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**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK**

In re:

20 Bayard Views, LLC,

Debtor.

Case No.: 09-50723 (ESS)

Chapter 11

**DISCLOSURE STATEMENT WITH RESPECT TO THE MODIFIED/AMENDED
PLAN OF REORGANIZATION FOR 20 BAYARD VIEWS, LLC**

I. INTRODUCTION

A. General

20 Bayard Views, LLC (the "**Debtor**"), submits this disclosure statement (the "**Disclosure Statement**") pursuant to section 1125 of title 11 of the United State Code, 11 U.S.C. §§ 101-1330 (the "**Bankruptcy Code**") in connection with the solicitation of acceptances or rejections of the Modified/Amended Plan of Reorganization for 20 Bayard Views, LLC, dated as of April 15, 2011 (the "**Plan**"), a copy of which is filed and provided herewith. The Plan has been filed with the United States Bankruptcy Court for the Eastern District of New York (the "**Court**"). Capitalized terms used and not defined in this Disclosure Statement have the meaning ascribed to them in the Plan.

THIS DISCLOSURE STATEMENT IS NOT INTENDED TO REPLACE CAREFUL AND DETAILED REVIEW AND ANALYSIS OF THE PLAN BY EACH HOLDER OF A CLAIM ENTITLED TO VOTE THEREON, BUT IS INTENDED TO AID AND SUPPLEMENT SUCH REVIEW. THE DESCRIPTION OF THE PLAN HEREIN IS A SUMMARY ONLY AND HOLDERS OF CLAIMS AND OTHER PARTIES IN INTEREST ARE CAUTIONED TO REVIEW THE PLAN ITSELF TO UNDERSTAND COMPLETELY ITS PROVISIONS. THIS DISCLOSURE STATEMENT IS QUALIFIED ENTIRELY BY REFERENCE TO THE PLAN. THE TERMS OF THE PLAN CONTROL WHERE ANY INCONSISTENCY EXISTS BETWEEN THE PLAN AND THIS DISCLOSURE STATEMENT.

This Disclosure Statement and the Plan remain subject to modification and amendment. All financial information provided herein constitutes, and all projections and assertions made by the Debtor herein are based on, the best information available to the Debtor as of the date of the

filing of this Disclosure Statement and remain subject to revision. The Debtor will provide any missing information indicated as missing on or before the date of the hearing on the Disclosure Statement, such other date as set forth in the Plan, or as otherwise directed by the Court.

The Debtor has moved this Court for an order, to be entered immediately prior to an order confirming the Plan, approving this Disclosure Statement as containing "adequate information" to enable a hypothetical, reasonable investor typical of the Holders of Claims in the Voting Classes (as hereinafter defined) to make an informed judgment as to whether to accept or reject the Plan.

B. Overview

The Debtor owns certain improved real property located at 20 Bayard Street, Brooklyn, New York (the "**Bayard Real Property**"). The Debtor's Plan is premised upon the Bankruptcy Court's approval of (a) the Debtor's payment of secured claims over time, (b) the Debtor's payment to general unsecured creditors, and (c) sales of the Debtor's units as the Debtor deems appropriate in the exercise of its business judgment and as necessary to comply with the payment scheme in the Plan.

C. Voting

Holders of Claims in the Classes that are "impaired" under the Plan will receive ballots for the acceptance or rejection of the Plan. A Class of Claims is generally considered "impaired" under section 1124 of the Bankruptcy Code if, with respect to each Claim of such Class, the Plan alters the legal, equitable or contractual rights to which such Claim entitles the Holder thereof.

Classes 2 (the Secured Claim of WFF), 3 (the General Unsecured Claims), and 4 (the Equity Security Holders) (collectively, the "**Voting Classes**") are "impaired" and therefore are entitled to vote on the Plan.

For a description of the Classes of Claims and Equity Securities and their treatment under the Plan, see section F hereof ("Summary of the Plan's Classification and Treatment of Claims and Interests and Distribution Provisions") and section F.1 hereof ("Classification and Treatment of Claims and Interests").

Your vote on the Plan is important. Pursuant to the Bankruptcy Code, in order for a plan of reorganization to be accepted by classes of claims entitled to vote thereon, holders of claims entitled to vote holding at least two-thirds in dollar amount and more than one-half in number of the total claims allowed for voting purposes in such class, and who actually vote to accept or reject the plan, must vote to accept the plan.

To simplify the voting procedure, the Debtor has sent ballots to all known Holders of Impaired Claims, including Holders of Disputed Claims and Claims to which the Debtor has not yet objected but may be objected to in the future.

The Bankruptcy Code provides that only holders of "allowed claims" and "allowed interests" may vote on a plan. A Claim to which an objection has been filed is a Disputed Claim and not an Allowed Claim, unless the Court denies such objection (in whole or in part) or temporarily allows the Disputed Claim for the purpose of voting on the Plan.

If you hold a Claim in one of the Voting Classes, after carefully reviewing the Plan and Disclosure Statement, please indicate your vote with respect to the Plan on the ballot provided and return it to the offices of Porzio, Bromberg & Newman, P.C., (mail to) P.O. Box 1997, Morristown, NJ 07962-1997 or (Delivery to) 100 Southgate Parkway, Morristown, NJ 07960, Attention: Maria Dermatis. **IN ORDER TO BE COUNTED, BALLOTS MUST BE RECEIVED BY 4:00 P.M. (EST) ON _____, 2010.**

In voting for or against the Plan, please use only the ballot sent to you. IF A BALLOT IS DAMAGED OR LOST, OR IF YOU HAVE ANY QUESTIONS CONCERNING VOTING PROCEDURES, YOU MAY CONTACT:

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D. Confirmation Hearing

Pursuant to section 1129(a) of the Bankruptcy Code, the Debtor will seek confirmation of the Plan.

The Court has scheduled a hearing to consider confirmation of the Plan on _____, 2011 at 10:00 a.m. before the Honorable Elizabeth S. Stong in Courtroom 3585 of the United States Bankruptcy Court for the Eastern District of New York, 271 Cadman Plaza East, Brooklyn, NY 11201-1800. The hearing may be adjourned from time to time without notice.

E. Recommendation

THE DEBTOR BELIEVES THAT THE PLAN IS FAIR AND THAT CONFIRMATION THEREOF IS IN THE BEST INTERESTS OF ALL CREDITORS.

The Debtor believes that if the case were converted to one under chapter 7, the Holder of the Class 2 Secured Claim of WFF would receive a lesser distribution than that which it would receive in the event of confirmation and Holders in Classes 3 through 4 would receive no distribution at all.

CONSEQUENTLY, THE DEBTOR RECOMMENDS THAT YOU VOTE TO ACCEPT THE PLAN.

F. Summary of the Plan's Classification and Treatment of Claims and Interests and Distribution Provisions

1. Classification and Treatment of Claims and Interests

The Plan provides that distributions will be made only to Holders of Allowed Claims. The distribution for each Allowed Claim is calculated through reference to the treatment of the Class to which such Claim belongs. The Allowed Claims which comprise the same Class will be treated the same under the Plan.

2. Summary of Distributions to be made Pursuant to the Plan and Other Significant Provisions Thereof

The following table sets forth a brief summary of the classification and treatment of Claims and Interests and the consideration distributable to the Holders of such Claims and Interests under the Plan. The information set forth in the table is for convenience of reference only. Each Holder of a Claim or Interest should refer to section IV.C. hereof ("Classification and Treatment of Claims and Interests") and Articles IV and V of the Plan ("Classification of Claims and Interests" and "Treatment of Classes of Claims and Interests") for a full understanding of the classification and treatment of Claims and Interests provided under the Plan. The estimates set forth in the table may differ from actual distributions by reason of, among other things, variations in the amounts of Allowed Claims, and the existence of Disputed Claims. Unless otherwise noted, these estimates are as of April 15, 2011.

CLASS	TYPE OF CLAIM OR STOCK INTEREST	ESTIMATED ALLOWABLE AMOUNT	TREATMENT UNDER THE PLAN	ESTIMATED PERCENTAGE DISTRIBUTION
N/A	Administrative Expense Claims	\$2,000,000.00	<p><u>Administrative Claims (Other Than Professional Fee Claims)</u> <u>[Est. \$65,000.00]</u></p> <p>Except as otherwise provided for herein, and subject to the requirements of the Plan, on, or as reasonably practicable after the later of (i) the Initial Distribution Date or (ii) the Distribution Date immediately following the date on which an Administrative Claim becomes an Allowed Administrative Claim, the Holder of such Allowed Administrative Claim (other than Professional Fee Claims) shall receive, in full settlement, satisfaction, release and discharge of and in exchange for such Allowed Administrative Claim (a) Cash equal to the unpaid portion of the Face Amount of such Allowed Administrative Claim or (b) such other less favorable treatment as to which the Debtor, Reorganized Debtor and such Holder shall have agreed to in writing; provided however, that Allowed Administrative Claims with respect to liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case shall be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto.</p> <p><u>Professional Fee Claims [Est. \$2,000,000.00]</u></p>	100% ¹

¹ Allowable amounts within the Administrative Expense Claim Class will be funded by the Administrative Claims/Priority Claims Account and Professional Fees Account established through a capital call of the Owners and contribution from the Guarantors to the extent the Debtor's Cash is insufficient to adequately fund same.

CLASS	TYPE OF CLAIM OR STOCK INTEREST	ESTIMATED ALLOWABLE AMOUNT	TREATMENT UNDER THE PLAN	ESTIMATED PERCENTAGE DISTRIBUTION
			<p>The Reorganized Debtor shall pay Professionals from the Professional Fees Account all of their respective accrued and Allowed fees and reimbursement of expenses arising prior to the Effective Date.</p> <p>The Bankruptcy Court must rule on and allow all Professional Fee Claims before the fees will be owed and paid. For all pre-Effective Date Professional Fee Claims, except Bankruptcy Clerk's Office fees and U.S. Trustee's fees, the Professional in question must file and serve a properly noticed final fee application and the Bankruptcy Court must rule on the application. Only the amount of fees and expenses Allowed by the Bankruptcy Court will be owed and required to be paid under the Plan.</p> <p>The Reorganized Debtor may retain and compensate professionals for services rendered following the Effective Date without order of the Bankruptcy Court. To the extent that Professional Fees Account is insufficient, the Debtor's counsel, Porzio Bromberg & Newman, will defer.</p>	
Class 1	Priority Claims	\$0	<p>The Reorganized Debtor shall pay the Allowed amount of each Class 1 Priority Claim from the Administrative Claims/Priority Claims Account to each Entity holding a Class 1 Priority Claim within thirty (30) days following the Effective Date. The Reorganized Debtor shall pay each Entity holding a Class 1 Priority Claim in Cash in full in respect of such Allowed</p>	N/A

CLASS	TYPE OF CLAIM OR STOCK INTEREST	ESTIMATED ALLOWABLE AMOUNT	TREATMENT UNDER THE PLAN	ESTIMATED PERCENTAGE DISTRIBUTION
			Claim without interest accruing from the Petition Date within thirty (30) days of the Effective Date; <u>provided, however,</u> that such Entity may be treated on such less favorable terms as may be agreed to in writing by such Entity.	
Class 2	Secured Claim of WFF (Impaired)	\$20,575,000.00	<p>The WFF Secured Claim shall be treated as an Allowed Secured Claim as follows:</p> <p><u>Liens and Protection of Collateral:</u> To secure the repayment of the Secured Lender Claim, WFF shall retain its liens on the Pre-Petition Collateral and shall be granted a new lien on the Storage Cages. Additionally, WFF shall retain its lien on the rents and leases related to the Pre-Petition Collateral and be granted new liens on any rent and/or leases relating to the Storage Cages. During the pendency of the pay out of the WFF Secured Claim, the Reorganized Debtor shall provide WFF with proof that the Collateral is properly insured and that real estate taxes are current.</p> <p><u>Required Payments:</u></p> <p>(a) monthly interest payments based upon an interest rate of 6.50% on the then existing principal amount of the WFF Secured Lender Claim with the first payment being the month in which the Effective Date occurs;</p> <p>(b) on or before the first year anniversary of the Effective Date, a paydown of principal in the amount</p>	100%

