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Special Counsel for Chapter 11 Trustee

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re: SOUTH EDGE, LLC, Debtor.	Chapter 11 Case No. BK-10- 32968 **PROFESSIONAL FEE STATEMENT OF JONES VARGAS AS SPECIAL COUNSEL FOR OCTOBER 2011** Hearing Date: N/A Hearing Time: N/A

To: The Trustee, Cynthia Nelson, the Debtor, KB Home Nevada, Inc., Coleman-Toll Limited Partnership, Pardee Homes of Nevada, Beazer Homes Holdings, Corp., Meritage Homes of Nevada, Focus south Group, LLC, Landtek, LLC, the Agent, and the Office of the U.S. Trustee (each a "Reviewing Party" and, collectively, the "Reviewing Parties"):

The Application of Jones Vargas, Special Counsel for Chapter 11 Trustee respectfully represents:

1. Jones Vargas, Special Counsel for Chapter 11 Trustee, hereby applies to the Court for allowance and payment of interim compensation for services rendered and reimbursement of expenses incurred during the period commencing October 1, 2011 and ending October 31, 2011 (the "Application Period").

2. In accordance with the methodology set forth in "Order Pursuant to 11 U.S.C. §§ 105(a) and 331, Fed. R. Bankr. P. 2016 authorizing and Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals" entered July 25, 2011 (Docket No. [822]) ("Interim Fee Procedure Order"), Jones Vargas seeks allowance and payment of

interim compensation for fees in the amount of $11,560.43 representing 85% of the $13,600.50 in fees for services rendered, plus $90.00, representing 100% of the expenses incurred, for a total award of $11,650.43. The total fees represent 30.90 hours expended during the Application Period.

3. Attached hereto as **Exhibit "1"** are the computerized records of the time expended in the rendition of the professional services required as special counsel. Attached as **Exhibit "2"** are the computerized records of all expenses incurred in connection with the performance of professional services. These records are maintained in the ordinary course of Jones Vargas' practice and include a detailed list of all time for which compensation is sought, including the date the services were rendered, the person performing the services, the nature of the services performed and the time spent on each service. Fed.R.Bankr.P. 2016(a).

4. Jones Vargas believes that every professional employed on behalf of a Chapter 11 Trustee has responsibility to control fees and expenses by providing services in an efficient and effective manner. To this end, Jones Vargas diligently worked to coordinate and facilitate the efficient prosecution of the matters for which it is employed. Jones Vargas reviews all client billings for reasonableness and makes adjustments so that the charges are consistent with the values of the services provided. Jones Vargas has charged its customary hourly rates for services rendered for which compensation is sought in this Application. Jones Vargas' hourly rates are comparable to those charged by other professional persons with similar levels of expertise in the Las Vegas, Nevada area.

5. Jones Vargas has served a copy of the Statement via electronic mail on the following Reviewing Parties:

a. Chapter 11 Trustee, Cynthia Nelson;

b. Milbank, Tweed, Hadley & McCloy LLP, Attn: Robert J. Moore, Esq. and David Zolkin, Esq.;

c. FTI Consulting, Inc. Attn: Freddie Reiss;

d. Schwartzer & McPherson Law Firm, Attn: Lenard E. Schwartzer, Esq. and Jeanette E. McPherson, Esq.;

e. The Debtor, through its counsel, Klee, Tuchin, Bogdanoff & Stern LLP, Attn: David M. Stern, Esq., and The Schwartz Law Firm, Inc., Attn: Samuel A. Schwartz, Esq.;

f. South Edge equity members KB Home Nevada, Inc., Coleman-Toll Limited Partnership, Pardee Homes of Nevada, and Beazer Homes Holding Corp., through their counsel, Stutman, Treister & Glatt P.C., Attn: K. John Shaffer, Esq.;

g. South Edge equity member Meritage Homes of Nevada, through its counsel, Fennemore Craig, Attn: Laurel E. Davis, Esq.;

h. Focus South Group, LLC and its affiliates Holdings Manager LLC and Landteck LLC, through their Counsel, White & Case LLP, Attn: Roberto Kampfner, Esq.;

i. The Agent, though its counsel, Morrison & Foerster LLP, Attn: G. Larry Engel, and Lewis and Roca LLP, Attn. Robert M. Charles, Jr., Esq.; and

j. The Office of the United States Trustee, Attn: Athanasios E. Agelakopoulos, Esq.

