

Exhibit E

Liquidation Analysis

LIQUIDATION ANALYSIS

Often called the “best interests” test, section 1129(a)(7) of the Bankruptcy Code requires that the Bankruptcy Court find, as a condition to confirmation, that each holder of a Claim or Equity Interest in each impaired class: (i) has accepted the Plan; or (ii) among other things, will receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the amount that such Person would receive if each of the Debtors were liquidated under Chapter 7 of the Bankruptcy Code. To make these findings, the Bankruptcy Court must: (1) estimate the cash proceeds (the “Liquidation Proceeds”) that a chapter 7 trustee would generate if each Debtor’s Chapter 11 Case were converted to a chapter 7 case on the Effective Date and the assets of such Debtor’s Estate were liquidated; (2) determine the distribution (the “Liquidation Distribution”) that each non-accepting holder of a Claim or Equity Interest would receive from the Liquidation Proceeds under the priority scheme dictated in Chapter 7; and (3) compare each holder’s Liquidation Distribution to the distribution under the Plan (“Plan Distribution”) that such holder would receive if the Plan were confirmed and consummated.

To assist the Bankruptcy Court in making the findings required under section 1129(a)(7) of the Bankruptcy Code, the Debtors’ management, together with Zolfo Cooper, LLC f/k/a Kroll Zolfo Cooper LLC (“ZC”), the Debtors’ restructuring consultants, prepared this Liquidation Analysis.

The Liquidation Analysis presents “High”, “Midpoint” and “Low” estimates of Liquidation Proceeds, thus representing a range of management’s assumptions relating to the costs incurred during a liquidation and the proceeds realized as a result thereof. It is assumed that the liquidation would occur over a period of ten months. The projected date of conversion to a hypothetical Chapter 7 liquidation (the “Assumed Effective Date”) is April 1, 2009. In each case, it is assumed that the Chapter 7 Trustee would enter into an agreement with the Debtors’ First Lien Revolver Lenders, First Lien Term Lenders and Second Lien Lenders, as applicable, to wind-down operations and sell the remainder of the Debtors’ assets on a piecemeal basis.

In a Chapter 7 liquidation, certain distinctive factors would limit recovery from the sale of the Debtors’ assets. Among the Debtors’ most valuable assets are its Land, whether it be raw, under development or developed and work in progress (“WIP”), which consists of both projects, under contract, that have started and speculative homes. In a liquidation, the Debtors likely would have to significantly decrease prices to sell houses that are completed or concurrently under construction. Sale of Land would most likely generate minimal proceeds when compared to book values for such Land. The current market conditions, as well as knowledge gained from land and home sales over the past six months, indicate that significant price cuts would be required in order to move the inventory and land. Such reduced realization would reduce the amounts available for distributions to creditors.

THE STATEMENTS IN THE LIQUIDATION ANALYSIS, INCLUDING ESTIMATES OF ALLOWED CLAIMS, WERE PREPARED SOLELY TO ASSIST THE BANKRUPTCY COURT IN MAKING THE FINDINGS REQUIRED UNDER SECTION 1129(a)(7) AND THEY MAY NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE.

THE DEBTORS BELIEVE THAT ANY ANALYSIS OF A HYPOTHETICAL LIQUIDATION IS NECESSARILY SPECULATIVE. THERE ARE A NUMBER OF ESTIMATES AND ASSUMPTIONS UNDERLYING THE LIQUIDATION ANALYSIS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT ECONOMIC, COMPETITIVE AND OPERATIONAL UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE DEBTORS OR A CHAPTER 7 TRUSTEE. NEITHER THE LIQUIDATION ANALYSIS, NOR THE FINANCIAL INFORMATION ON WHICH IT IS BASED, HAS BEEN EXAMINED OR REVIEWED BY INDEPENDENT ACCOUNTANTS IN ACCORDANCE WITH STANDARDS PROMULGATED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS. THERE CAN BE NO ASSURANCE THAT ACTUAL RESULTS WOULD NOT VARY MATERIALLY FROM THE HYPOTHETICAL RESULTS PRESENTED IN THE LIQUIDATION ANALYSIS.

