



**IT IS HEREBY ADJUDGED and DECREED that the below described is SO ORDERED.**

**Dated: June 16, 2010**

*Craig A. Gargotta*

**CRAIG A. GARGOTTA  
UNITED STATES BANKRUPTCY JUDGE**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION**

**In re**

**CRESCENT RESOURCES, LLC, *et al.*,**

**Debtors.**

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**Chapter 11**

**Case No. 09-11507 (CAG)**

**Jointly Administered**

**ORDER PURSUANT TO SECTIONS 105(a), 363(b), 363(f), AND 365 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 6004 AND 6006 AUTHORIZING THE DEBTORS TO SELL THE SOUTHERN HILLS PROJECT PURSUANT TO THAT CERTAIN PURCHASE AND SALE AGREEMENT FREE AND CLEAR OF CERTAIN LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS**

Upon the motion dated (the "Motion") of Crescent Resources, LLC ("Crescent") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors"), for an order pursuant to sections 105(a), 363(b), 363(f), and 365 of the Bankruptcy Code<sup>1</sup> and Bankruptcy Rules 6004 and 6006, authorizing three of the Debtors, Hampton Ridge Developers, LLC, Club Villas Developers, LLC, and Brooksville East Developers, LLC (the "Southern Hills Sellers"), to (i) sell the Southern Hills Project to

<sup>1</sup> All capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion.

Greenpointe Communities, LLC (the "Purchaser"), pursuant to the terms of the Southern Hills Agreement, as more fully set forth in the Motion; (ii) assume and assign the Southern Hills Prepetition Contracts free and clear of all liens, claims, encumbrances, and other interests, except the Tax and CDD Liens, to the Purchaser; and (iii) proceed immediately with such sale notwithstanding the possible applicability of Bankruptcy Rules 6004(h) and 6006(d); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion and the Hearing (as defined below) having been provided to the Notice Parties and no further notice is necessary; and the Court having held a hearing to consider the requested relief (the "Hearing"); and upon the record of the Hearing, and all the proceedings before the Court, the Court finds and determines that the relief sought is in the best interests of the Debtors and their estates; and the Court finds and determines that the relief sought is an exercise of Debtors' sound business judgment; and the Court finds and determines that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and upon sufficient cause appearing therefor, it is

ORDERED that the Southern Hills Agreement, and all of the terms and conditions therein, is approved; and it is further

ORDERED that pursuant to sections 363(b) and 363(f) of the Bankruptcy Code, and in accordance with the terms of the Southern Hills Agreement, the Debtors are authorized to (i) consummate the sale of the Southern Hills Assets to the Purchaser free and clear of any and all mortgages, liens, claims, encumbrances, except the Tax and CDD Liens (the "Liens"), and with all such Liens to attach to the net proceeds of the sale of the Southern Hills Assets, with the same validity, force, effect, and priority as such Liens had immediately prior to the sale, subject

to the rights and defenses of the Debtors and any party in interest with respect to any such asserted Liens and (ii) perform their obligations under and comply with the terms of the Southern Hills Agreement; and it is further

ORDERED that any and all liens imposed by the Southern Hills CDD (the "CDD Liens") shall continue to represent first priority governmental liens *pari passu* with ad valorem taxes and superior to any other liens. Any and all past due, current, and future CDD Liens imposed by the Southern Hills CDD shall not be affected in any way by the Southern Hills Agreement, this Order, or any final or supplemental sale order. Any CDD Liens, including but not limited to any unpaid special assessments levied by the Southern Hills CDD that would be collected directly by the Southern Hills CDD, shall remain on the property until paid pursuant to the terms of the Southern Hills CDD's assessment resolutions and applicable non-bankruptcy law. This Order shall not affect in any way the Southern Hills CDD's authority or right to enforce any CDD Liens against the real property within the Southern Hills Assets, the Purchaser, and any other future landowners of said real property consistent with the terms of the Southern Hills CDD's assessment resolutions and applicable law; and it is further

ORDERED that the Debtors are authorized to execute and deliver, and are empowered to perform under, consummate, and implement the Southern Hills Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Southern Hills Agreement, and to take all further actions as may be reasonably required for the purpose of assigning, transferring, granting, conveying and conferring to the Purchaser or reducing to possession, the Southern Hills Assets, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Southern

Hills Agreement and to implement and effectuate the transactions contemplated by this Order; and it is further

ORDERED that notwithstanding anything to the contrary in this Order, pending closing, the Purchaser shall be entitled to negotiate directly with the respective CDDs and taxing authorities with respect to the amounts owed to such entities with respect to the Southern Hills Assets, it being understood that the Purchaser intends to seek a modification and reduction of certain CDD and tax liabilities associated with the Southern Hills Assets in order to the effectuate the Southern Hills Agreement; and it is further

ORDERED that, the holders of any mortgage or lien under the Debtors' prepetition secured financing facilities are directed to deliver partial releases and other instruments reasonably requested by the Debtors evidencing releases of their liens upon the request and at the expense of the Debtors as required under the terms of the applicable prepetition financing agreements; and it is further