6. Pursuant to this Court's Interim Fee Procedures Order, parties shall have fifteen (15) days after this Application is served, to serve a written "Notice of Objection to the Monthly Fee Statement" ("Objection") on the Reviewing Parties, including Jones Vargas. If none of the Reviewing Parties serves upon Jones Vargas and the other Reviewing Parties an Objection setting for the precise nature of the objection to this Fee Statement and the amount at issue within fifteen (15) days, then the Chapter 11 Trustee shall promptly pay to Jones Vargas eighty-five percent (85%) of the compensation and one hundred percent (100%) of the expenses requested in the Fee Statement. If any Reviewing Party objects to the Fee Statement by serving an Objection, then the procedures set forth in the Interim Fee Procedures Order shall apply.

7. Jones Vargas acknowledges that the interim payment of compensation and reimbursement of expenses sought in this Fee Statement does not constitute a request for final allowance of each compensation and reimbursement of expenses. At the conclusion of this case, Jones Vargas will seek final allowance of the compensation charged and expenses incurred for the entire case, and any interim fees or expenses received during the course of the case will be credited against such finally allowed fees and expenses.

8. Neither Jones Vargas nor any member of Jones Vargas has an agreement or understanding of any kind of divide, pay over, or share with any other person, except as among the members of Jones Vargas, any portion of the fees or expenses awarded pursuant to this Fee Statement.

DATED: November ____, 2011

/s/ Tracy A. DiFillippo
Tracy A. DiFillippo
NV State Bar No. 7676
JONES VARGAS
3773 Howard Hughes Parkway
Third Floor South
Las Vegas, Nevada 89169

Special Counsel for Chapter 11 Trustee

EXHIBIT “1”

OCTOBER, 2011 MONTHLY FEE STATEMENT

SUMMARY BY TASK

TASK CODE	DESCRIPTION	HOURS	AMOUNT
B160	Fee/Employment Applications	3.50	$1,537.50
B250	Real Estate	26.40	$11,688.00

SUMMARY BY TIMEKEEPER

TIMEKEEPER/INITIALS	CATEGORY	RATE	HOURS	AMOUNT
Edward M. Garcia (EMG)	Partner	$450.00	26.50	$11,925.00
Richard F. Jost (RFJ)	Partner	$450.00	.30	$135.00
Kris T. Ballard (KTB)	Partner	$330.00	1.00	$330.00
Tracy A. DiFillippo (TAD)	Partner	$375.00	1.50	$562.50
Jeffery S. Geen (JSG)	Of Counsel	$475.00	1.20	$570.00
Var. E. Lordahl (VEL)	Associate	$195.00	.40	$78.00

Transactions Value as Worked & as Billed

Search for: 028438 Search by: Matter ID Stage: WIP Type: Fees

Date	Prof	MatterID/Client Sort Matter Description Narrative	Hours Entered	Stmn Hours	Rate	As Worked	As Billed
Task Code: B160							
10/7/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review and revise fee entries.	1.00	1.00	450.00	450.00	450.00
10/10/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Draft and revise Billing Statement.	0.70	0.70	450.00	315.00	315.00
10/11/2011	TAD	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Certificate of No Objection for August fees.	0.10	0.10	375.00	37.50	37.50
10/12/2011	TAD	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review filed Order Approving First Interim Fee Applications.	0.10	0.10	375.00	37.50	37.50
10/21/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review and revise fee statements.	0.50	0.50	450.00	225.00	225.00
10/25/2011	TAD	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Revise, edit and finalize September monthly fee statement	0.30	0.30	375.00	112.50	112.50
10/26/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Revise time statements.	0.40	0.40	450.00	180.00	180.00
10/28/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Prepare and review monthly time statements.	0.40	0.40	450.00	180.00	180.00
		Task Code: B160	3.50	3.50		1,537.50	1,537.50
Task Code: B195							
10/24/2011	TAD	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Prepare monthly fee statement for September.	1.00	1.00	375.00	375.00	375.00