CLASS	TYPE OF CLAIM OR STOCK INTEREST	ESTIMATED ALLOWABLE AMOUNT	TREATMENT UNDER THE PLAN	ESTIMATED PERCENTAGE DISTRIBUTION
			<p>of \$700,963.00;</p> <p>(c) on or before the second year anniversary of the Effective Date, a paydown of principal in the amount of \$2,803,853.00;</p> <p>(d) on or before the third year anniversary of the Effective Date, a paydown of principal in the amount of \$4,331,953.00;</p> <p>(e) on or before the fourth year anniversary of the Effective Date, a paydown of principal in the amount of \$5,205,564.00; and</p> <p>(f) on or before the fifth year anniversary of the Effective Date, the remaining principal of the WFF Secured Claim in the amount of \$7,415,656.00 shall be paid off.</p> <p>The required principal paydowns described in subparts (b) through (f) herein may be made earlier than the described time periods without any penalty being imposed upon the Reorganized Debtor for the following years. For example, if in the second year following the Effective Date, the Reorganized Debtor makes a principal paydown of \$3,303,853.00 instead of \$2,803,853.00 pursuant to subpart (c), then the Reorganized Debtor shall be required to make a principal paydown of \$3,831,953.00 on or before the third year anniversary of the Effective Date instead of \$4,331,953.00 in accordance with</p>	

CLASS	TYPE OF CLAIM OR STOCK INTEREST	ESTIMATED ALLOWABLE AMOUNT	TREATMENT UNDER THE PLAN	ESTIMATED PERCENTAGE DISTRIBUTION
			<p>subpart (d).</p> <p><u>Excess Net Cash Flow Payments:</u> In each of the five years following the Effective Date, the Reorganized Debtor shall calculate on an annual basis its Excess Net Cash Flow and remit same to WFF to the extent available. The First Excess Net Cash Flow calculation shall be the first year anniversary following the Effective Date. Any Excess Net Cash Flow payments by the Reorganized Debtor shall be a credit against the required principal paydowns described above in Article III.A.2.b.(ii)(b) through (f).</p> <p><u>Unit Sale Proceeds:</u> With the exception of the First Unit, defined below, when any Unit is sold pursuant to the Plan, the Reorganized Debtor shall place 95% of the net proceeds into an interest bearing account for the benefit of WFF pending a principal paydown. The remaining 5% of the net proceeds from any Unit sold (the "Interest Proceeds") will be added to the Plan Reserve defined below. As a condition precedent to the Effective Date and between the Confirmation Date and the Effective Date, the Debtor shall sell one (1) Unit (the "First Unit"). The proceeds of the First Unit will fund an interest reserve (the "Interest Reserve") in an amount of \$500,000.00, which will be used to augment the Debtor's monthly cash-flow to make interest payments to</p>	

CLASS	TYPE OF CLAIM OR STOCK INTEREST	ESTIMATED ALLOWABLE AMOUNT	TREATMENT UNDER THE PLAN	ESTIMATED PERCENTAGE DISTRIBUTION
			<p>WFF at the 6.5% level proposed in this Plan in order to achieve a present value equal to the Allowed amount of the WFF Secured Claim. Interest Proceeds shall also be placed in escrow in an interest bearing account (the “Plan Reserve”). The Plan Reserve shall be used exclusively as an interest reserve for scheduled (and potential) Plan payments to WFF, and for payments to the General Unsecured Creditors. No monies in the Plan Reserve will be released or distributed to the Equity Security Holders until the completion of all scheduled Plan payments to WFF and the General Unsecured Creditors.</p> <p><u>Letter of Credit:</u> Prior to the Effective Date, the Managing Member shall post letters of credit in favor of WFF in the aggregate amount of \$1,000,000.00, substantially in the form of the draft letter of credit attached to the Plan as Exhibit A, which shall serve as additional collateral for the Debtor’s principal payments due to WFF under the Plan. WFF shall be entitled to draw, if necessary, but solely to the amount necessary, to satisfy any shortfall in a Debtor’s scheduled principal paydown obligation under subsection (ii)(b)-(f) of this section. By way of example, if the Debtor delivers \$2,503,853.00 to WFF on the second anniversary of the Effective Date, then WFF shall be entitled to an</p>	

CLASS	TYPE OF CLAIM OR STOCK INTEREST	ESTIMATED ALLOWABLE AMOUNT	TREATMENT UNDER THE PLAN	ESTIMATED PERCENTAGE DISTRIBUTION
			<p>immediate draw of \$300,000.00 on the letters of credit, but no more. <i>See</i> subsection (ii)(c) of this section.</p> <p><u>Other Provisions:</u> During the five years following the Effective Date, the Reorganized Debtor will not sell any Units for a sale price which equates to less than \$500 per square foot. At any time during the five years following the Effective Date, the Reorganized Debtor may pay off the WFF Secured Claim without the imposition of any prepayment penalty.</p>	
Class 3	General Unsecured Claims (Impaired)	\$4,200,000.00 (including Related Party Claims); \$1,106,000.00 (excluding Related Party Claims)	<p>If WFF's Pendency Interest is calculated at 12%, then holders of Class 3 General Unsecured Claims shall be paid 50% of its Allowed General Unsecured Claims amount as follows: 33$\frac{1}{3}$% on or before the second year anniversary of the Effective Date, 33$\frac{1}{3}$% on or before the third year anniversary of the Effective Date and 33$\frac{1}{3}$% on or before the fourth year anniversary of the Effective Date, provided, however, the holders of the Related Party Claims do not receive distributions.</p> <p>If WFF's Pendency Interest is calculated at 24%, the holders of Class 3 General Unsecured Claims shall be paid 7% of its Allowed General Unsecured Claims amount as follows: 33$\frac{1}{3}$% on or before the second year anniversary of the</p>	50% if WFF's Pendency Interest is calculated at the non-default contract rate of 12%, or, 7% if WFF's Pendency Interest is calculated at the default rate of 24% ²

² Related Party Claims shall receive no distributions.

CLASS	TYPE OF CLAIM OR STOCK INTEREST	ESTIMATED ALLOWABLE AMOUNT	TREATMENT UNDER THE PLAN	ESTIMATED PERCENTAGE DISTRIBUTION
			<p>Effective Date, 33$\frac{1}{3}$% on or before the third year anniversary of the Effective Date and 33$\frac{1}{3}$% on or before the fourth year anniversary of the Effective Date, provided, however, the holders of the Related Party Claims do not receive distributions.</p> <p>Payment Sources: Proceeds of Unit sales and rents from leasing Units, Storage Cages and Parking Spaces. See Exhibit B (Projections) and Exhibit C (Appraisal).</p>	
Class 4	Equity Security Holders (Impaired)	N/A	<p>Holders of Class 4 Equity Security Holders shall retain their Equity Securities and receive an equal Equity Security Share in the Reorganized Debtor, provided, however, that the Holder complies with the capital call to fund the Administrative Claims/Priority Account and Professional Fees Account.</p>	N/A

The following is a condition precedent to the consummation of the Plan and the occurrence of the Effective Date:

The Confirmation Order shall have been entered and shall have become a Final Order.

ONLY HOLDERS OF ALLOWED CLAIMS WILL RECEIVE DISTRIBUTIONS UNDER THE PLAN. SUCH DISTRIBUTIONS ARE IN FULL SETTLEMENT OF ALL RIGHTS OF THE HOLDERS OF SUCH ALLOWED CLAIMS, AND SUCH HOLDERS WILL NOT BE ENTITLED TO PURSUE ANY SUCH RIGHTS AS AGAINST THE DEBTOR.

II. BACKGROUND OF THE DEBTOR AND EVENTS LEADING TO THE FILING OF THE CHAPTER 11 PETITION

A. Procedural History

1. On December 4, 2009, the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. The Debtor is operating its business as a debtor-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108. No trustee, examiner, or official committee of unsecured creditors has been appointed to date.

B. Overview of Debtor's Business

(i) **Creation of Bayard Condominium Complex**

2. BV LLC was formed in 2005 for the purpose of acquiring and developing certain real property located at 20 Bayard Street, Brooklyn, New York. In 2007, the construction of a luxurious 62-unit residential complex was completed on the Property (the "**Bayard Condominium Complex**"). The development of the Bayard Condominium Complex was financed by Fremont General, which was later acquired by iStar Loans, LLC ("**iStar**").

3. In addition to the Fremont/iStar financing, BV LLC invested approximately \$16 million of its own funds in connection with the development of the Bayard Condominium Complex.

(ii) **Strong Early Sales**

4. During the first quarter of 2008, BV LLC began closing on sales of some of the units and residents started moving in.

5. While BV LLC enjoyed brisk initial sales of its condominium units, sale momentum slowed dramatically in the second half of 2008 due to the faltering economy and the attendant widespread residential real estate decline. By the third quarter of 2008, BV LLC had sold 24 of the 62 condominium units. Following the Lehman Brothers bankruptcy filing in mid-

September 2008, and due to the severely depressed real estate market, BV LLC decided it would be best to pursue rentals of the existing unsold condominium units. BV LLC's lender at the time, iStar, although it had been paid down approximately \$17 million of the \$34 million funded, wanted to be replaced because of its intolerance to remaining a lender to a business relying upon a rental stream.

(iii) Entry of WFF

6. In an extremely difficult credit environment, the Debtor was forced to find a replacement lender.

7. In October of 2008, WFF replaced iStar by virtue of the Agreement of Consolidation, Extension and Modification of Mortgage dated October 14, 2008 (the "**WFF Mortgage**") which consolidated: (i) the mortgage and note in favor of WFF dated October 14, 2008 in the amount of \$100,000.00; and (ii) the remaining balance on a pre-existing mortgage and note in favor of iStar for \$17,300,000.00.

8. In connection with the WFF Mortgage, the Debtor executed in favor of WFF the Consolidated, Amended and Restated Note dated October 14, 2008 in the principal amount of \$17,400,000.00 (the "**WFF Note**", together with the WFF Mortgage, the "**WFF Loan**").

9. Concurrent with the execution of the WFF Mortgage on October 14, 2008, the Debtor entered into an assignment of leases and rents, which was expressly "made for the purpose of securing" the WFF Loan.

(iv) Despite Rental Success, Debtor Is Cash Flow Negative

10. By early 2009, BV LLC was able to enter into lease agreements for 35 of its 38 condominium units.

11. In February 2009, BV LLC was able to sell condominium unit 3C for \$456,000.00, which was \$75,925.00 (or 20%) above WFF's release price of \$380,075.00.

12. Despite the Debtor's success in selling condominium unit 3C and renting 35 of the remaining 37 units, the Debtor has been unable to generate sufficient rental income to operate on a positive cash flow basis. This is due to the high interest rate (minimum 12%) that the Debtor is obligated to pay WFF pursuant to the WFF Note.

(v) WFF Loan Maturity And Expensive Extension

13. The original maturity date of the WFF Loan was October 13, 2009, with options to extend for two (2) 6-month time periods. Throughout the last year, the Debtor has spent significant time and effort attempting to refinance the WFF Loan because of its short term and exorbitant interest rate. WFF disagrees that the interest rate charged was exorbitant and does not believe the Debtor should refer to the interest rate as exorbitant. Despite four (4) letters of intent from four (4) separate institutions, and significant due diligence completed towards such refinancing, the Debtor was unable to refinance the WFF Loan due to the continued tightness of the credit markets.

14. On or about October 13, 2009, the Debtor and WFF executed a loan extension agreement which extended the maturity date of the WFF Loan to January 13, 2010 (the "**Extension Agreement**").

15. Pursuant to the Extension Agreement, in addition to remaining obligated to pay WFF its exorbitant \$170,000.00 interest payment during the extension period, WFF charged the

Debtor an "extension fee" of \$84,875.36, plus the legal fees WFF incurred in connection with the extension. As noted above, WFF disagrees that the interest rate charged was exorbitant and does not believe the Debtor should refer to the interest rate as exorbitant. Among other things, the Debtor, by this bankruptcy filing and its proposed Chapter 11 plan, wishes to avoid a number of short-term extensions and attendant extension fees and legal fees of its lender.

16. As of the bankruptcy filing date (December 4, 2009), WFF's principal amount outstanding was \$16,975,072.00. At the time of the bankruptcy filing, WFF had not declared any defaults under the WFF Loan and WFF had taken no steps to control the Debtor's rental stream.

III. SIGNIFICANT EVENTS DURING THE CASE

A. Retention of Debtor's Counsel

At the onset of the Chapter 11 Case, the Debtor moved to retain Porzio, Bromberg & Newman, P.C. as its general bankruptcy counsel under a general retainer.

B. Retention of Conflicts Counsel

At the onset of the Chapter 11 Case, the Debtor moved to retain Moritt Hock & Hamroff LLP as its local counsel to provide legal services relating specifically to the Eastern District of New York Bankruptcy practice. Subsequently, the Debtor amended its application to designate Moritt Hock & Hamroff LLP as its conflicts counsel. On January 26, 2010, the Court entered an Order authorizing retention of Moritt Hock & Hamroff LLP as conflicts counsel for the Debtor Nunc Pro Tunc as of December 4, 2009.