ORDERED that the Debtors' title insurance agents and underwriters are authorized to provide title insurance without exception notwithstanding any statutory requirements requiring a "gap affidavit" or other documentation; and it is further

ORDERED that title agents and title insurance underwriters may rely upon the filing of a copy of this Order in Hernando County, Florida to issue their title policies on properties located within each such county without exception to any Liens, except the Tax and CDD Liens, whether asserted or unasserted, known or unknown; and it is further

ORDERED that effective upon the closing of the Southern Hills Agreement, which is conditioned upon and requires the express consent of the City of Brooksville as more particularly described in the May 17, 2010 Court Order (Dkt. No. 1017) approving that certain

Joint Stipulation Resolving the City of Brooksville's Objection to the Proposed Limited-Notice De Minimus Conveyance, and conditioned upon payment of the closing Cure Payments (as defined below), the Debtors are authorized to assume and assign to Purchaser the Southern Hills Prepetition Contracts listed on Exhibit 1 to this Order, which assumption and assignment is hereby approved; and execute and deliver to Purchaser such assignment documents as may be necessary to assign the Southern Hills Prepetition Contracts; and it is further

ORDERED that notwithstanding any other provision of this Order, the assumption and assignment to the Purchaser of the Road Acquisition Costs Escrow Agreement, dated December 8, 2004, between the Southern Hills Sellers, Levitt and Sons of Hernando County, LLC, and Donna J. Feldman, PA (the "Escrow Agreement") will not alter or modify in any way the material terms of the Escrow Agreement or the rights and obligations of the Parties under the Escrow Agreement, as so assigned; and it is further

ORDERED that Goodwin is hereby granted (i) an allowed secured claim (the "Goodwin Secured Claim") on account of its mechanic's and materialman's lien, in the amount of \$245,000 against the Southern Hills Sellers, the payment of which, conditioned upon the closing of the transaction contemplated in the Southern Hills Agreement, shall be paid out of the Sale Proceeds in full satisfaction of the Goodwin Secured Claim within three (3) business days of the closing of the Southern Hills Agreement, by certified check or wire transfer to Goodwin, and (ii) an allowed unsecured claim in the amount of \$76,142.18 against the Southern Hills Sellers, which will be paid in accordance with the treatment provided for general unsecured claims in the Southern Hills Sellers' confirmed plan of reorganization; and it is further

ORDERED that (a) the Cure Amounts set forth on Exhibit 1 to this Order are true, correct, final and fixed amounts as of the date of this Order; (b) the only amounts that are

required to be paid at closing upon assumption of the Southern Hills Prepetition Contracts pursuant to section 365(b)(i)(A) and (B) of the Bankruptcy Code shall be (i) the Cure Amounts and (ii) undisputed amounts which have accrued pursuant to the terms of the Southern Hills Prepetition Contracts and are unpaid from and after the date of this Order through the date of the closing (the “Accrued Amounts”, and together with the Cure Amounts, hereinafter the “Closing Cure Payments”), and payment of the Closing Cure Payments shall constitute a cure of all monetary defaults under the Southern Hills Prepetition Contracts; (c) to the extent that there is a dispute as to the amount of any Accrued Amount, the Debtors shall pay the undisputed portion as a part of the Closing Cure Payments, and shall reserve from the purchase price the amount in dispute, subject to a determination by this Court of the amount payable on account of such disputed Accrued Amount, provided that, notwithstanding the existence of any such disputed Accrued Amount, the assumption and assignment of the applicable Southern Hills Prepetition Contract shall be effective as of the closing without regard to whether such dispute has been resolved, and the counterparty to the affected Southern Hills Prepetition Contract shall be bound thereby; and (d) the Closing Cure Payments shall not be subject to further dispute or audit, including based on performance prior to the assumption, assignment and sale of any of the Southern Hills Prepetition Contracts, irrespective of whether such Southern Hills Prepetition Contracts contain an audit or similar clause; and it is further

ORDERED that upon the assumption and assignment of the Southern Hills Prepetition Contracts at closing, each counterparty to a Prepetition Contract is hereby forever barred, estopped, and permanently enjoined from asserting against the Debtors, the Purchaser, or the Southern Hills Assets any default, additional amounts or other claims related to the Closing Cure Payments existing as of the date of such assumption and assignment with respect to such

Southern Hills Prepetition Contract, whether declared or undeclared or known or unknown, and such counterparties to a Southern Hills Prepetition Contract are also forever barred, estopped, and permanently enjoined from asserting against Purchaser any counterclaim, defense or setoff, or any other claim, lien or interest, asserted or assertable against the Debtors related to its respective portion of the Closing Cure Payment with respect to such Southern Hills Prepetition Contract; and it is further

ORDERED that the designation of an agreement as a Southern Hills Prepetition Contract shall not be a determination that such agreement is an executory contract within the meaning of section 365 of the Bankruptcy Code; and it is further

ORDERED that the Purchaser is expressly assuming the responsibility for satisfaction of the Southern Hills Taxes and Assessments pursuant to this Order and the terms of the Southern Hills Agreement; and it is further