Transactions Value as Worked & as Billed

Search for: 028438 Search by: Matter ID Stage: WIP Type: Fees

Date	Prof	MatterID/Client Sort Matter Description Narrative	Hours Entered	Stmn Hours	Rate	As Worked	As Billed
		Task Code: B195	1.00	1.00		375.00	375.00
Task Code: B250							
10/1/2011	VEL	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Receive and review EMMA Published Submission Confirmation; forward to J. Geen and R. Jost.	0.40	0.40	195.00	78.00	78.00
10/3/2011	RFJ	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Confer with J. Geen regarding copy of report to Bond Trustee.	0.30	0.30	450.00	135.00	135.00
10/3/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review and revise time materials for fee statement report.	1.20	1.20	450.00	540.00	540.00
10/3/2011	JSG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review and compare disclosure statement by KB Home	0.80	0.80	475.00	380.00	380.00
10/3/2011	JSG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Email disclosure statement to Lisa Stroud at Bank of New York Trust.	0.40	0.40	475.00	190.00	190.00
10/4/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review and revise pre-bill items	0.50	0.50	450.00	225.00	225.00
10/4/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Cynthia Nelson correspondence regarding status update.	0.50	0.50	450.00	225.00	225.00
10/4/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Attend meeting with Cynthia Nelson regarding Henderson matters.	0.50	0.50	450.00	225.00	225.00
10/5/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Michael Tassi correspondence regarding City meetings.	0.10	0.10	450.00	45.00	45.00

Transactions Value as Worked & as Billed

Search for: 028438 Search by: Matter ID Stage: WIP Type: Fees

Date	Prof	MatterID/Client Sort Matter Description Narrative	Hours Entered	Stmn Hours	Rate	As Worked	As Billed
10/5/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Draft response to Michael Tassi regarding City meetings.	0.10	0.10	450.00	45.00	45.00
10/5/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with Tom Amick regarding City meetings.	0.10	0.10	450.00	45.00	45.00
10/6/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with John Marichiano and Tom Amick regarding City of Henderson meetings.	0.50	0.50	450.00	225.00	225.00
10/6/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Conference with Cynthia Nelson regarding City of Henderson meetings.	0.50	0.50	450.00	225.00	225.00
10/6/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Attend meeting with John Marichiano, Tom Amick and Builder Representatives regarding City of Henderson meetings.	1.30	1.30	450.00	585.00	585.00
10/6/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Conference with Cynthia Nelson regarding results of meeting with John Marichiano, Tom Amick and Builder's Representatives.	0.50	0.50	450.00	225.00	225.00
10/11/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Michael Tassi correspondence regarding Development Agreement	0.30	0.30	450.00	135.00	135.00
10/11/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with Tom Amick regarding Development Agreement.	0.20	0.20	450.00	90.00	90.00
10/11/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with John Marichiano regarding Development Agreement.	0.20	0.20	450.00	90.00	90.00
10/11/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Development Agreement memo regarding Tom Amick question.	0.40	0.40	450.00	180.00	180.00

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Search for: 028438 Search by: Matter ID Stage: WIP Type: Fees

Date	Prof	MatterID/Client Sort Matter Description Narrative	Hours Entered	Stmn Hours	Rate	As Worked	As Billed
10/12/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Attend meeting with Mark Calhoun, Christine Guerci-Nyhus, John Marichiano, Tom Amick, Michael Tassi adn Stephanie Garcia-Vause regarding Development Plan Amendment.	1.50	1.50	450.00	675.00	675.00
10/12/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Conference with John Marchiano and Tom Amick regarding Development Plan Amendment.	0.40	0.40	450.00	180.00	180.00
10/12/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Conference with Cynthia Nelson regarding Development Plan Amendment.	0.30	0.30	450.00	135.00	135.00
10/12/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with John Marichiano regarding local improvement district issue.	0.40	0.40	450.00	180.00	180.00
10/12/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Confer with Cynthia Nelson regarding local improvement district issue.	0.30	0.30	450.00	135.00	135.00
10/12/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review and respond to John Marichiano's correspondence regarding the Inspirada Pre-Meeting.	0.20	0.20	450.00	90.00	90.00
10/12/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with Tom Amick regarding the October 13th Inspirada Pre-Meeting.	0.30	0.30	450.00	135.00	135.00
10/13/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Attend meeting with the City of Henderson regarding Development issues and revised Master Plan.	2.00	2.00	450.00	900.00	900.00
10/14/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with Tom Amick regarding Builder's response to local improvement district discussion.	0.30	0.30	450.00	135.00	135.00