LIQUIDATION ANALYSIS

NOTES

1. *Basis for Valuation*

Value estimates were derived from a combination of actual balances as of February 28, 2009 and expected balances as of March 31, 2009.

2. *Cash*

The cash balances in each of the high, midpoint and low value cases is the actual cash balance as of March 31, 2009. The balance includes approximately \$21.0 million relating to land / bulk sales.

3. *Land*

The Debtors assumed that Land, whether raw, under development or developed, would be marketed and sold within ten months. The stated liquidation value of the Land is based on the Company's best estimate for recoveries in each division and varies across all divisions based on discussions with divisional presidents. It is assumed that minimal value will be realized based on historical land sales and current trends in the market.

4. *WIP*

The Debtors assumed that they would finish building out those homes currently in WIP. Upon an announcement in the marketplace that the Debtors are liquidating, it is assumed that certain existing contracts to purchase homes would be cancelled and there would need to be significant discounts to the average selling price in order to liquidate all inventory within ten months.

5. *Deposits & Land Banking*

Deposits & Land Banking assets are estimated to have no value in a Chapter 7 liquidation.

6. *Fixed Assets*

Fixed Assets include Capitalized Software, Computer Equipment, Furniture & Fixtures, Leasehold Improvements, Model Home Furniture and Transportation Equipment. Fixed Assets are assumed to produce minimal recovery in a Chapter 7 liquidation.

7. *Investments in Joint Ventures*

Investments in the Debtors' remaining Joint Ventures are estimated to have no value in a Chapter 7 liquidation.

8. *Prepaid & Other Assets*

The only liquidation recoveries assumed assets in the Prepaid & Other category of the Debtors' balance sheets include proceeds from closings being held in escrow. All other assets in this category are estimated to have no value in a Chapter 7 liquidation.

9. *Financial Services*

Financial Services assets include non-debtor affiliates Universal Land Title ("ULT") and Preferred Home Mortgage Company ("PHMC"). See section IV.B.7. of the Disclosure Statement. Besides potential recovery of unrestricted cash held at ULT and PHMC (approximately \$14.9 million as of February 28, 2009), the remaining assets are estimated to have no value in a Chapter 7 liquidation.

10. *Litigation Recovery*

For a complete discussion of the Fraudulent Transfer Litigation see infra Section V.E.6. Recoveries from the Fraudulent Transfer Action have not been estimated for purposes of this Liquidation Analysis or otherwise.

11. *Chapter 7 Expenses*

A significant amount of the Debtors' estimated expenses in a Chapter 7 liquidation relate to efforts to work through the remaining WIP and monitor the sales of homes and Land.

12. *Chapter 7 Wind-Down Costs*

Cost estimates for the Debtors' share of the wind-down costs to be incurred after April 1, 2009, are estimates for items such as certain professional fees, corporate headquarter costs and corporate payroll. More specifically, a significant portion of wind-down costs includes the Debtors' and other creditors' continued obligations with respect to professional fees associated with the Fraudulent Transfer Litigation (see infra Section V.E.6), which the Debtors estimate to total \$31.5 million for the first six months of the chapter 7 liquidation and \$1.75 million for the next two months.

13. *Chapter 11 Professional Fee Holdbacks*

It is assumed that the Chapter 7 Trustee would continue to retain current professionals to expedite the liquidation and would pay all Chapter 11 professional fee holdbacks in full to facilitate retention of such professionals, consistent with the Court's prior orders concerning the Debtors' use of cash collateral.

14. *Chapter 7 Trustee Fees*

It is assumed that the Chapter 7 Trustee fees are paid in accordance with limits established by section 326 of the Bankruptcy Code.

15. *Administrative Claims*

All Administrative Claims are assumed to be paid during the wind down period in the normal course.