C. Cash Collateral

On December 18, 2009, the Court ordered on the record that the Debtor may use cash collateral to pay its regular monthly expenses, including the monthly charges due JBM Estates LLC and Bayard Views Condominium Association and to make a payment to WFF.

Pursuant to an Order entered on January 14, 2010, the Bankruptcy Court approved and authorized the Debtor's use of cash collateral to pay its regular monthly expenses, including the monthly charges due JBM Estates LLC and Bayard Views Condominium Association and to make a payment to WFF.

Pursuant to an Order entered on March 2, 2010, the Bankruptcy Court approved and authorized the Debtor's use of cash collateral to pay its regular monthly expenses, including the monthly charges due JBM Estates LLC and Bayard Views Condominium Association and any fees due to the United States Trustee's Office and to make a payment to WFF.

Pursuant to an Order entered on April 21, 2010, the Bankruptcy Court approved and authorized the Debtor's use of cash collateral to pay its regular monthly expenses through May 31, 2010. These expenses include the monthly charges due JBM Estates LLC and Bayard Views Condominium Association and any fees due to the United States Trustee's Office and to make a payment to WFF.

On November 23, 2011, the Bankruptcy Court entered the Stipulated and Agreed Order Authorizing Use of Cash Collateral and Establishing the Value of the Collateral. Pursuant to that order, the Bankruptcy Court approved and authorized the Debtor's use of cash collateral to pay its monthly expenses through June 1, 2011. In addition, pursuant to that order, the parties stipulated that the WFF Claim shall be fixed at, and shall not exceed, the sum of \$20,575,000.00, and that the appropriate value of the Property shall be fixed at \$20,575,000.00. On January 11, 2011, this order was deemed by the Bankruptcy Court as the Final Cash Collateral Order.

D. Bar Date

On March 3, 2010, the Court entered an Order establishing the last day to file Proofs of Claim to April 1, 2010 for those Claims against the Debtor that arose on or prior to the filing of the Debtor's Chapter 11 Case on December 4, 2009.

E. Challenge to Claim Filed by WFF

On or about April 19, 2010, the Debtor filed a motion: (1) objecting to and requesting reduction of the proof of claim filed by W Financial Fund, LP as it incorrectly calculates its Pendency Interest based upon a default interest rate of 24%; and (2) seeking to require WFF to detail its fees costs and charges, plus any monies held in WFF's escrow fund. Through the motion, the Debtor seeks to have WFF's Pendency Interest calculated at the non-default contract rate of 12%, which is far in excess of market – however, the Debtor is attempting to limit its legal battles by its willingness to accept the 12% rate for a limited time period.

F. Court Denies Confirmation of Debtor's Third Amended Plan of Reorganization

On March 26, 2010, the Debtor filed the Plan of Reorganization of for 20 Bayard Views, LLC together with the Disclosure Statement with Respect to the Plan. The Disclosure Statement was approved by a Consent Order entered on May 19, 2010. After filing several modifications and amendments to the plan, on January 18, 2011, the Debtor filed the Fourth and Final Modification to the Third Amended Plan of Reorganization (the "Third Amended Plan").

The Debtor's Third Amended Plan provided for the reorganization of the Debtor's affairs, the satisfaction of all administrative claims, the satisfaction of all allowed secured claims, and cash distributions to all holders of general unsecured claims. Like this Plan, there were seven classes of claims and interests treated under the Third Amended Plan. Six of those classes were impaired and were entitled to vote to accept or reject the Plan. Upon soliciting votes, the Third

Amended Plan was expressly accepted by 5 of the 7 classes of creditors entitled to vote, except for WFF.³ The Bayard Views Condominium Association (the "Condominium Association") also expressed its support for the Debtor's Third Amended Plan by filing a formal statement with the Bankruptcy Court and attaching affidavits from residents of the Bayard Condominium Complex.

The Third Amended Plan's treatment of the WFF Claim invoked the cram down provisions of section 1129(b)(2)(A) of the Bankruptcy Code. That is, WFF would (i) retain its liens on the Collateral, and (ii) receive deferred cash payments equal to the present value of its secured claim. The Third Amended Plan provided that WFF would receive deferred cash payments over the course of five years with monthly interest payments of 4.75% on principal, plus any excess net cash flow received by the Debtor; along with significant principal paydowns during each of the five years. The monthly interest payment was calculated pursuant to the formula approach adopted by the Supreme Court in *Till v. SCS Credit Corp.*, 541 U.S. 465 (2004) and its progeny, with a base interest rate of prime (3.25%) and a 1.5% risk adjustment premium. WFF filed an objection to the Plan, raising numerous arguments.

The Court commenced hearings on the confirmation of the Debtor's Third Amended Plan on October 6, 2010, and held a series of hearings over eleven days. On March 7, 2011, the Bankruptcy Court entered an Order Denying Confirmation of the Debtor's Third Amended Plan of Reorganization (the "Denial Order"), and a Memorandum Decision of Confirmation of Third Amended Plan of Reorganization (the "Memorandum Decision"). The Court denied confirmation of the Debtor's Third Amended Plan for failure to treat WFF fairly and equitably by providing it with the present value of its claim as required by Bankruptcy Code Section 1129(b)(2)(A)(i)(II). The Court ruled that the interest rate for the WFF Claim was insufficient

³ Class 3 did not cast a vote. See Docket Entry No. 186, Declaration of Martin Ehrenfeld in Support of Confirmation of the Third Amended Plan of Reorganization of 20 Bayard Views, LLC Under Chapter 11 of the Bankruptcy Code, at ¶ 50.

and "the Debtor has not established by a preponderance of the evidence that the Plan proposes an appropriate risk adjustment to the cramdown interest rate to be paid to WFF." (Memorandum Decision, p. 46.)

On March 21, 2011, the Debtor filed a Notice of Appeal, under 28 U.S.C. § 158(a) and Federal Rule of Bankruptcy Procedure 8001, and a motion for leave to appeal, pursuant to 28 U.S.C. § 158(a)(3) and Federal Rules of Bankruptcy Procedure 8001 and 8003, the March 7, 2011 Order of the United States Bankruptcy Court for the Eastern District of New York (Hon. Elizabeth S. Stong) Denying Confirmation of the Debtor's Third Amended Plan of Reorganization (the "Motion for Leave to Appeal," collectively with the Notice of Appeal, the "Appeal"), together with a Memorandum of Law in Support of the Motion for Leave to Appeal. By its Motion for Leave to Appeal, the Debtor requests that the district court (i) grant leave to appeal the Order, (ii) upon granting leave to appeal, rule that the Bankruptcy Court committed an error of law, and (iii) reverse the Bankruptcy Court's decision denying confirmation of the Third Amended Plan and enter or direct the entry of an order confirming the Debtor's Chapter 11 Third Amended Plan.

The Debtor's Appeal relates to a discrete issue in the Bankruptcy Court's decision—which party bears the burden of proof for demonstrating the proper risk adjustment under the *Till* formula approach. The Debtor argues that the Bankruptcy Court, in its Memorandum Decision, committed reversible error by holding the Debtor to a burden of proof that it did not bear under United States Supreme Court precedent. *Compare Till*, 541 U.S. at 479 *with* Memorandum Decision at p. 46. Additionally, the Debtor argues that WFF did not meet its burden under *Till* of proving that the Debtor's proposed cramdown interest rate was not high enough because: (a) WFF utilized the flawed "tiered financing" approach which is a direct application of the coerced

loan approach rejected by *Till*; and (b) *Till* and the risk adjustment factors described therein were not even considered by WFF. Thus, as a result, the Debtor argues that upon setting the burden of proof where it belongs, the district court must reverse the Bankruptcy Court's ruling and confirm the Debtor's Third Amended Plan, or direct the Bankruptcy Court to do so.

As of the date of filing of this Disclosure Statement, the Appeal has been transmitted to the clerk of the district court, however, it has not yet been docketed.

On April 4, 2011, the Bankruptcy Court entered the Scheduling Order, which among other things, provided that “the Debtor may file a modified or amended plan of reorganization by April 15, 2011.”

IV. PLAN DESCRIPTION

A. Introduction

THE FOLLOWING IS A SUMMARY OF THE MATTERS CONTEMPLATED TO OCCUR EITHER PURSUANT TO OR IN CONNECTION WITH THE PLAN. THIS DISCLOSURE STATEMENT ONLY HIGHLIGHTS THE SUBSTANTIVE PROVISIONS OF THE PLAN AND IS NOT, NOR IS IT INTENDED TO BE, A COMPLETE READING OF THE PLAN. STATEMENTS REGARDING PROJECTED AMOUNTS OF CLAIMS OR DISTRIBUTIONS ARE ESTIMATES BY THE DEBTOR BASED ON CURRENT INFORMATION AND ARE NOT A REPRESENTATION THAT THESE AMOUNTS WILL ULTIMATELY BE CORRECT. THIS DISCLOSURE STATEMENT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN ANNEXED AS EXHIBIT "A" HERETO.

B. Treatment of Administrative Expense Claims

In accordance with Section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims have not been classified in the Plan and are to be treated as discussed below.

1. Administrative Claims (Other Than Professional Fee Claims)

Except as otherwise provided for herein, and subject to the requirements of the Plan, on, or as reasonably practicable after the later of (i) the Initial Distribution Date or (ii) the Distribution Date immediately following the date on which an Administrative Claim becomes an Allowed Administrative Claim, the Holder of such Allowed Administrative Claim (other than Professional Fee Claims) shall receive, in full settlement, satisfaction, release and discharge of and in exchange for such Allowed Administrative Claim (a) Cash equal to the unpaid portion of the Face Amount of such Allowed Administrative Claim or (b) such other less favorable treatment as to which the Debtor, Reorganized Debtor and such Holder shall have agreed to in writing; provided however, that Allowed Administrative Claims with respect to liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case shall be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto.

Notwithstanding any provision in the Plan regarding payment of Administrative Claims to the contrary, and without waiver of any argument available that such Claim is already time-barred by prior orders of the Bankruptcy Court and except for liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case including but not limited to Post-Petition Trade Debt, all Administrative Claims required to be Filed and not Filed by the Administrative Claim Bar Date shall be deemed disallowed and discharged. As provided herein, the Administrative Claims/Priority Claims Account will include funds sufficient to cover the

aggregate asserted amount of all Disputed Administrative Claims. Without limiting the foregoing, all fees payable under 28 U.S.C. § 1930 that have not been paid, shall be paid on or before the Effective Date.

2. Professional Fee Claims

The Reorganized Debtor shall pay Professionals from the Professional Fees Account all of their respective accrued and Allowed fees and reimbursement of expenses arising prior to the Effective Date.

The Bankruptcy Court must rule on and allow all Professional Fee Claims before the fees will be owed and paid. For all pre-Effective Date Professional Fee Claims, except Bankruptcy Clerk's Office fees and U.S. Trustee's fees, the Professional in question must file and serve a properly noticed final fee application and the Bankruptcy Court must rule on the application. Only the amount of fees and expenses Allowed by the Bankruptcy Court will be owed and required to be paid under the Plan.

The Reorganized Debtor may retain and compensate professionals for services rendered following the Effective Date without order of the Bankruptcy Court. Professionals requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code for services rendered prior to the Effective Date must File and serve pursuant to the notice provisions of the Bankruptcy Rules, an application for final allowance of compensation and reimbursement of expenses not later than ninety (90) days after the Effective Date. All such applications for final allowance of compensation and reimbursement of expenses will be subject to the authorization and approval of the Bankruptcy Court. Holders of Administrative Claims (including, without limitation, Professionals) requesting compensation or reimbursement of such expenses pursuant to sections 327, 328, 330,

331, 503(b) and 1103 of the Bankruptcy Code that do not file such requests by the applicable deadline provided for herein shall be forever barred from asserting such claims against the Debtor, the Estate, Reorganized Debtor, or their successors, their assigns or their property. Any objection to Professional Fee Claims shall be filed on or before the objection deadline specified in the application for final compensation or order of the Bankruptcy Court; provided that such objection deadline is at least twenty (20) days after the filing and service of such final fee application.

C. Classification and Treatment of Claims and Equity Securities

Classified Claims against, and Equity Securities in, the Debtor are described below. A Claim or Equity Securities will be deemed classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and will be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Securities qualifies within the description of such different Class.

DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS UNDER THE PLAN ARE IN FULL SETTLEMENT OF ALL RIGHTS OF THE HOLDERS OF SUCH ALLOWED CLAIMS AND SUCH HOLDERS WILL NOT BE ENTITLED TO PURSUE ANY SUCH RIGHTS AS AGAINST THE DEBTOR AS DEFINED IN THE PLAN.

