet Service	Tarragon Corporation	\$1,465.86
Savvis 13322 Collections Center Dr Chicago, IL 60693 Ph - 1-877-728-8477 Fax - 1-314-628-7390	Dedicated Internet Service	Tarragon Corporation	\$1,465.86
Sprint Customer Service P.O. Box 8077 Louisville, KY 40742 Ph – 1-800-390-9545 Acct. No. 0000000736003524	Cell Phone	Tarragon Corporation	\$390.62

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Time Warner of NY P.O. Box 9227 Uniondale, NY 11555 Ph-1-718-358-0900 Fax -1-718-670-6545 Acct. No. 815020007033812 1	Cable	Tarragon Corporation	\$312.12
United Water Customer Service Center 190 Moore Street Hackensack, NJ 07601 Ph – 800-422-0141 Fax – 201-525-2325	Water & Sewer	Tarragon Corporation	\$12.52
Verizon Wireless P.O. Box 15124 Albany, NY 12212 Acct. No. 0212265162502474	ISDN Lines	Tarragon Corporation	\$219.34
Verizon Wireless Customer Service P.O. Box 105378 Atlanta, GA 30348 Ph – 1-800-922-0204 Acct. No. 819754480-0001	Cell Phones	Tarragon Corporation	\$1,938.94
Verizon Wireless Customer Service P.O. Box 105378 Atlanta, GA 30348 Ph – 1-800-922-0204 Acct. No. 420441215-00001	Cell Phones	Tarragon Corporation	\$125.00
Verizon Wireless P.O. Box 15124 Albany, NY 12212 Ph – 1-800-243-7977 Acct. No. 0212265162502474	ISDN Lines	Tarragon Corporation	

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Verizon Wireless P.O. Box 17120 Tucson, AZ 85731 Ph – 1-800-922-0204 Acct. No. 481366267-00004	Cell Phone	Tarragon Corporation	\$488.75
Verizon Wireless P.O. Box 408 Newark, NJ 07101 Ph – 1-800-922-0204 Acct. No. 282641480-00001	Cable / Phone	Tarragon Corporation	\$1,167.61
Verizon Wireless P.O. Box 660108 Dallas, TX 75266 Ph – 1-800-922-0204 Acct. No. 420358584-00001	Cell Phone / Blackberry	Tarragon Corporation	\$1,795.36
Wallingford Electric Division P.O. Box 5003 Wallingford, CT 06492 Ph - 1-203-294-2020 Acct. No. 172247680-3	Electric Service	Tarragon Corporation	\$622.28
PSE&G P.O. Box 1444 New Brunswick, NJ 08906-4444 Ph – 800-436-7734 Fax – 908-272-1438	Gas & Electric	Tarragon Edgewater Associates, LLC	\$179,217.20
Time Warner Cable P.O. Box 9227 Uniondale, NY 11555-9227	Cable	Tarragon Edgewater Associates, LLC	\$5,584.74
United Water NJ P.O. Box 371804 Pittsburgh, PA 15250-7804 Ph – 800-422-5987	Water	Tarragon Edgewater Associates, LLC	\$6,820.56
Verizon Wireless P.O. Box 408 Newark, NJ 07101-0408	Utilities	Tarragon Edgewater Associates, LLC	\$4,731.54

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Verizon Wireless P.O. Box 17120 Tucson, AZ 85731 Ph – 1-800-922-0204 Acct. No. 481366267-00003	Cell Phone	Tarragon Management Inc.	\$302.46
Verizon Wireless P.O. Box 25505 Lehigh Valley, PA 18002 Ph – 1-800-922-0204 Acct. Nos. 482411836-00001 and 482411836-00002	Cable / Phone	Tarragon Management Inc.	\$76.58 \$220.73
AT&T P.O. Box 8110 Aurora, IL 60507-8110 Ph – 800-945-6500	Phone	Tarragon South Development Corporation	\$38.50
AT&T P.O. Box 78225 Phoenix, AZ 85062 Ph - 1-800-945-6500	Phone	Tarragon South Development Corporation	\$673.62
FP&L General Mail Facility Miami, FL 33188-0001	Electricity	Tarragon South Development Corporation	\$699.68
Sprint P.O. Box 4181 Carol Stream, IL 60197-4181 Ph – 800-877-4646	Phone	Tarragon South Development Corporation	\$347.65
Verizon Wireless P.O. Box 15041 Worcester, WA 01615-0041 Ph – 800-922-0204	Phone	Tarragon South Development Corporation	\$2,304.81
PSE&G P.O. Box 1444 New Brunswick, NJ 08906-4444 Ph – 800-436-7734 Fax – 908-272-1438	Gas & Electric	The Park Development East, LLC The Park Development West, LLC	\$14,934.76

Utility Name/Address	Type of Service	Entity Name	Average cost per Month
Time Warner Cable P.O. Box 9227 Uniondale, NY 11555 Ph – 201-886-0900	Cable	The Park Development East, LLC The Park Development West, LLC	\$465.39
United Water NJ P.O. Box 371804 Pittsburgh, PA 15250-7804 Ph – 800-422-0141	Water	The Park Development East, LLC The Park Development West, LLC	\$568.38
Verizon Wireless P.O. Box 408 Newark, NJ 07101 Ph – 1-888-794-8039	Cell Phone	The Park Development East, LLC The Park Development West, LLC	\$394.29

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)
COLE, SCHOTZ, MEISEL,
FORMAN & LEONARD, P.A.
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Proposed Attorneys for Tarragon Corporation, *et al.*,
Debtors-in-Possession

In re:

TARRAGON CORPORATION, *et al.*,

Debtors-in-Possession.

