

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.
A Professional Corporation
Court Plaza North
25 Main Street
P.O. Box 800
Hackensack, NJ 07602-0800
Michael D. Sirota, Esq.
Warren A. Usatine, Esq.
(201) 489-3000
(201) 489-1536 Facsimile
Proposed Attorneys for Tarragon Corporation, *et al.*,
Debtors-in-Possession

In re:

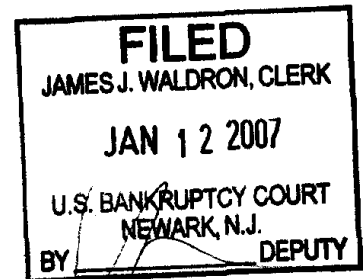
TARRAGON CORPORATION, *et al.*,

Debtors-in-Possession.

Case Nos. 09- 10555

Chapter 11 DHS

Hearing Date:



EMERGENCY INTERIM ORDER AUTHORIZING THE DEBTORS TO SATISFY, AND, TO THE EXTENT APPLICABLE, DIRECTING ADP AND ANY PAYROLL BANKS TO HONOR, CERTAIN PRE-PETITION GROSS SALARIES AND PAYROLL TAXES OF THEIR EMPLOYEES PENDING HEARING ON "FIRST DAY" MOTIONS

The relief set forth on the following pages, numbered two (2) and three (3), is hereby **ORDERED**.

Jan. 12, 2009

D. Schotz
USBJ



(Page 2)

Debtors: TARRAGON CORPORATION, *et al.*
Case Nos. 09-
Caption of Order: EMERGENCY INTERIM ORDER AUTHORIZING THE DEBTORS TO SATISFY, AND, TO THE EXTENT APPLICABLE, DIRECTING ADP AND ANY PAYROLL BANKS TO HONOR, CERTAIN PRE-PETITION GROSS SALARIES AND PAYROLL TAXES OF THEIR EMPLOYEES PENDING HEARING ON "FIRST DAY" MOTIONS

Upon emergency request of Tarragon Corporation, *et al.*, the within debtors and debtors-in-possession (collectively, the "Debtors"),¹ as delineated in the Affidavit of William S. Friedman in Support of the Debtor's Various "First Day Motions" and Emergency Interim Order Authorizing the Debtors to Satisfy, and, to the Extent Applicable, Directing ADP and Any Payroll Banks to Honor, Certain Pre-Petition Gross Salaries and Payroll Taxes of their Employee Pending Hearing on "First Day" Motions; and the Court having considered the Debtors' motion for an Order: (i) authorizing them to (A) satisfy, and, to the extent applicable, directing ADP and any payroll banks to honor, pre-petition gross salaries, payroll taxes and related employee benefit obligations to the Debtors' employees, and (B) to honor, in their discretion, pre-petition sick, vacation and personal days; and (ii) granting other related relief (the "Payroll Motion"); and it appearing that the payroll and related obligations that are the subject of the emergency request have been fully funded to ADP and, in turn, in certain circumstances, ADP has issued payroll checks from its own bank account; and it further appearing that the relief requested is in the best

¹ The Debtors are Tarragon Corporation, Tarragon Development Corporation, Tarragon South Development Corporation, Tarragon Development Company LLC, Tarragon Management, Inc., Bermuda Island Tarragon LLC, Orion Towers Tarragon, LLP, Orlando Central Park Tarragon LLC, 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, Vineyard at Eagle Harbor, L.L.C., and Vista Lakes Tarragon, LLC.

(Page 3)

Debtors:

TARRAGON CORPORATION, *et al.*

Case Nos.

09-

Caption of Order:

EMERGENCY INTERIM ORDER AUTHORIZING THE DEBTORS TO SATISFY, AND, TO THE EXTENT APPLICABLE, DIRECTING ADP AND ANY PAYROLL BANKS TO HONOR, CERTAIN PRE-PETITION GROSS SALARIES AND PAYROLL TAXES OF THEIR EMPLOYEES PENDING HEARING ON "FIRST DAY" MOTIONS

interests of the Debtors, their estates and creditors; and after due deliberation and sufficient cause appearing therefor;

IT IS ORDERED as follows:

1. Pending the hearing on the Payroll Motion, ADP and any payroll banks hereby are directed to honor any checks to the Debtors' employees for payroll and related obligations dated as of January 9, 2009.