16. *First Lien Claims*

First Lien Revolver Claims and First Lien Term Loan Claims as of March 31, 2009 are \$350,755 (excluding amounts authorized to be paid under the First Cash Collateral Order).

17. *Second Lien Claims*

Second Lien Claims as of March 31, 2009 are \$367,416.

TOUSA

Consolidated Liquidation Analysis

Summary (\$ in 000s)

High Recovery

	Consolidated	TOUSA Inc	TOUSA Homes FL LP	TOUSA Homes Inc	Newmark Homes LP
Estimated Proceeds					
Unrestricted Cash	\$ 196,038	\$ 196,038	\$ -	\$ -	\$ -
Land	\$ 44,048	\$ -	\$ 3,387	\$ 14,416	\$ 26,245
WIP	\$ 55,128	\$ -	\$ 2,384	\$ 22,568	\$ 30,175
Deposits & Land Banking	\$ -	\$ -	\$ -	\$ -	\$ -
Recoveries from Working Capital Assets	\$ 295,214	\$ 196,038	\$ 5,772	\$ 36,984	\$ 56,420
Fixed Assets	\$ 1,284	\$ 35	\$ 39	\$ 776	\$ 434
Investment in Joint Ventures	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid / Other Assets	\$ 537	\$ -	\$ 18	\$ 261	\$ 258
Financial Services	\$ 9,918			\$ 9,918	
Litigation Recovery	TBD				
Aggregate Estimated Proceeds	\$ 306,953	\$ 196,073	\$ 5,829	\$ 47,939	\$ 57,112
Less: Costs & Claims					
Costs of Wind Down	\$ 84,983				
Chapter 7 Trustee Fees	\$ 6,659				
Administrative Claims	\$ -				
Total Wind Down Costs & Claims	\$ 91,642				
Net Proceeds	\$ 215,311				
Recoveries:					
First Lien Secured Debt	\$ 327,443				
Estimated Recovery %	66%				
Amount Remaining After First Lien	\$ -				
Second Lien Secured Debt	\$ 367,416				
Estimated Recovery %	0%				
Amount Available for Unsecured Creditors	\$ -				

Footnotes:

- ¹ Newmark Homes LP is a subsidiary of Tousea Homes Inc; Tousea Homes Inc. and TOUSA Homes Florida are subsidiaries of TOUSA Inc.
- ² Cash balance at March 31, 2009 (Book Cash \$175.1M + \$21.0M from land & bulk sales)
- ³ No recoveries are estimated from Deposits & Land Banking or Investments in joint ventures
- ⁴ Chapter 7 Trustee Fees are assumed to be 3% of Estimated Proceeds (net of the costs of Wind Down)
- ⁵ All administrative costs are assumed to be paid during the wind down period in the normal course
- ⁶ Beacon Hill's Total Fixed Assets of less than \$60,000 were excluded from the above analysis

TOUSA

Consolidated Liquidation Analysis

Summary (\$ in 000s)

Midpoint Recovery

	Consolidated	TOUSA Inc	TOUSA Homes FL LP	TOUSA Homes Inc	Newmark Homes LP
Estimated Proceeds					
Unrestricted Cash	\$ 196,038	\$ 196,038	\$ -	\$ -	\$ -
Land	\$ 33,220	\$ -	\$ 3,652	\$ 10,285	\$ 19,283
WIP	\$ 30,451	\$ -	\$ 1,787	\$ 9,588	\$ 19,075
Deposits & Land Banking	\$ -	\$ -	\$ -	\$ -	\$ -
Recoveries from Working Capital Assets	\$ 259,709	\$ 196,038	\$ 5,439	\$ 19,873	\$ 38,359
Fixed Assets	\$ 790	\$ 22	\$ 25	\$ 479	\$ 264
Investment in Joint Ventures	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid / Other Assets	\$ 269	\$ -	\$ 9	\$ 131	\$ 129
Financial Services	\$ 9,918			\$ 9,918	
Litigation Recovery	TBD				
Aggregate Estimated Proceeds	\$ 270,685	\$ 196,060	\$ 5,474	\$ 30,400	\$ 38,752
Less: Costs & Claims					
Costs of Wind Down	\$ 84,983				
Chapter 7 Trustee Fees	\$ 5,571				
Administrative Claims	\$ -				
Total Wind Down Costs & Claims	\$ 90,554				
Net Proceeds	\$ 180,131				
Recoveries:					
First Lien Secured Debt	\$ 327,443				
Estimated Recovery %	55%				
Amount Remaining After First Lien	\$ -				
Second Lien Secured Debt	\$ 367,416				
Estimated Recovery %	0%				
Amount Available for Unsecured Creditors	\$ -				