ORDERED that the transfer of the Southern Hills Assets, including the Tax and CDD Liens, which shall follow the Southern Hills Assets, to the Purchaser pursuant to the Southern Hills Agreement constitutes a legal, valid, and effective transfer of the Southern Hills Assets, and shall vest the Purchaser with all right, title, and interest of the Debtors in and to the Southern Hills Assets free and clear of any and all Liens and/or encumbrances of any kind or nature whatsoever, except the Tax and CDD Liens, which shall follow the Southern Hills Assets, and it is further

ORDERED that except as provided in the Southern Hills Agreement or this Order, after the closing, the Debtors and their estates shall have no further liabilities or obligations to any party, including the Southern Hills Taxing Authority and the Southern Hills CDDs, with respect to any assumed liabilities, including the Tax and CDD Liens which shall

follow the Southern Hills Assets, and all holders of such claims are forever barred and estopped from asserting such claims against the Debtors, their successors or assigns, their property or their assets or estates; and it is further

ORDERED that the transaction contemplated by the Southern Hills Agreement is undertaken by the Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the sale shall not affect the validity of the sale of the Southern Hills Assets to the Purchaser, unless such authorization is duly stayed pending such appeal. The Purchaser is a purchaser in good faith of the Southern Hills Assets, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code; and it is further

ORDERED that the failure specifically to include any particular provisions of the Southern Hills Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Southern Hills Agreement be authorized and approved in its entirety; and it is further

ORDERED that the Southern Hills Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates; and it is further

ORDERED that other than with respect to the Cure Amounts set forth on Exhibit 1 of this Order, nothing in this Order shall impair the ability of the Debtors or appropriate party in interest to contest any claim of any creditor pursuant to applicable law or

otherwise dispute, contest, setoff, or recoup any claim, or assert any rights, claims or defenses related thereto; and it is further

ORDERED that the Debtors will file a notice with the court when the transaction contemplated by the Southern Hills Agreement closes; and it is further

ORDERED that the ten (10) day stay under Bankruptcy Rules 6004(h) and 6006(d) is hereby waived, and this Order shall be effective immediately; and it is further

ORDERED that this Court retains jurisdiction to interpret and enforce the term of this Order.

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# **EXHIBIT 1**

Exhibit I

Counterparty	Address	City	State	Zip	Crescent Debtor	Type of Contract	Name of Contract	Date of Contract	Cure Amount	Contract Code
Bright House Networks LLC	10555 Moon Lake Road	New Port Richey	FL	34654	Hampton Ridge Developers, LLC	Compensation Agreement	Compensation Agreement	July 6, 2004	\$0	H270
Bright House Networks	Attn: Commercial Markets 1004 US Highway 92 W.	Auburndale	FL	33823	Hampton Ridge Developers, LLC	Service Agreement	Cable Television Installation For Bulk Digital Cable Television and High Speed Internet Service Agreement	June 2004	\$0	H273
Peoples Gas System	Attn: Vice President – Operations PO Box 2562	Tampa	FL	33601	Hampton Ridge Developers, LLC	Developer Agreement	Developer Agreement	July 2004	\$0	H271
Southern Hills Plantation Homeowners Association, Inc.	3527 Palm Harbor Boulevard	Palm Harbor	FL	34683	Hampton Ridge Developers, LLC; Southern Hills Irrigation Services, LLC	Easement	Irrigation and Access Easement Agreement	April 12, 2007	\$0	H275
Southern Hills Irrigation Services, LLC	10739 Deerwood Park Boulevard Suite 300	Jacksonville	FL	32256	Hampton Ridge Developers, LLC	Use and License Agreement	Irrigation Water Use and License Agreement	April 12, 2007	\$0	H272
City of Brooksville, Florida	Attn: Richard Anderson City Manager 201 Howell Avenue	Brooksville	FL	34601	Hampton Ridge Developers, LLC	Development Agreement	Development Agreement, as amended by First Amendment, Second Amendment and Third Amendment	May 28, 2003	\$42,948.75	A771, A772, A773, A774
Levitt and Sons of Hernando County, LLC	Attn: David La Croix Attorney 123 N. Main Street Levitt and Sons of Hernando County, LLC 777 Glades Road Suite 410	Brooksville	FL	34601						
Prager, Sealy & Co., LLC	Ruden, McClosky, Smith, Schuster & Russell, P.A. 200 E. Broward Boulevard	Boca Raton	FL	33434	Hampton Ridge Developers, LLC	Escrow Agreement	Road Acquisition Costs Escrow Agreement	December 8, 2004	\$0	A758
		Fort Lauderdale	FL	33301						
	200 South Orange Avenue Suite 1900	Orlando	FL	32801	Southern Hills Plantation I Community Development District; Hampton Ridge Developers, LLC	Disclosure Agreement	Continuing Disclosure Agreement	December 1, 2004	\$0	H274
	4890 West Kennedy Boulevard Suite 288	Tampa	FL	33609						