The Plan provides for the division of Claims into the following Classes:

1. Class 1 – Priority Claims

a. Classification: Class 1 consists of the Priority Claims against the Debtor.

b. Treatment: The Reorganized Debtor shall pay the Allowed amount of each Class 1 Priority Claim from the Administrative Claims/Priority Claims Account to each Entity holding a Class 1 Priority Claim within thirty (30) days following the Effective Date. The Reorganized Debtor shall pay each Entity holding a Class 1 Priority Claim in Cash in full in

respect of such Allowed Claim without interest accruing from the Petition Date within thirty (30) days of the Effective Date; provided, however, that such Entity may be treated on such less favorable terms as may be agreed to in writing by such Entity.

c. Voting: Class 1 is an Unimpaired Class and Holders of Class 1 Claims are not entitled to vote on the Plan.

2. Class 2 –WFF Secured Claim

a. Classification: Class 2 consists of the WFF Secured Claim against the Debtor.

b. Treatment: The WFF Secured Claim shall be treated as an Allowed Secured Claim as follows:

(i) Liens and Protection of Collateral: To secure the repayment of the Secured Lender Claim, WFF shall retain its liens on the Pre-Petition Collateral and shall be granted a new lien on the Storage Cages. Additionally, WFF shall retain its lien on the rents and leases related to the Pre-Petition Collateral and be granted new liens on any rent and/or leases relating to the Storage Cages. During the pendency of the pay out of the WFF Secured Claim, the Reorganized Debtor shall provide WFF with proof that the Collateral is properly insured and that real estate taxes are current.

(ii) Required Payments:

(a) monthly interest payments based upon an interest rate of 6.50% on the then existing principal amount of the WFF Secured Lender Claim with the first payment being the month in which the Effective Date occurs;

(b) on or before the first year anniversary of the Effective Date, a

paydown of principal in the amount of \$700,963.00;

(c) on or before the second year anniversary of the Effective Date, a paydown of principal in the amount of \$2,803,853.00;

(d) on or before the third year anniversary of the Effective Date, a paydown of principal in the amount of \$4,331,953.00;

(e) on or before the fourth year anniversary of the Effective Date, a paydown of principal in the amount of \$5,205,564.00; and

(f) on or before the fifth year anniversary of the Effective Date, the remaining principal of the WFF Secured Claim in the amount of \$7,415,656.00 shall be paid off. The required principal paydowns described in subparts (b) through (f) herein may be made earlier than the described time periods without any penalty being imposed upon the Reorganized Debtor for the following years. For example, if in the second year following the Effective Date, the Reorganized Debtor makes a principal paydown of \$3,303,853.00 instead of \$2,803,853.00 pursuant to subpart (c), then the Reorganized Debtor shall be required to make a principal paydown of \$3,831,953.00 on or before the third year anniversary of the Effective Date instead of \$4,331,953.00 in accordance with subpart (d).

(iii) Excess Net Cash Flow Payments: In each of the five years following the Effective Date, the Reorganized Debtor shall calculate on an annual basis its Excess Net Cash Flow and remit same to WFF to the extent available. The First Excess Net Cash Flow calculation shall be the first year anniversary following the Effective Date. Any Excess Net Cash

Flow payments by the Reorganized Debtor shall be a credit against the required principal paydowns described above in Article III.A.2.b.(ii)(b) through (f).

(iv) Unit Sale Proceeds: With the exception of the First Unit, defined below, when any Unit is sold pursuant to the Plan, the Reorganized Debtor shall place 95% of the net proceeds into an interest bearing account for the benefit of WFF pending a principal paydown. The remaining 5% of the net proceeds from any Unit sold (the "Interest Proceeds") will be added to the Plan Reserve defined below. As a condition precedent to the Effective Date and between the Confirmation Date and the Effective Date, the Debtor shall sell one (1) Unit (the "First Unit"). The proceeds of the First Unit will fund an interest reserve (the "Interest Reserve") in an amount of \$500,000.00, which will be used to augment the Debtor's monthly cash-flow to make interest payments to WFF at the 6.5% level proposed in this Plan in order to achieve a present value equal to the Allowed amount of the WFF Secured Claim. Interest Proceeds shall also be placed in escrow in an interest bearing account (the "Plan Reserve"). The Plan Reserve shall be used exclusively as an interest reserve for scheduled (and potential⁴) Plan payments to WFF, and for payments to the General Unsecured Creditors. No monies in the Plan Reserve will be released or distributed to the Equity Security Holders until the completion of all scheduled Plan payments to WFF and the General Unsecured Creditors.

(v) Letter of Credit: Prior to the Effective Date, the Managing Member shall post letters of credit in favor of WFF in the aggregate amount of \$1,000,000.00, substantially in the form of the draft letter of credit attached hereto as Exhibit A, which shall serve

⁴ On August 16, 2010, the Court entered an Order awarding WFF Pendency Interest at the rate of 24% (the "Pendency Interest Order"). The Debtor has appealed the Pendency Interest Order. If the Pendency Interest Order is overturned and WFF's Pendency Interest is revised to the rate of 12%, the Reorganized Debtor will increase the distributions to the General Unsecured Creditors consistent with Article III. A.6.b. of the Plan. On April 13, 2011, the Debtor filed its brief with the District Court on the Pendency Interest Appeal.

as additional collateral for the Debtor's principal payments due to WFF under the Plan. WFF shall be entitled to draw, if necessary, but solely to the amount necessary, to satisfy any shortfall in a Debtor's scheduled principal paydown obligation under subsection (ii)(b)-(f) of this section. By way of example, if the Debtor delivers \$2,503,853.00 to WFF on the second anniversary of the Effective Date, then WFF shall be entitled to draw \$300,000.00 on the letters of credit, but no more. See subsection (ii)(c) of this section.

(vi) Other Provisions: During the five years following the Effective Date, the Reorganized Debtor will not sell any Units for a sale price which equates to less than \$500 per square foot. At any time during the five years following the Effective Date, the Reorganized Debtor may pay off the WFF Secured Claim without the imposition of any prepayment penalty.

c. Voting: Class 2 is an Impaired Class and Holders of Class 2 Claims are entitled to vote to accept or reject the Plan.

3. Class 3 – General Unsecured Claims

a. Classification: Class 3 consists of the Claims of Holders of General Unsecured Claims.

b. Treatment: If WFF's Pendency Interest is calculated at 12%, then holders of Class 3 General Unsecured Claims shall be paid 50% of its Allowed General Unsecured Claims amount as follows: 33 $\frac{1}{3}$ % on or before the second year anniversary of the Effective Date, 33 $\frac{1}{3}$ % on or before the third year anniversary of the Effective Date and 33 $\frac{1}{3}$ % on or before the fourth year anniversary of the Effective Date, provided, however, the holders of the Related Party Claims do not receive distributions. If WFF's Pendency Interest is calculated at 24%, then holders of Class 3 General Unsecured Claims shall be paid 15% of its Allowed General

Unsecured Claims amount as follows: 33 $\frac{1}{3}$ % on or before the second year anniversary of the Effective Date, 33 $\frac{1}{3}$ % on or before the third year anniversary of the Effective Date and 33 $\frac{1}{3}$ % on or before the fourth year anniversary of the Effective Date, provided, however, the holders of the Related Party Claims do not receive distributions.

c. Payment Sources: Proceeds of Unit sales and rents from leasing Units, Storage Cages and Parking Spaces. *See* Exhibit B (Projections) and Exhibit C (Appraisal).

d. Voting: Class 3 is an Impaired Class and Holders of Class 6 Claims are entitled to vote to accept or reject the Plan.

4. Class 4 – Equity Security Holders

a. Classification: Class 4 consists of the Holders of Equity Securities in the Debtor.

b. Treatment: A Holder of Allowed Equity Securities of the Debtor shall retain his Equity Securities and receive an equal Equity Security Share in the Reorganized Debtor so long as such Holder complies with the capital call to fund the Administrative Claims/Priority Account and Professional Fees Account. Any Holder not complying shall have its Equity Securities' share discharged and cancelled. No other Claims against the Equity Securities of the Debtor shall survive.

c. Voting: Class 4 is an Impaired Class and Holders of Class 4 Equity Securities are entitled to vote to accept or reject the Plan.

D. Summary of Other Significant Plan Provisions

1. Revesting of Assets

As of the Effective Date, all property of Debtor shall be free and clear of all Claims, Liens and other interests, except for Liens preserved for WFF. As of the Effective Date, except

for those Liens preserved as specifically provided in the Plan, all mortgages, deeds of trust, Liens or security interests in any property of the Estate will be released and all the right, title and interest of any Holder of any such mortgages, deeds of trust, Liens or security interests shall be canceled, annulled, terminated and become null and void. Debtor and Reorganized Debtor shall be authorized to act as attorney-in-fact for any such Holder to cause all public records to properly reflect and effectuate this provision. If the Confirmation Order is ever reversed or revoked, this provision of the Plan shall become null and void, and all Liens existing before the Confirmation Date shall be revived.

2. Prior to the Effective Date

The Confirmation Order shall empower and authorize the Debtor to take or cause to be taken, prior to the Effective Date, all actions which are necessary to enable it to implement effectively the provisions of the Plan, and any other agreements related to and incident thereto.

3. Funding of Plan Distributions

Distributions to be made pursuant to the Plan will be made available from the Reorganized Debtor's Administrative Claims/Priority Claims Account, Professional Fees Account, Net Cash Flow, Excess Net Cash Flow, and Unit sales.

The Projections (annexed hereto as Exhibit B) show how the Reorganized Debtor will be able to make the distributions provided for in the Plan. The sources of payment are proceeds of Unit sales and rents from leasing Units, Storage Cages and Parking Spaces.

The Projections' forecasted sale proceeds for the Units are consistent with the appraisal performed by R.D. Geronimo Ltd. which valued the Units, Storage Cages and Parking Spaces at \$21,890,000.00. The written appraisal report is attached hereto as Exhibit C. Specifically, the Projections calculate Unit sales utilizing \$675 per square foot as its measure, which is

conservative and supported by the Appraisal. Additionally, as noted earlier, With the exception of the First Unit, defined below, when any Unit is sold pursuant to the Plan, the Reorganized Debtor shall place 95% of the net proceeds into an interest bearing account for the benefit of WFF pending a principal paydown. The remaining 5% of the net proceeds from any Unit sold (the “Interest Proceeds”) will be added to the Plan Reserve defined below. As a condition precedent to the Effective Date and between the Confirmation Date and the Effective Date, the Debtor shall sell one (1) Unit (the “First Unit”). The proceeds of the First Unit will fund an interest reserve (the “Interest Reserve”) in an amount of \$500,000.00, which will be used to augment the Debtor’s monthly cash-flow to make interest payments to WFF at the 6.5% level proposed in this Plan in order to achieve a present value equal to the Allowed amount of the WFF Secured Claim. Interest Proceeds shall also be placed in escrow in an interest bearing account (the “Plan Reserve”). The Plan Reserve shall be used exclusively as an interest reserve for scheduled (and potential⁵) Plan payments to WFF ,and for payments to the General Unsecured Creditors. No monies in the Plan Reserve will be released or distributed to the Equity Security Holders until the completion of all scheduled Plan payments to WFF and the General Unsecured Creditors.

As for rents, the Debtor has had a strong cash flow before and after its bankruptcy filing due to the highly desirable nature of the Units, the amenities offered and the prime location of the Bayard Real Property. See Exhibit C (Appraisal). Indeed, in the first three months of 2011, the Debtor’s rental income has averaged approximately \$145,000.00/month, which has enabled the Debtor to cover its operating expenses and make substantial adequate protection payments to

⁵ On August 16, 2010, the Court entered an Order awarding WFF Pendency Interest at the rate of 24% (the "Pendency Interest Order"). The Debtor has appealed the Pendency Interest Order. If the Pendency Interest Order is overturned and WFF's Pendency Interest is revised to the rate of 12%, the Reorganized Debtor will increase the distributions to the General Unsecured Creditors consistent with Article III. A.6.b. of the Plan. On April 13, 2011, the Debtor filed its brief with the District Court on the Pendency Interest Appeal.

WFF. The Projections forecast the continuation of the strong rental stream with a decline during the term of the Plan payout as Units are sold and thus removed as rent sources.

4. Continuation of Business

After the Effective Date, the Debtor as the Reorganized Debtor will continue to serve as landlord of the Bayard Real Property and to implement the Plan.