Transactions Value as Worked & as Billed

Search for: 028438 Search by: Matter ID Stage: WIP Type: Fees

Date	Prof	MatterID/Client Sort Matter Description Narrative	Hours Entered	Stmn Hours	Rate	As Worked	As Billed
10/14/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with Cynthia Nelson regarding telephone call with Tom Amick regarding Builder's response to local improvement district discussion.	0.20	0.20	450.00	90.00	90.00
10/17/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with the City of Henderson regarding Development Agreement questions.	0.40	0.40	450.00	180.00	180.00
10/17/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review draft memo regarding Development Agreement questions.	0.30	0.30	450.00	135.00	135.00
10/19/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Robert McGibney and Cynthia Nelson correspondence regarding Thursday's meeting.	0.20	0.20	450.00	90.00	90.00
10/20/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Attend meeting with Builder's Council regarding Henderson issues.	1.00	1.00	450.00	450.00	450.00
10/20/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Attend meeting with the City of Henderson Development Services regarding revised Development Plan.	1.00	1.00	450.00	450.00	450.00
10/20/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Confer with Karl Billisits and Michael Tassi regarding public workshop.	0.50	0.50	450.00	225.00	225.00
10/20/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Development Agreement regarding City Attorney questions regarding rejecting the Development Agreement.	1.00	1.00	450.00	450.00	450.00
10/20/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with Cynthia Nelson and Brad Foster regarding meeting and local improvement district issues.	0.70	0.70	450.00	315.00	315.00

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Search for: 028438 Search by: Matter ID Stage: WIP Type: Fees

Date	Prof	MatterID/Client Sort Matter Description Narrative	Hours Entered	Stmn Hours	Rate	As Worked	As Billed
10/21/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review bond documents prior to meeting with K. Ballard.	0.70	0.70	450.00	315.00	315.00
10/21/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Attend meeting with K. Ballard regarding City ability to call bond.	0.50	0.50	450.00	225.00	225.00
10/21/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Draft Cynthia Nelson correspondence regarding City ability to call bond.	0.50	0.50	450.00	225.00	225.00
10/21/2011	KTB	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Conference with E. Garcia regarding Henderson offsite bond.	0.30	0.30	330.00	99.00	99.00
10/21/2011	KTB	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Henderson offsite bond and development agreement.	0.40	0.40	330.00	132.00	132.00
10/21/2011	KTB	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Telephone call with B. Foster regarding Henderson offsite bond and development agreement.	0.30	0.30	330.00	99.00	99.00
10/26/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Development Agreement per request of Henderson City Attorney.	0.70	0.70	450.00	315.00	315.00
10/27/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review staff correspondence regarding Public Works comments.	0.30	0.30	450.00	135.00	135.00
10/27/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Attend meeting with Cynthia Nelson and City of Henderson regarding revised Development Plan.	2.50	2.50	450.00	1,125.00	1,125.00
10/31/2011	EMG	028438-00001 / Cynthia Nelson, Trustee South Edge, LLC Review Michael Tassi's draft comments to Master Plan.	0.40	0.40	450.00	180.00	180.00

Transactions Value as Worked & as Billed

Search for: 028438 Search by: Matter ID Stage: WIP Type: Fees

Date	Prof	MatterID/Client Sort Matter Description Narrative	Hours Entered	Stmn Hours	Rate	As Worked	As Billed
		Task Code: B250	26.40	26.40		11,688.00	11,688.00
		Grand Total	30.90	30.90		13,600.50	13,600.50

EXHIBIT “2”

Transactions SMC Summary w/Component Name -

Search for: 028438 Search by: Matter ID Stage: WIP Type: All costs

	Value	Write-up/dn	Discount	Amount
Component: 3				
Binding, Tabs	90.00	0.00	0.00	90.00
	90.00	0.00	0.00	90.00