Case Nos. 09-

Judge:

Chapter 11

Hearing Date: January ____, 2009

**ORDER: (A) GRANTING INTERIM RELIEF PURSUANT TO 11 U.S.C. § 366(b);
(B) AUTHORIZING THE PAYMENT OF ADEQUATE ASSURANCE FOR
POSTPETITION UTILITY SERVICES; (C) FIXING FINAL HEARING DATE TO
DETERMINE ADEQUATE ASSURANCE; AND (D) GRANTING OTHER RELATED
RELIEF**

The relief set forth on the following pages, numbered two (2) through five (5), is hereby
ORDERED.

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Debtor: TARRAGON CORPORATION, *et al.*,
Case Nos. 09-
Caption of Order: ORDER: (A) GRANTING INTERIM RELIEF PURSUANT TO 11 U.S.C. § 366(b); (B) AUTHORIZING THE PAYMENT OF ADEQUATE ASSURANCE FOR POSTPETITION UTILITY SERVICES; (C) FIXING FINAL HEARING DATE TO DETERMINE ADEQUATE ASSURANCE; AND (D) GRANTING OTHER RELATED RELIEF

THIS MATTER having been opened to the Court by Tarragon Corporation, *et al.*, the within debtors and debtors-in-possession (collectively, the “Debtors”)¹, by and through their proposed attorneys, Cole, Schotz, Meisel, Forman & Leonard, P.A., upon motion for entry of an Order: (a) granting interim relief pursuant to 11 U.S.C. § 366(b); (b) authorizing the payment of adequate assurance for postpetition utility services; (c) fixing final hearing date to determine adequate assurance; and (d) granting other related relief (the “Motion”)² and good and sufficient notice of the hearing on the Motion having been provided in accordance with the Order Regarding Application for Expedited Consideration of First Day Matters, previously entered by the Court, as evidenced by the Affidavit of Service filed with the Court; and the Court having considered the Motion, the opposition thereto, if any, and the arguments of counsel; and good cause appearing for the entry of this Order,

IT IS ORDERED as follows:

¹ The Debtors are Tarragon Corporation, Tarragon Development Corporation, Tarragon South Development Corp., Tarragon Development Company LLC, Tarragon Management, Inc., Bermuda Island Tarragon LLC, Orion Towers Tarragon, LLP, Orlando Central Park Tarragon L.L.C., Fenwick Plantation Tarragon LLC, One Las Olas, Ltd., The Park Development West LLC, 800 Madison Street Urban Renewal, LLC, 900 Monroe Development LLC, Block 88 Development, LLC, Central Square Tarragon LLC, Charleston Tarragon Manager, LLC, Omni Equities Corporation, Tarragon Edgewater Associates, LLC, The Park Development East LLC, and Vista Lakes Tarragon, LLC.

² All capitalized terms shall have the meanings ascribed to them in the Verified Application submitted in support of the Motion.

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Debtor: TARRAGON CORPORATION, *et al.*,
Case Nos. 09-
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1. Except as set forth herein, within twenty (20) business days hereof, the Debtors shall pay a cash deposit equivalent to ten (10) days of utility service to each of the Utility Companies which shall constitute “adequate assurance of payment” under 11 U.S.C. § 366. Said deposits shall be applicable solely to Utility Services provided from and after the Filing Date and shall not be applied to any prepetition Utility Services.

2. The Deposits paid to Florida Power & Light and Progress Energy by Bermuda Island and Orlando Central Park, respectively, before the Filing Date, shall constitute “adequate assurance of payment” under 11 U.S.C. § 366. Bermuda Island and Orlando Central Park shall not be required to post any additional cash deposit to Florida Power & Light and Progress Energy. The Deposits shall be applicable solely to Utility Services provided from and after the Filing Date and shall not be applied to any prepetition Utility Services.

3. The Debtors shall pay on a timely basis, in accordance with prepetition practices, all undisputed invoices with respect to postpetition Utility Services.

4. A final hearing to consider entry of a final Order fixing the amount of adequate assurance to be paid to the Utility Companies shall be scheduled _____, 2009, at __:___ __.m. (the “Final Hearing Date”). Notwithstanding the Final Hearing Date, a Utility Company may seek an earlier hearing date by filing an application for entry of an order shortening time

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with this Court. The Debtors reserve all rights to oppose any request for a hearing on shortened time to consider the amount of adequate assurance to be paid to the Utility Companies.

5. Objections to the proposed adequate assurance amounts may be filed by the Utility Companies so as to be received by counsel to the Debtors no later than seven (7) days prior to the Final Hearing Date. In the event no objection are filed, this Order shall continue in full force and effect and shall be deemed a final Order without further notice or hearing in accordance with Federal Rules of Bankruptcy Procedure.

6. Absent any further Order of this Court, the Utility Companies are hereby enjoined through and including the date of the Final Hearing Date from: (a) altering, refusing, or discontinuing Utility Services to, or discriminating against, the Debtors; or (b) requiring the payment by the Debtors of any deposit or other security for Utility Services, except as provided for herein.

7. Within two (2) business days from the date hereof, the Debtors shall provide notice and a copy of this signed Order and the Motion by first class mail to the Utility Companies; provided further that for Utility Companies that may have been omitted from Exhibit "A" to the Debtors' Verified Application, the Debtors shall promptly provide notice of this Order upon learning of such Utility Company.

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8. Nothing in this Order or the Motion shall be deemed to constitute the postpetition assumption or adoption of any agreement pursuant to Section 365 of the Bankruptcy Code.

9. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

10. The Debtors' proposed counsel shall serve a copy of this Order on all parties-in-interest within seven (7) days.