5. Distributions

a. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the Plan, or as may be ordered by the Bankruptcy Court, Distributions on account of those Claims that are Allowed as of the Effective Date and are entitled to receive Distributions under the Plan, shall be made by the Reorganized Debtor on the Initial Distribution Date and on such subsequent Distribution Dates as set forth in the Plan. Distributions on account of Claims that become Allowed after the Effective Date shall be made on the next subsequent Distribution Date, in each case without interest. Notwithstanding anything herein to the contrary, funds contained in the Administrative Claims/Priority Claims Account and the Professional Fees Account may not be commingled or used for the payment of any Allowed Claim other than (i) Allowed Administrative Claims and Allowed Priority Claims with respect to the Administrative Claims/Priority Claims Account and (ii) Allowed Professional Fee Claims with respect to the Professional Fees Account. After payment of the Allowed Administrative Claims, Allowed Priority Claims and Allowed Professional Fee Claims, as the case may be, in accordance with the Plan, all of the remaining funds in the Administrative Claims/Priority Claims Account and the Professional Fees Account shall be and revested in the Reorganized Debtor free and clear of all Claims.

At the close of business on the Distribution Record Date, the claims register for all Claims shall be closed, and there shall be no further changes in the record holders of such Claims. Except as provided herein, the Debtor, Reorganized Debtor, and each of their respective agents, successors, and assigns shall have no obligation to recognize any transfer of Claims occurring after the Distribution Record Date and shall be entitled instead to recognize and deal for all purposes hereunder with only those record holders stated on the claims register as of the close of business on the Distribution Record Date irrespective of the number of Distributions to be made under the Plan to such Entities on the date of such Distributions.

b. Distributions; Causes of Action

If, as a result of the pursuit of any Causes of Action, a Claim would arise from a recovery pursuant to section 550 of the Bankruptcy Code after Distributions under the Plan have commenced, the Reorganized Debtor shall be permitted to reduce the recovery by an amount that reflects the value of the treatment that would have been accorded to the Claim under the Plan, thereby effectively treating the Claim through the reduction.

c. Manner of Payment

Any payment of Cash made under the Plan may be made either by check drawn on a domestic bank, by wire transfer, or by automated clearing house transfer from a domestic bank, at the option of the Reorganized Debtor.

The Reorganized Debtor in making Distributions under the Plan, shall comply with applicable tax withholding and reporting requirements imposed by any governmental unit, and all Distributions made pursuant to the Plan shall be subject to such withholding and reporting requirements. The Reorganized Debtor, may withhold the entire Distribution due to any Holder of an Allowed Claim until such time as such Holder provides the Reorganized Debtor with the

necessary information to comply with any reporting and withholding requirements of any governmental unit. Any funds so withheld will then be paid by the Reorganized Debtor to the appropriate authority. If the Holder of an Allowed Claim fails to provide to the Reorganized Debtor the information necessary to comply with any reporting and withholding requirements of any governmental unit within thirty (30) days from the date of first notification by the Reorganized Debtor to the Holder of such Allowed Claim about the need for such information or for the Cash necessary to comply with any applicable withholding requirements, then the Holder's Distribution shall be treated as an undeliverable Distribution in accordance with Article VIII.E of the Plan.

d. Transmittal of Distributions to Parties Entitled Thereto

All Distributions by check shall be deemed made at the time such check is duly deposited in the United States mail, postage prepaid. All Distributions by wire transfer shall be deemed made as of the date the Federal Reserve or other wire transfer is made. Except as otherwise agreed with the Holder of an Allowed Claim in respect thereof or as provided in the Plan, any property to be distributed on account of an Allowed Claim shall be distributed by mail, upon compliance by the Holder with the provisions of the Plan, to (a) the latest mailing address Filed for the Holder of an Allowed Claim entitled to a Distribution, (b) the latest mailing address Filed for a Holder of a Filed power of attorney designated by the Holder of such Claim to receive Distributions, (c) the latest mailing address Filed for the Holder's transferee as identified in a Filed notice served on Debtor pursuant to Bankruptcy Rule 3001(e), or (d) if no such mailing address has been Filed, the mailing address reflected on the Schedules or in the Debtor's books and records.

e. Disputed Claims and Unclaimed Property

Notwithstanding all references in the Plan to Claims that are Allowed, in undertaking the Pro Rata calculations concerning Allowed Claims under the Plan, including the determination of the amount of Distributions due to the Holders of Allowed Claims, each Disputed Claim shall be treated as if it were an Allowed Claim, as appropriate, except that if the Bankruptcy Court estimates the portion of a Disputed Claim to be Allowed or otherwise determines the amount which would constitute a sufficient reserve for a Disputed Claim (which estimations and determinations may be requested by the Reorganized Debtor), such amount as determined by the Bankruptcy Court shall be used as to such Claim.

The Distributions due in respect of Disputed Claims based on the calculations required by the Plan shall be reserved for the Holders of the Disputed Claims and deposited into the account or trust. The amount so deposited on behalf of a Creditor holding a particular Disputed Claim is referred to herein as the "Reserve Amount."

After an objection to a Disputed Claim is withdrawn or determined by Final Order, the Distributions due on account of any resulting Allowed Claim shall be paid by the Reorganized Debtor from the Reserve Amounts for such Creditor held in the account or trust together with the interest, if any, actually accrued on the Reserve Amounts (up to a maximum of the interest actually accrued on the amount of the resulting Allowed Claim). Such payment shall be made on the next Subsequent Distribution Date. No interest shall be due to a Disputed Claim holder based on the delay attendant to determining the allowance of such Claim except as set forth in this subsection.

Should the Distribution on account of any Allowed Claim of such Creditor exceed the Reserve Amount, the shortfall may be paid from available sums, if any, for the next Distribution,

provided that, in no event shall the Creditor have recourse to any payments already made to others or to sums reserved by the Reorganized Debtor in connection with the account or trust or for ongoing fees and costs of administering Debtor's Estate or effectuating the Plan.

After an objection to such a Disputed Claim is sustained in whole or in part by a Final Order, any Reserve Amounts for such Claim held in the respective account or trust in excess of the Distributions due on account of any resulting Allowed Claim may be removed by the Reorganized Debtor from the respective Reserve Fund and treated as available funds for ongoing costs and fees and Distributions.

f. Setoffs

The Reorganized Debtor, may, but shall not be required to, setoff against any Claim, and the payments and/or Distribution of other property to be made under the Plan in respect of such claim, any Claims of any nature whatsoever Debtor may have against the Holder of a Claim, but neither the failure to do so nor the allowance of any Claim under the Plan shall constitute a waiver by Debtor or Reorganized Debtor of any such claim the held against such Holder.

g. Saturday, Sunday or Legal Holiday

If any payment, Distribution, or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or Distribution or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

h. Fractional Cents

Notwithstanding any other provisions of the Plan to the contrary, no payment of fractional cents will be made under the Plan. Cash will be issued to Holders entitled to receive a

Distribution of Cash in whole cents (rounded-down to the nearest whole cent when and as necessary).

i. Corporate Action

Upon the entry of the Confirmation Order by the Bankruptcy Court, all matters provided under the Plan involving the corporate structure of the Debtor shall be deemed to be authorized and approved without any requirement of further action by Debtor, Debtor's shareholders, Debtor's board of directors, and/or the Reorganized Debtor.

j. De Minimis Payments and Distributions

Notwithstanding any other provision of the Plan, de minimis payments of less than \$50 need not be made by the Reorganized Debtor on account of any Allowed Claim; provided that such de minimis payments that would otherwise be made on the Initial Distribution Date or a subsequent Distribution Date shall carry over until the next date of a Distribution until the cumulative amount of Distributions to which the Holder of such Allowed Claim is more than \$50, at which time the cumulative amount of such Distributions shall be paid to such Holder. De minimis payments that will not be distributed as of the final Distribution Date shall be treated as undeliverable Distributions as provided in Article VIII.E of the Plan.

6. Objections to Claims

Unless otherwise ordered by the Bankruptcy Court after notice and a hearing, and except as set forth in the Plan, the Debtor, Reorganized Debtor, and their respective professionals and shall have the exclusive right to make and File objections to any Claims.

The Debtor and Reorganized Debtor, shall have until ninety (90) days following the Effective Date to File objections to the applicable filed or scheduled proofs of Claim filed prior

to the Effective Date; provided, however, that the Debtor or Reorganized Debtor, may apply to the Bankruptcy Court for an extension of such deadline for cause.

Pursuant to an Order entered by the Bankruptcy Court setting the Bar Date, any person or entity holding a claim scheduled as disputed, unliquidated or contingent were required to file a proof of claim before the Bar Date. The following persons/entities were scheduled as holding disputed claims and did not file proofs of claim by the Bar Date: BAC Group Ltd.; Guma Corp.; Luxury Designs, Inc.; Parking Depot; and Supreme Wood Floors (collectively, the “Non-Filing Parties”). In accordance with the terms of the order establishing the Bar Date, the Non-Filing Parties are barred, estopped and enjoined from asserting any Claim against the Debtor and Reorganized Debtor and the property of the Debtor and Reorganized Debtor is discharged from any and all indebtedness, liens or liability with respect to any claims of the Non-Filing Parties.

Except as set forth in the Plan, nothing in the Plan, the Disclosure Statement, the Confirmation Order or any order in aid of Confirmation, shall constitute, or be deemed to constitute, a waiver or release of any claim, cause of action, right of setoff, or other legal or equitable defense that Debtor had immediately prior to the commencement of this Chapter 11 Case or the Effective Date, against or with respect to any Claim. Except as set forth in the Plan, upon Confirmation, the Reorganized Debtor shall have, retain, reserve and be entitled to assert all such claims, Causes of Action, rights of setoff and other legal or equitable defenses that Debtor had immediately prior to the Effective Date or prior to the commencement of this Chapter 11 Case as if this Chapter 11 Case had not been commenced.

7. Payments and Distributions on Disputed Claims

On the Distribution Dates, the Reorganized Debtor shall transfer and maintain for each respective Reserve Account such amounts of Cash the Reorganized Debtor shall determine to be

necessary to retain on that Distribution Date on account of the Disputed Claims for which the respective Account is established. In determining the amount of Cash to contribute to each respective Account, Reorganized Debtor shall be entitled to rely upon the estimation, if any, of any Disputed Claims pursuant to the Plan to determine the amount of Cash so reserved, without objection by the Holder of the Disputed Claim. As and when authorized by a Final Order, Disputed Claims that become Allowed Claims shall be paid first from the respective Account corresponding to such Disputed Claim and second from the remaining funds, if any, in the possession of the Reorganized Debtor, until such time that the Holder of such Allowed Claim receives all payments and Distributions to which such Holder is entitled under the Plan. Notwithstanding any provision in the Plan to the contrary, no partial payments and no partial Distributions will be made with respect to a Disputed Claim until the resolution of such disputes by settlement or Final Order. Unless otherwise agreed by the Reorganized Debtor, a Creditor who holds both (an) Allowed Claim(s) and (a) Disputed Claim(s) will not receive a Distribution, nor accrue interest thereon, until such dispute is resolved by settlement or Final Order.

8. Unclaimed Distributions

At the election of the Reorganized Debtor, any property, which is unclaimed for ninety (90) days after Distribution thereof by mail to the last known mailing address of the party entitled thereto, shall revert in the Reorganized Debtor, as available funds for ongoing costs and fees. Notwithstanding the foregoing, if any mail sent to a Creditor at the last known mailing address by the Reorganized Debtor, is returned without a forwarding address and the Creditor does not Claim its Distribution within ninety (90) days after it is mailed to the Creditor, the Reorganized Debtor shall strike the Creditor's Claim from the Creditor list, issue no more checks

to such Creditor and, for the purposes of future Distributions, treat the Creditor's Claim as if it were disallowed.

9. Final Distribution

As soon as may be practicable following the date on which (a) all Cash has been realized and (b) all Disputed Claims have been resolved by a Final Order of the Bankruptcy Court, the Reorganized Debtor shall make a final distribution of remaining funds to Holders of Allowed Claims in accordance with the terms of the Plan.

10. Professional Compensation

Professionals requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code for services rendered prior to the Effective Date must File and serve pursuant to the notice provisions of the Bankruptcy Rules, an application for final allowance of compensation and reimbursement of expenses not later than ninety (90) days after the Effective Date. All such applications for final allowance of compensation and reimbursement of expenses will be subject to the authorization and approval of the Bankruptcy Court. Holders of Administrative Claims (including, without limitation, Professionals) requesting compensation or reimbursement of such expenses pursuant to sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code that do not file such requests by the applicable deadline provided for herein shall be forever barred from asserting such claims against the Debtor, the Estate, Reorganized Debtor, or their successors, their assigns or their property. Any objection to Professional Fee Claims shall be filed on or before the objection deadline specified in the application for final compensation or order of the Bankruptcy Court; provided that such objection deadline is at least twenty (20) days after the filing and service of such final fee application.

