

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
GALVESTON DIVISION**

IN RE:	§	
	§	
EAGLE BROADBAND, INC.,	§	CASE NO. 07-80605
	§	
ATLANTIC PACIFIC COMMUNICATIONS, INC.	§	CASE NO. 07-80606
CLEARWORKS COMMUNICATIONS, INC.	§	CASE NO. 07-80607
	§	
CLEARWORKS HOME SYSTEMS, INC.	§	CASE NO. 07-80608
	§	
CLEARWORKS.NET INC.	§	CASE NO. 07-80609
	§	
DSS SECURITY D/B/A EAGLE BROADBAND SECURITY	§	CASE NO. 07-80610
	§	
EAGLE BROADBAND SERVICES, INC.	§	CASE NO. 07-80611
	§	
ETOOZ, INC.	§	CASE NO. 07-80612
	§	
LINK-TWO COMMUNICATIONS, INC.	§	CASE NO. 07-80613
	§	
NORTHPOINTE TELECOM SERVICES, LLC	§	CASE NO. 07-80614
	§	
UCGI CORPORATION	§	CASE NO. 07-80615
	§	
UNITED COMPUTING GROUP, INC.	§	CASE NO. 07-80616
	§	
Debtors.	§	CHAPTER 11
	§	
	§	JOINT ADMINISTRATION REQUESTED
	§	

MOTION FOR ORDER AUTHORIZING LEASE OF OFFICE SPACE

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN TWENTY (20)

DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Eagle Broadband, Inc. (“EBI”) files this Motion for Order Authorizing Lease of Office Space (“Motion”), and in support thereof respectfully states:

RELIEF REQUESTED

1. EBI requests that the Court grant it authorization to enter into a new office lease that will substantially decrease its overhead.

JURISDICTION

2. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This Court may hear and determine this Motion under the standing order of reference issued by the United States District Court for the Southern District of Texas under 28 U.S.C. § 157. Consideration of this Motion is a core proceeding under 28 U.S.C. § 157(b). Venue of this proceeding is proper in this district under 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

3. On the date hereof, EBI filed its voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in this Court.

4. On the date hereof, eleven wholly-owned subsidiaries of EBI (collectively “Subsidiaries” and together with EBI, the “Debtors”) also filed their voluntary petitions for

chapter 11 relief. EBI filed a Notice of Designation as Complex Chapter 11 Bankruptcy Case, and a motion for joint administration is currently pending.

5. The Debtors remain in possession of their property and are operating their businesses as debtors-in-possession, pursuant to sections 1107 and 1108 of the Bankruptcy Code. No committee has been appointed in any of the Debtors' cases at this time.

6. EBI is a provider of broadband, Internet Protocol and satellite communications technology and equipment with related software and broadband products. Eagle Broadband Services, Inc. ("EBS") provides broadband services to residential and business customers in select communities.

7. D.S.S. Security, Inc. d/b/a Eagle Broadband Security ("DSS") remains active to the extent necessary to pay a 36 month note expiring in February 2009 which facilitated the February 2006 sale of DSS's assets and customer security accounts.

8. The remaining wholly-owned subsidiaries of EBI have ceased operations or are substantially inactive: Atlantic Pacific Communications, Inc.; Clearworks Communications, Inc.; Clearworks Home Systems, Inc.; Clearworks.Net, Inc.; EToolz, Inc.; Link-Two Communications, Inc.; Northpointe Telecom Services, LLC; UCGI Corporation; and United Computing Group, Inc.

9. EBI currently offices at 101 Courageous Drive, League City, TX 77573. The lease for this office space currently costs the Debtors approximately \$16,500 a month for the lease payment, plus approximately \$3,000 to \$5,000 in electricity costs. This current lease terminates May 31, 2009.

10. EBI believes that it can negotiate a lease for 4800 square feet of office space in League City for approximately \$3,600 a month as opposed to the approximately \$16,500 it

currently pays. EBI believes that the electricity costs at this new office space would be significantly lower due to less square footage and building efficiencies.

11. Although EBI believes it will incur approximately \$10,000 in moving costs to move to the new space, those costs would be recouped in one month based on the significant savings from reducing its lease payments from approximately \$16,500 to approximately \$3,600.

ARGUMENT & AUTHORITIES

12. Section 105(a) of the Bankruptcy Code authorizes the relief requested herein and provides, in pertinent part, that “the court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Here, authority to enter the above-described office lease will benefit the estate by significantly lowering EBI’s overhead costs.

WHEREFORE, the Debtor respectfully requests that this Court enter an order authorizing it to negotiate a new lease with favorable terms substantially complying with the above-described terms, and granting such other and further relief, legal or equitable, special or general to which it may show itself justly entitled.

Dated: November 15, 2007.

Respectfully submitted,

HUGHESWATTERSASKANASE, LLP

/s/ Wayne Kitchens

Wayne Kitchens TBN 11541110

David Askanase TBN 01390000

Heather McIntyre TBN 24041076

Three Allen Center

333 Clay Street, 29th Floor

Houston, Texas 77002

Tel: 713.759.0818

Fax: 713.759.6834

PROPOSED COUNSEL FOR EAGLE

BROADBAND, INC.