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**FILED**  
JAMES J. WALDRON, CLERK  
**OCT 21 2010**  
U.S. BANKRUPTCY COURT  
NEWARK, N.J.  
BY *[Signature]* DEPUTY

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UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

In re:

TARRAGON CORPORATION, et al.,

Debtors.

Chapter 11  
Case No. 09-10555 (DHS)  
Jointly Administered

**Return Date: October 21, 2010  
10:00 a.m.**

**ORDER GRANTING MOTION OF THE TARRAGON CREDITOR ENTITY FOR ENTRY OF AN ORDER APPROVING A DISTRIBUTION PROTOCOL IN FURTHERANCE OF THE DEBTORS' SECOND AMENDED AND RESTATED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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

*10/21/10*

*[Signature]*



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**In re:** Tarragon Corporation, et al.

**Case No.** 09-10555 (DHS)

**Caption:** **ORDER GRANTING MOTION OF THE TARRAGON CREDITOR ENTITY FOR ENTRY OF AN ORDER APPROVING A DISTRIBUTION PROTOCOL IN FURTHERANCE OF THE DEBTORS' SECOND AMENDED AND RESTATED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

This matter having been opened to the Court upon the motion filed by the Tarragon Creditor Entity (the "TCE") formed pursuant to the confirmed Second Amended and Restated Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code dated May 11, 2010, through its co-counsel, Forman Holt Eliades & Ravin LLC and Patterson Belknap Webb & Tyler LLP, for entry of an Order approving a distribution protocol in furtherance of the Plan (the "Motion"); and good and sufficient notice of the Motion having been provided, as evidenced by the Affidavit of Service filed with the Court; and the Court having considered the application in support of the Motion (the "Application"), the opposition thereto, if any, and the arguments of counsel, if any; and good cause appearing for the entry of this Order;

**IT IS ORDERED** as follows:

1. The Motion is granted in all respects; and the Distribution Protocol (as defined in the Application) is hereby approved.
2. Any party that receives a Distribution Notice (as defined in the Application) and does not respond in the manner set forth in the Distribution Protocol shall be forever barred and estopped from challenging the amount and timing of its distribution from the Trustee under the Plan.
3. If a holder of an Allowed Claim fails to return a completed Form W-9 to the Trustee in the manner set forth in the Distribution Protocol and if reasonable efforts to acquire the Form W-9 have been undertaken by the Trustee, then the Trustee may deposit such holder's distribution into the registry of the Bankruptcy Court pursuant to Rule 3011-1 of the Local Rules of the United States Bankruptcy Court for the District of New Jersey (the "Local

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Rules"). The Trustee shall have no further liability whatsoever with respect to funds deposited with the Bankruptcy Court, and any party wishing to claim such funds may do so only in accordance with Local Rule 3011-1.

4. This Court shall retain jurisdiction to hear and consider all matters related to the Distribution Protocol, including but not limited to any request by the TCE to amend, modify or suspend the Distribution Protocol.