11. Retention and Enforcement of Claims

Except as provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code and to the fullest extent possible under applicable law, the Reorganized Debtor, shall retain and may enforce, and shall have the sole right to enforce, any claims, demands, rights and Causes of Action that the Debtor or Estate may hold against any Entity, as appropriate. The Reorganized Debtor, and its successors and assigns, may pursue such retained claims, demands, rights or Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtor holding such claims, demands, rights or Causes of Action. Further, the Reorganized Debtor retain their rights to file and pursue, and shall have the sole right to file and pursue any adversary proceedings against any account debtor related to debit balances or deposits owed to the Debtor.

By accepting Distributions pursuant to the Plan, each Holder of an Allowed Claim receiving Distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth herein.

12. Management of the Reorganized Debtor

Except as expressly provided in the Plan and the formation documents and operating agreement of the Reorganized Debtor (as amended from time to time), the operation, management and control of the Reorganized Debtor shall be the general responsibility of its Managing Member and Restructuring Officer. It is not contemplated that the Managing Member or Restructuring Officer will receive compensation for their roles with the Reorganized Debtor.

13. Assumption or Rejection of Executory Contracts.

a. Assumption of Executory Contracts and Unexpired Leases

Except as otherwise provided in the Plan, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, as of the Effective Date, the Debtor shall be deemed to have assumed each pre-petition executory contract and unexpired lease to which it is a party and assigned such executory contract and unexpired lease to the Reorganized Debtor unless such executory contract or unexpired lease (a) was previously assumed or rejected upon motion by a Final Order, (b) previously expired or terminated pursuant to its own terms; or (c) is the subject of any pending motion, including to assume, to assume on modified terms, to reject or to make any other disposition filed by the Debtor on or before the Confirmation Date. In accordance with this, the Debtor shall be deemed to have assumed each of its leases for Units, Parking Spaces and/or Storage Cages, and as of the Effective Date, assigned each such lease to the Reorganized Debtor. The Confirmation Order shall constitute an order of the Bankruptcy Court under section 365(a) of the Bankruptcy Code approving the assumption and/or assignment of prepetition executory contracts and unexpired leases described above, as of the Effective Date.

b. Assignment of Executory Contracts and Unexpired Leases

To the extent provided under the Bankruptcy Code or other applicable law, any executory contract or unexpired lease transferred and assigned pursuant to the Plan shall remain in full force and effect for the benefit of the transferee or assignee in accordance with its terms, notwithstanding any provision in such executory contract or unexpired lease (including those of the type described in section 365(b)(2) of the Bankruptcy Code) that prohibits, restricts or conditions such transfer or assignment. To the extent provided under the Bankruptcy Code or

other applicable law, any provision that prohibits, restricts or conditions the assignment or transfer of any such executory contract or unexpired lease or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or unexpired lease to terminate, modify, recapture, impose any penalty condition renewal or extension or modify any term or condition upon any such transfer and assignment constitutes an unenforceable anti-assignment provision and is void and of no force or effect.

c. Cure Rights for Executory Contracts and Unexpired Leases Assumed Under Plan

Any monetary amounts by which each executory contract and unexpired lease to be assumed pursuant to the Plan is in default shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by Cure. The Debtor believes there are no Cure amounts for any of its executory contracts and unexpired leases to be assumed, other than the Debtor's executory contract with the Bayard Views Condominium Association which has a Cure amount of \$64,000.00. If there is a dispute regarding (a) the nature or amount of any Cure, (b) the ability of the Reorganized Debtor or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed, or (c) any other matter pertaining to assumption, Cure shall occur following the entry of a Final Order by the Bankruptcy Court resolving the dispute and approving the assumption or assumption and assignment, as the case may be; provided, however, that the Debtor or Reorganized Debtor, as applicable, shall be authorized to reject any executory contract or unexpired lease to the extent the Debtor or Reorganized Debtor, in the exercise of their sound business judgment, conclude that the amount of the Cure obligation as determined by such Final Order, renders assumption of such executory contract or unexpired lease unfavorable to the Debtor or Reorganized Debtor.

d. Rejection of Executory Contracts and Unexpired Leases

The contracts and leases set forth on Schedule 1 attached to the Plan shall be deemed rejected as of the Effective Date. The Debtor reserves the right, at any time prior to the Effective Date, except as otherwise specifically provided in the Plan, to seek to reject any executory contract or unexpired lease to which the Debtor is a party and to file a motion requesting authorization for the rejection of any such executory contract or unexpired lease.

If the rejection of an executory contract or unexpired lease pursuant to the Plan results in a Claim, then such Claim shall be forever barred and shall not be enforceable against the Debtor or Reorganized Debtor or the properties of any of them unless a Proof of Claim is filed with the claims agent and served upon counsel to the Reorganized Debtor within thirty (30) days after entry of the Confirmation Order. The foregoing applies only to Claims arising from the rejection of an executory contract or unexpired lease; any other Claims held by a party to a rejected contract or lease shall have been evidenced by a Proof of Claim filed by earlier applicable Bar Date or shall be barred and unenforceable.

14. Exemption from Transfer Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, transfer or exchange of a security, or the making or delivery of an instrument from the Debtor to a Reorganized Debtor or any other Entity pursuant to the Plan, including, without limitation, the granting or recording of any Lien or mortgage on any property under the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, recording tax, or other similar tax or governmental assessment and the Confirmation Order shall direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation

any of the foregoing instruments or other documents without payment of any such tax or governmental assessment.

15. Retention of Jurisdiction

Notwithstanding entry of the Confirmation Order or the Effective Date having occurred, this Chapter 11 Case having been closed, or Final Decree having been entered, the Bankruptcy Court shall have jurisdiction of matters arising out of, and related to this Chapter 11 Case and the Plan under, and for the purposes of, sections 105(a), 1127, 1142 and 1144 of the Bankruptcy Code and for, among other things, the following purposes:

a. allow, disallow, determine, liquidate, classify, estimate or establish the priority or status of any Claim, including the resolution of any request for payment of any Administrative Claim or Priority Tax Claim and the resolution of any and all objections to the allowance or priority of Claims;

b. grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date;

c. resolve any matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which the Debtor may be liable and to hear, determine and, if necessary, liquidate, any Claims arising therefrom;

d. ensure that Distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan, including ruling on any motion or objection Filed pursuant to the Plan;

e. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving any or all of the Debtor or their affiliates, directors, employees, agents or Professionals that may be pending on the Effective Date;

f. enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan or the Disclosure Statement;

g. resolve any cases, controversies, suits or disputes that may arise in connection with achieving the Effective Date, interpretation or enforcement of the Plan, or any Entity's obligations incurred in connection with the Plan, including, among other things, any avoidance actions or subordination actions under sections 510, 544, 545, 547, 548, 549, 550, 551, and 553 of the Bankruptcy Code;

h. issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with achieving the Effective Date or enforcement of the Plan, except as otherwise provided herein;

i. resolve any cases, controversies, suits or disputes with respect to the releases, injunction and other provisions contained in Article XI of the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunction and other provisions;

j. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

k. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release,

indenture or other agreement or document created in connection with the Plan or the Disclosure Statement;

- l. enter an order and/or Final Decree concluding this Chapter 11 Case;
- m. to consider any modification of the Plan under section 1127 of the Bankruptcy Code and/or modification of the Plan before "substantial consummation" as defined in section 1101(2) of the Bankruptcy Code;
- n. to protect the property of the Estate from adverse Claims or interference inconsistent with the Plan, including to hear actions to quiet or otherwise clear title to such property based upon the terms and provisions of the Plan, or to determine a Debtor's exclusive ownership of claims and Causes of Action retained or otherwise dealt with under the Plan;
- o. to hear and determine matters pertaining to abandonment of property of the Estate;
- p. to consider any modifications of the Plan, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;
- q. to interpret, enforce and address any and all issues relating to any Orders, including without limitation all sale orders entered in this Chapter 11 Case pursuant to section 363 of the Bankruptcy Code, previously entered in this Chapter 11 Case to the extent such Orders are not superseded or inconsistent with the Plan;
- r. to recover all Assets of Debtor and property of the Estate wherever located;
- s. to hear and determine matters concerning state, local, and federal taxes in accordance with sections 345, 505, and 1146 of the Bankruptcy Code.

- t. to hear and act on any other matter not inconsistent with the Bankruptcy Code;
- u. to consider and act on the compromise and settlement of any litigation, Claim against or cause of action on behalf of the Estate; and
- v. to interpret and enforce the injunctions contained in the Confirmation Order and Plan.

16. Tax Considerations

To ensure compliance with requirements imposed by the United States Internal Revenue Service, any tax advice contained in this Disclosure Statement (including any attachments) is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax-related penalties under the Tax Code. Tax advice contained in this Disclosure Statement (including any attachments) is not written to support the marketing or promotion (within the meaning of Circular 230) by the Debtor of the transactions or matters addressed by the Disclosure Statement. Each taxpayer should seek advice based on the taxpayer's particular circumstances and from an independent tax advisor.

All Distributions under the Plan are subject to any applicable withholding obligations (including employment tax withholding). Under federal income tax law, interest and other reportable payments may, under certain circumstances, be subject to "backup withholding" at the then-applicable rate. Backup withholding generally applies if the holder: (i) fails to furnish its social security number or other taxpayer identification number ("TIN"); (ii) furnishes an incorrect TIN; (iii) fails to properly report interest or dividends; or (iv) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is such Holder's correct number and that such Holder is a United States person that

is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax. Certain persons are exempt from backup withholding, including in certain circumstances, corporations and financial institutions.

In addition, from an information reporting perspective, applicable Treasury Regulations generally require disclosure by a taxpayer on its federal income tax return of certain types of transactions in which the taxpayer participated, including, among others, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. **Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these Treasury Regulations and require disclosure on the Holder's federal income tax returns.**

The foregoing summary has been provided for informational purposes only. All Holders of Claims are urged to consult their tax advisors concerning the federal, state, local, and foreign tax consequences implicated by the Plan.

V. CONFIRMATION OF THE PLAN

Before confirming the Plan, the Court must determine that the Debtor has complied with the requirements of the Bankruptcy Code regarding the Plan, including the following: (a) the Plan and its contents comply with the technical requirements of chapter 11 of the Bankruptcy Code; (b) Holders of Claims and Interests are grouped into classes in a permissible fashion; (c) confirmation of the Plan is in the "best interests" of all Holders of Claims and Interests; (d) the Plan is feasible; and (e) the Plan has been proposed in good faith. THE DEBTOR STRONGLY BELIEVES THAT ALL SUCH REQUIREMENTS HAVE BEEN SATISFIED AND WILL

SEEK RULINGS TO THAT EFFECT FROM THE COURT AT THE CONFIRMATION HEARING.

Even if Holders vote to accept the Plan, the Court has an independent duty to determine the matters described above, particularly that the Plan is feasible and that it meets the "best interests" test. If Classes 2 through 4 accept the Plan, the Debtor believes that the Plan should be confirmed, and it will seek confirmation, despite any objection of dissenting Holders of Claims.

A. Classification of Claims and Interests

The Bankruptcy Code requires that a plan place each creditor's claim and each interest holder's interest in a class with "substantially similar" claims or interests.

The Plan establishes four classes of Holders. Under the Plan, the WFF Secured Claim is in Class 2, the General Unsecured Claims are in Class 3, and Equity Security Holders are in Class 4. The Debtor believes that the Plan's classification of Claims and Interests into the foregoing Classes complies with the requirements of the Bankruptcy Code and applicable case law.

B. Best Interests of Creditors

Notwithstanding acceptance of the Plan, the Court must find, whether or not anyone objects to confirmation, whether the Plan is in the best interests of Holders. Bankruptcy courts have generally defined "best interests" as the Bankruptcy Code's requirement that under any plan of reorganization each member of an impaired class of creditors must receive or retain on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount such creditor would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code. **THE DEBTOR BELIEVES THAT THE PLAN IS IN THE BEST INTERESTS OF CREDITORS.**

To determine whether the Plan meets the "best interests" test, the value of the Debtor's property must be reduced by the anticipated costs of completing a liquidation under chapter 7 of the Bankruptcy Code (including costs incurred by a chapter 7 trustee in liquidating Claims which would otherwise have been settled under the Plan, a chapter 7 trustee's fees, the fees and expenses of professionals retained by a chapter 7 trustee, costs incurred by the estate in administering the chapter 7 case and lost value as a result of liquidating a going concern). In valuing the potential distributions in a chapter 7 liquidation context, the delay caused by conversion to and administration of a chapter 7 case also must be considered. Once the net present value of a chapter 7 distribution to an impaired Class is calculated, it must then be compared to the aggregate distribution provided for that Class under the Plan.