Footnotes:

¹ Newmark Homes LP is a subsidiary of Touse Homes Inc; Touse Homes Inc. and TOUSA Homes Florida are subsidiaries of TOUSA Inc.

² Cash balance at March 31, 2009 (Book Cash \$175.1M + \$21.0M from land & bulk sales)

³ No recoveries are estimated from Deposits & Land Banking or Investments in joint ventures

⁴ Chapter 7 Trustee Fees are assumed to be 3% of Estimated Proceeds (net of the costs of Wind Down)

⁵ All administrative costs are assumed to be paid during the wind down period in the normal course

⁶ Beacon Hill's Total Fixed Assets of less than \$60,000 were excluded from the above analysis

TOUSA

Consolidated Liquidation Analysis

Summary (\$ in 000s)

Low Recovery

	Consolidated	TOUSA Inc	TOUSA Homes FL LP	TOUSA Homes Inc	Newmark Homes LP
Estimated Proceeds					
Unrestricted Cash	\$ 196,038	\$ 196,038	\$ -	\$ -	\$ -
Land	\$ 22,393	\$ -	\$ 3,917	\$ 6,154	\$ 12,322
WIP	\$ 5,773	\$ -	\$ 1,190	\$ (3,393)	\$ 7,976
Deposits & Land Banking	\$ -	\$ -	\$ -	\$ -	\$ -
Recoveries from Working Capital Assets	\$ 224,204	\$ 196,038	\$ 5,107	\$ 2,761	\$ 20,298
Fixed Assets	\$ 295	\$ 9	\$ 11	\$ 182	\$ 93
Investment in Joint Ventures	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid / Other Assets	\$ -	\$ -	\$ -	\$ -	\$ -
Financial Services	\$ 9,918			\$ 9,918	
Litigation Recovery	TBD				
Aggregate Estimated Proceeds	\$ 234,417	\$ 196,047	\$ 5,118	\$ 12,861	\$ 20,391
Less: Costs & Claims					
Costs of Wind Down	\$ 84,983				
Chapter 7 Trustee Fees	\$ 4,483				
Administrative Claims	\$ -				
Total Wind Down Costs & Claims	\$ 89,466				
Net Proceeds	\$ 144,951				
Recoveries:					
First Lien Secured Debt	\$ 327,443				
Estimated Recovery %	44%				
Amount Remaining After First Lien	\$ -				
Second Lien Secured Debt	\$ 367,416				
Estimated Recovery %	0%				
Amount Available for Unsecured Creditors	\$ -				

Footnotes:

- ¹ Newmark Homes LP is a subsidiary of Tousea Homes Inc; Tousea Homes Inc. and TOUSA Homes Florida are subsidiaries of TOUSA Inc.
- ² Cash balance at March 31, 2009 (Book Cash \$175.1M + \$21.0M from land & bulk sales)
- ³ No recoveries are estimated from Deposits & Land Banking or Investments in joint ventures
- ⁴ Chapter 7 Trustee Fees are assumed to be 3% of Estimated Proceeds (net of the costs of Wind Down)
- ⁵ All administrative costs are assumed to be paid during the wind down period in the normal course
- ⁶ Beacon Hill's Total Fixed Assets of less than \$60,000 were excluded from the above analysis