Additionally, absent confirmation, the following are factors which support the Debtor's liquidation analysis: the Debtor would lose its current efficient management structure and instead would be liquidated by an unknown chapter 7 trustee which would result in uncertainty, as well as additional costs and fees; the current leases of the Units will prevent quick sales to end users; investors, including bulk investors, will require steep discounts to realize returns; presently tight credit markets will depress values; and Class 6 Related Party Claims would be entitled to share in distributions to General Unsecured Creditors. Moreover, in a chapter 7 case, WFF would likely foreclose its mortgage lien on the Bayard Real Property. Finally, as mentioned above, a chapter 7 trustee's fees, the fees and expenses of his/her professionals and the costs incurred by the estate in administering the chapter 7 case would all further reduce distributions. It should also be noted that WFF believes that the Bayard Condominium Complex is not on the Department of House and Urban Development's approved condominium list and that fewer than 90% of the condominium units in the Bayard Condominium Complex have been sold, and as a

result, WFF believes that federally guaranteed mortgages will be unavailable to purchasers of Units. The Debtor takes no position at this point with respect to the WFF beliefs disclosed in the preceding sentence.

In light of the foregoing, the Debtor believes if confirmation fails to occur, the Holders in Classes 2 through 4 would receive a lesser distribution than that which they would receive in the event of Confirmation. A liquidation analysis is attached hereto as Exhibit D. The attached liquidation analysis is based on management assumptions with the assistance of the Debtor's professionals, including Laub Consulting Services, LLC and R.D. Geronimo Ltd.

THE DEBTOR BELIEVES THAT EACH MEMBER OF AN IMPAIRED CLASS WILL RECEIVE DISTRIBUTIONS WITH A PRESENT VALUE EQUAL TO OR GREATER THAN THE PRESENT VALUE OF THE DISTRIBUTIONS SUCH MEMBER WOULD RECEIVE IN A CHAPTER 7 LIQUIDATION OF THE DEBTOR.

WFF believes: "The pricing of the condo units in the liquidation value as presented by the Debtor is not supported by extrinsic sale data indicative of the current market nor the absorption data reflective of an expedited sales effort. The representation that the property is managed in a such a manner as to achieve extraordinary results is not supported by reference to any performance benchmarks. Continuity of ownership or management is not sufficient to support an inference of superior results. Based on the above and absent supporting analysis the conclusion of value of the Property Condo Units of \$16,829,773 is unsupported conjecture and undervalues the asset."

C. Feasibility

Section 1129(a) (11) of the Bankruptcy Code requires a judicial determination that confirmation of a plan will not likely be followed by liquidation or the need for further financial

reorganization of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan and the plan contemplates the liquidation of the debtor's assets.

The Debtor anticipates that, on and after the Effective Date, distributions to be made pursuant to the Plan will be made available from the Reorganized Debtor's Administrative Claims/Priority Claims Account, Professional Fees Account, Net Cash Flow, Excess Net Cash Flow and Unit sales.

The Projections (annexed hereto as Exhibit B) show how the Reorganized Debtor will be able to make the distributions provided for in the Plan. The sources of payment are proceeds of Unit sales and rents from leasing Units, Storage Cages and Parking Spaces.

The Projections' forecasted sale proceeds for the Units are consistent with the appraisal performed by R.D. Geronimo Ltd. which valued the Units, Storage Cages and Parking Spaces at \$21,890,000.00. The written appraisal report is attached hereto as Exhibit C. Specifically, the Projections calculate Unit sales utilizing \$675 per square foot as its measure, which is conservative and supported by the Appraisal.

As for rents, the Debtor has had a strong cash flow before and after its bankruptcy filing due to the highly desirable nature of the Units, the amenities offered and the prime location of the Bayard Real Property. See Exhibit C (Appraisal). The Projections forecast the continuation of the strong rental stream with a decline during the term of the Plan payout as Units are sold and thus removed as rent sources.

D. Acceptance

As a condition to confirmation of a plan, the Bankruptcy Code, with certain exceptions, requires that the impaired classes accept the plan. In general, a class is "impaired" if the legal,

equitable, or contractual rights attaching to the claims or interests of that class are modified, other than by curing defaults and reinstating maturities or by payment in full in cash.

The Bankruptcy Code defines acceptance of a plan by a class of claims entitled to vote thereon as acceptance by holders of two-thirds in dollar amount and a majority in number of allowed claims of that class, but each calculation includes only those who actually vote to accept or to reject the plan. Votes on the Plan are being solicited only from Holders of Claims in the impaired Classes entitled to vote (*i.e.*, Classes 2 through 4).

E. Cram Down

The Bankruptcy Code contains provisions for confirmation of a plan even if all impaired classes do not accept the Plan, as long as at least one impaired class of claims has accepted the Plan.

F. Alternatives to the Plan

The Debtor believes that the Plan provides Holders of Allowed Claims with the greatest possible value that can be realized on their respective Claims. The alternatives to confirmation of the Plan are (i) confirmation of an alternative plan of reorganization submitted by the Debtor or by another party in interest, (ii) liquidation of the Debtor under chapter 7 of the Bankruptcy Code and (iii) dismissal of the Chapter 11 Case. As discussed below, the Debtor believes that the Plan provides a greater recovery to Holders of Allowed Claims than any of the stated alternatives.

1. Alternative Plan

If the Plan is not accepted, other parties in interest may have an opportunity to file a competing plan. The Debtor believes that no other plan would provide Holders of Allowed Claims with a greater value than they would be entitled to receive under the Plan.

2. Liquidation

The Debtor could liquidate under the provisions of chapter 7 of the Bankruptcy Code. For the reasons described herein, the Debtor believes that the distributions to the Holders of Claims under the Plan will be greater than distributions that might be received under chapter 7 of the Bankruptcy Code. *See* Exhibit D (Liquidation Analysis).

3. Dismissal

Dismissal of the Chapter 11 Case would have the effect of restoring (or attempting to restore) all parties to the status quo ante. Upon dismissal, the protection of the Bankruptcy Code would evaporate, thereby permitting WFF to immediately pursue a foreclosure action against its collateral, likely resulting in costly, protracted litigation and no recovery for Holders of Claims or Interests other than WFF. The Debtor believes that dismissal of the Chapter 11 Case is not a practical or favorable alternative.

G. Effect of Confirmation

1. Injunction

Except as otherwise provided in the Plan or the Confirmation Order, all Entities that have held, currently hold or may hold Claims or other debts or liabilities against the Debtor or other right of an Equity Security Holder in any or all of the Debtor that are discharged pursuant to the terms of the Plan are permanently enjoined, on and after the Effective Date, from taking any of the following actions on account of any such Claims, debts, liabilities or rights: (i) commencing or continuing in any manner any action (including the Guarantor Action) or other proceeding of any kind with respect to any such Claim debt, liability, or right other than to enforce any right to a Distribution pursuant to the Plan; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award decree or order against the Debtor, the Reorganized Debtor or any

of their Assets on account of any such Claim debt, liability, or right; (iii) creating, perfecting or enforcing any Lien or encumbrance against the Debtor, the Reorganized Debtor or any of their Assets on account of any such Claim debt liability, or right; (iv) asserting any right of setoff subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtor, the Reorganized Debtor or any of their Assets on account of any such Claim debt, liability, or right; and (v) commencing or continuing any action in any manner, in anyplace that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order. Such injunction shall extend to any successor of the Debtor, the Reorganized Debtor and any of their Assets. Any entity injured by a willful violation of such injunction shall recover actual damages, including costs and attorneys' and experts' fees and disbursements, and, in appropriate circumstances, may recover punitive damages from the willful violator. Nothing contained herein shall be deemed to discharge or release WFF's claims against the Guarantors on the Lender Debt as the Lender Debt has been amended and modified by the Plan.

2. Limitation on Liability

Except as expressly set forth in the Plan, on and after the Effective Date, neither the Debtor, nor its successors or assigns, including the Reorganized Debtor, nor any of their respective past and present officers, directors, employees, members, agents, representatives, shareholders, attorneys, accountants, financial advisors, investment bankers, lenders, consultants, experts, and Professionals and agents for the foregoing shall have or incur any liability for, and are expressly exculpated and released from, any claim (as defined in section 101(5) of the Bankruptcy Code) of any past or present actions taken or omitted to be taken under or in connection with, related to, effecting, or arising out of the following: (i) the Debtor's and/or Reorganized Debtor operations after the Petition Date; (ii) this Chapter 11 Case; (iii) the post-

petition administration of the Debtor's Cash, Assets, and real and personal property; (iv) the pursuit of Confirmation; (v) the formulation, preparation, dissemination, implementation, administration, confirmation, or achieving the Effective Date of the Plan and the Disclosure Statement; (vi) the sale and liquidation of the Assets (including the prosecution of Causes of Action), or the property to be distributed under the Plan; (vii) any other act taken or omitted to be taken in connection with the Debtor's business after the Petition Date; or (viii) any contract, instrument, release, or other agreement entered into or created in connection with the foregoing; except only for actions or omissions to act to the extent determined by a court of competent jurisdiction (in a Final Order) to be by reason of such party's gross negligence, willful misconduct, ultra vires acts, or fraud, and in all respects, such party shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

VI. RECOMMENDATION

THE DEBTOR BELIEVES THAT THE PLAN PROVIDES THE GREATEST RECOVERY TO HOLDERS OF ALLOWED CLAIMS AND IS IN THE BEST INTERESTS OF CREDITORS. THEREFORE, THE DEBTOR RECOMMENDS THAT EACH HOLDER OF AN ALLOWED CLAIM VOTE TO ACCEPT THE PLAN.

Dated: Morristown, New Jersey
April 15, 2011

20 Bayard Views, LLC

By: /s/ Martin Ehrenfeld
Martin Ehrenfeld, Restructuring Officer

PORZIO, BROMBERG & NEWMAN, P.C.

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Modified/Amended Plan Of Reorganization

**(To be Attached to the
Approved Disclosure Statement)**

EXHIBIT A

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Attorneys for Debtor and Debtor-in-Possession

**UNITED STATE BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK**

-----	X	
In re:	:	Case No. 09-50723 (ESS)
	:	
20 BAYARD VIEWS, LLC,	:	Chapter 11
	:	
Debtor.	:	
-----	X	

**MODIFIED/AMENDED PLAN OF REORGANIZATION OF 20 BAYARD
VIEWS, LLC UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

TABLE OF CONTENTS

Page

ARTICLE I DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW 2

 A. Rules of Interpretation, Computation of Time and Governing Law..... 2

 B. Defined Terms 3

ARTICLE II ADMINISTRATIVE CLAIMS, PROFESSIONAL FEES AND PRIORITY TAX CLAIMS..... 17

 A. Introduction..... 17

 B. Administrative Claims (Other Than Professional Fee Claims) 17

 C. Professional Fee Claims..... 18

 D. Priority Tax Claims 19

ARTICLE III CLASSIFICATION AND TREATMENT OF CLAIMS 20

 A. Summary 20

 1. Class 1 – Priority Claims 20

 2. Class 2 –WFF Secured Claim..... 21

 6. Class 3– General Unsecured Claims..... 24

 7. Class 4 – Equity Security Holders 25

ARTICLE IV ACCEPTANCE OR REJECTION OF THE PLAN 25

 A. Voting Classes 25

 B. Acceptance by Impaired Classes 26

 C. Presumed Acceptance/Rejection of Plan 26

 D. Nonconsensual Confirmation..... 26

 E. How to Vote..... 27

ARTICLE V EFFECT OF CONSUMMATION 28

 A. Vesting of Cash and Assets..... 28

 B. Limitation of Liability..... 28

 C. Injunction 30

ARTICLE VI MEANS OF IMPLEMENTATION OF THE PLAN 31

 A. Continued Corporate Existence 31

 B. Operations of the Reorganized Debtor 31

 C. Post-Effective Date Management of the Reorganized Debtor..... 31

D.	New Employment, Retirement, Indemnification and other Related Agreements	31
E.	Restructuring Transactions	32
F.	Vesting of Assets; Release of Liens.....	32
G.	Exemption From Certain Transfers	33
H.	Operation Between Confirmation and Effective Date	33
I.	Authority to Effectuate Plan	33
J.	Post-Confirmation Status Report	34
K.	Escrows	34
L.	Binding Effect.....	34
M.	Good Faith	34
ARTICLE VII TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES.....		35
A.	Assumption of Executory Contracts and Unexpired Leases.....	35
B.	Assignment of Executory Contracts and Unexpired Leases.....	35
C.	Cure Rights for Executory Contracts and Unexpired Leases Assumed Under Plan	36
D.	Rejection of Executory Contracts and Unexpired Leases.....	37
E.	Assumption of Governmental Licenses	37
F.	Continuing Obligations Owed to Debtor	38
G.	Continuing Obligation of Debtor with Respect to Tenant Security Deposits.....	38
H.	Limited Extension of Time to Assume or Reject.....	39
I.	Post-Petition Contracts and Leases.....	39
J.	Treatment of Claims Arising From Assumption or Rejection.....	39
ARTICLE VIII PROVISIONS GOVERNING DISTRIBUTIONS		40
A.	Distributions for Claims Allowed as of the Effective Date	40
B.	Distributions; Causes of Action	41
C.	Manner of Payment.....	42
D.	Transmittal of Distributions to Parties Entitled Thereto.....	42
E.	Disputed Claims and Unclaimed Property	43
F.	Setoffs	45
G.	Saturday, Sunday or Legal Holiday	45
H.	Fractional Cents	45
I.	Corporate Action.....	45
J.	De Minimis Payments and Distributions	46
ARTICLE IX PROCEDURES FOR RESOLVING DISPUTED CLAIMS.....		46
A.	Prosecution of Objections to Claims.....	46
B.	Estimation of Claims.....	47

C.	Cumulative Remedies	48
D.	Payments and Distributions on Disputed Claims.....	48
E.	Allowance of Claims.....	49
F.	Controversies Concerning Impairment.....	49
	ARTICLE X CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN AND ACHIEVING THE EFFECTIVE DATE	49
A.	Condition Precedent to Confirmation	49
B.	Conditions Precedent to Achieving the Effective Date	50
C.	Effect of Non-Occurrence of Conditions to Achieving the Effective Date	51
D.	Notice of Effective Date	51
	ARTICLE XI EFFECT OF ACHIEVING THE EFFECTIVE DATE	51
A.	Vesting Of Assets	51
B.	Discharge of Claims Against the Debtor and the Reorganized Debtor ...	52
C.	Injunction Related to the Discharge.....	53
D.	Preservation of Rights of Action by the Debtor and the Reorganized Debtor	54
E.	Limitation of Liability.....	54
F.	Release of Liens	55
G.	Terms of Existing Injunctions or Stays.....	56
	ARTICLE XII RETENTION OF JURISDICTION	56
	ARTICLE XIII MISCELLANEOUS PROVISIONS	59
A.	Payment of Statutory Fees	59
B.	Modification of Plan	60
C.	Revocation of Plan.....	60
D.	Successors and Assigns.....	61
E.	Reservation of Rights.....	61
F.	Post-Confirmation Effectiveness of Proofs of Claims.....	61
G.	Term of Injunctions or Stays.....	61
H.	Further Assurances.....	61
I.	Entire Agreement	62
J.	Failure of Bankruptcy Court to Exercise Jurisdiction.....	62
K.	Governing Law	62
L.	Headings	62
M.	Notices	62
N.	Filing of Additional Documents	63
O.	Enforceability.....	63
P.	Severability	63

Q.	Notice of Default under the Plan	63
R.	Investments	64
S.	Reliance.....	64

Pursuant to chapter 11, title 11 of the United States Code, 11 U.S.C. §§ 101-1330, 20 Bayard Views, LLC, debtor and debtor-in-possession in the above-captioned Chapter 11 case, hereby respectfully proposes the following Plan of Reorganization.

Reference is made to the Disclosure Statement accompanying the Plan, including the exhibits thereto, for a discussion of the Debtor's history, business, results of operations and properties, and for a summary and analysis of the Plan.

All Holders of Claims should read the Disclosure Statement and the Plan carefully – and consult with their counsel and other applicable professionals – before voting to accept or reject the Plan.

ARTICLE I

DEFINED TERMS, RULES OF INTERPRETATION,

COMPUTATION OF TIME AND GOVERNING LAW

A. Rules of Interpretation, Computation of Time and Governing Law

1. For purposes of the Plan: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and each pronoun, whether stated in the masculine, feminine or neuter gender, shall include the masculine, feminine and the neuter gender; (b) any reference in the Plan to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (c) any reference in the Plan to an existing document or exhibit Filed, or to be Filed, shall mean such document or exhibit, as it may have been or may be amended, modified or supplemented; (d) unless otherwise specified, all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the

Plan; (e) the words herein and hereto refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (g) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; and (h) any term used in capitalized form in the Plan that is not defined herein but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to such term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be.

2. In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

3. Except to the extent that the Bankruptcy Code or Bankruptcy Rules are applicable, and subject to the provisions of any contract, instrument, release, indenture or other agreement or document entered into in connection with the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without giving effect to the principles of conflict of laws thereof.

B. Defined Terms

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form in the Plan:

1. “Administrative Claim” means a Claim for costs and expenses of administration under section 503(b), 507(b) or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estate and operating the businesses of Debtor; (b) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses awarded or allowed under section 330(a) or 331 of the Bankruptcy Code; (c) all fees and charges assessed against the Estate under 28 U.S.C.

§§ 1911-1930; and (d) all obligations designated as Allowed Administrative Claims pursuant to an order of the Bankruptcy Court.

2. “Administrative Claims/Priority Claims Account” means an account to be established and administered by the Reorganized Debtor containing funds deposited from the Owners and/or Guarantors on the Effective Date in an amount equal to the aggregate amount of asserted and unpaid Administrative Claims and Priority Claims incurred on or before the Effective Date (whether or not subject to dispute, but other than Administrative Claims and Priority Claims that are disallowed on or before the Effective Date pursuant to a Final Order of the Bankruptcy Court) other than Professional Fee Claims.

3. “Administrative Claims Bar Date” means forty-five (45) days after the Effective Date at 4:00 p.m. prevailing Eastern Time, as the last day for filing all requests for payment of Administrative Claims incurred or accruing on or before the Effective Date, other than those Administrative Claims expressly excluded therefrom pursuant to prior order of the Bankruptcy Court.

4. “Allowed” means, with respect to any Claim, except as otherwise provided herein: (a) a Claim that has been scheduled by Debtor in its Schedules as other than disputed, contingent or unliquidated and as to which Debtor or other party in interest have not Filed an objection on or before the 90th day after the Effective Date; (b) a Claim that has been allowed by a Final Order; (c) a Claim that is allowed: (i) in any stipulation of amount and nature of Claim executed by the Debtor prior to the Effective Date and approved by the Bankruptcy Court; (ii) in any stipulation of amount and nature of Claim executed by the Reorganized Debtor, as the case may be, on or after the Effective Date and, to the extent necessary, approved by the Bankruptcy Court; (iii) in any stipulation of amount and nature of any Administrative Claim, Priority Claim or Priority Tax

Claim executed by the Reorganized Debtor; or (iv) in any contract, instrument, indenture or other agreement entered into or assumed by Debtor in connection with and in accordance with the Plan; (d) a Claim relating to a rejected executory contract or unexpired lease that either (i) is not a Disputed Claim or (ii) has been allowed by a Final Order, in either case only if a proof of Claim has been Filed by the Bar Date or has otherwise been deemed timely Filed under applicable law; or (e) a Claim that is allowed pursuant to the terms of this Plan.

5. “Allowed Claim” means a Claim that has been Allowed.

6. “Assets” means any and all of the respective real or personal property of any nature of the Debtor, including, without limitation, any real estate, buildings, structures, improvements, privileges, rights, easements, leases, subleases, licenses, goods, materials, supplies, furniture, fixtures, equipment, work in process, accounts, chattel paper, Cash, deposit accounts, reserves, deposits, contractual rights, intellectual property rights, claims, Causes of Action and any other general intangibles of Debtor, of any nature whatsoever, including, without limitation, the property of the estate pursuant to section 541 of the Bankruptcy Code.

7. “Avoidance Actions” mean all claims and causes of action which the Debtor has or had the power to assert pursuant to any or all of sections 510, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code.

8. “Ballots” mean the ballots upon which Holders of Impaired Claims shall indicate their acceptance or rejection of the Plan in accordance with the Plan and the Voting Instructions.

9. “Bankruptcy Code” means as set forth in sections 101 *et seq.* of title 11 of the United States Code, and applicable portions of titles 18 and 28 of the United States Code, as applicable to the Chapter 11 Case.

10. “Bankruptcy Court” means the United States Bankruptcy Court for the Eastern District of New York having jurisdiction over this Chapter 11 Case and, to the extent of any reference made pursuant to section 157 of title 28 of the United States Code and/or the General Order of such District Court pursuant to Section 151 of title 28 of the United States Code, the bankruptcy unit of such District Court.

11. “Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure, as amended from time to time, as applicable to the Chapter 11 Case, promulgated under 28 U.S.C. § 2075 and the Local Rules of the Bankruptcy Court.

12. “Bar Date” means April 1, 2010, the date set by the Bankruptcy Court as the last day for filing a proof of a claim arising prior to the Petition Date against the Debtor in this Chapter 11 Case, other than those Claims expressly excluded therefrom pursuant to an order of the Bankruptcy Court.

13. “Bayard Real Property” consists of certain real property located at 20 Bayard Street, Brooklyn, New York, which is where the Bayard Condominium Complex is located.

14. “Bayard Condominium Complex” means the 17 story, 62-unit residential complex with 46 parking spaces on the Bayard Real Property.

15. “Business Day” means any day, other than a Saturday, Sunday or legal holiday (as defined in Bankruptcy Rule 9006(a)).

16. “Cash” means cash and cash equivalents, including, but not limited to, bank deposits, wire transfers, checks, and readily marketable securities, instruments and legal tender of the United States of America or instrumentalities thereof.

17. “Causes of Action” means any claim or cause of action of the Debtor, including, without limitation, any Avoidance Action, including, without limitation, those actions listed in

the section of the Disclosure Statement titled “Preservation of Rights of Action; Settlement of Causes of Action” that are or may be pending on the Effective Date or instituted by the Reorganized Debtor after the Effective Date against any Entity and any objections to any Claims.

18. “Chapter 11 Case” means the case commenced under chapter 11 of the Bankruptcy Code by the Debtor on the Petition Date, styled 20 Bayard Views, LLC, Case No. 09-50723 (ESS), currently pending before the Bankruptcy Court.

19. “Claim” means a claim (as defined in section 101(5) of the Bankruptcy Code) against Debtor, including, but not limited to: (a) any right to payment from the Debtor whether or not such right is reduced to judgment, liquidated, unliquidated, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance if such performance gives rise to a right of payment from the Debtor, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

20. “Class” means a category of Holders of Claims as set forth in Article III of the Plan.

21. “Collateral” means the Pre-Petition Collateral and the Storage Cages.

22. “Confirmation” means the entry of the Confirmation Order, subject to all conditions specified in Article X.A. of the Plan having been (a) satisfied or (b) waived pursuant to Article X.B.

23. “Confirmation Date” means the date upon which the Confirmation Order is entered by the Bankruptcy Court on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

24. “Confirmation Hearing” means the duly noticed hearing to be held in accordance with section 1128(a) of the Bankruptcy Code at which confirmation of the Plan is considered by the Bankruptcy Court, as such hearing may be adjourned or continued from time to time.

25. “Confirmation Order” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

26. “Contingent Claim” means a Claim that has accrued but nonetheless remains dependent on the occurrence of a future event that may never occur.

27. “Creditor” means any Holder of a Claim against the Debtor that arose on or prior to the Petition Date.

28. “Cure” means the distribution of Cash, or such other property as may be agreed upon by the parties or ordered by the Bankruptcy Court, with respect to the assumption and assignment of an executory contract or unexpired lease, pursuant to section 365 of the Bankruptcy Code, in an amount equal to all unpaid monetary obligations, without interest, or such other amount as may be agreed upon by the parties, under such executory contracts or unexpired leases, to the extent such obligations are enforceable under the Bankruptcy Code and applicable law.

29. “Debtor” means 20 Bayard Views, LLC.

30. “Debtor in Possession” means the Debtor in its capacity as debtor in possession in this Chapter 11 Case pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

31. “Disallowed” means, with reference to any Claim, a Claim or portion thereof that has been disallowed or expunged by Final Order of the Bankruptcy Court.

32. “Disclosure Statement” means the Debtor’s Disclosure Statement dated March 25, 2010, as amended, supplemented, or modified from time to time, describing the Plan, that was prepared and distributed in accordance with the Bankruptcy Code and Bankruptcy Rules and other applicable law.

33. “Disputed” means, with respect to any Claim, any Claim: (a) listed on the Schedules as unliquidated, disputed or contingent; or (b) as to which Debtor or any other party in interest have interposed a timely objection or request for estimation in accordance with the Bankruptcy Code and the Bankruptcy Rules or is otherwise disputed by Debtor in accordance with applicable law, which objection, request for estimation or dispute has not been withdrawn or determined by a Final Order.

34. “Distribution” means any consideration to be distributed to any Entity pursuant to the Plan.

35. “Distribution Date” means the date upon which a Distribution is made by the Reorganized Debtor in accordance with the Plan to Holders of Allowed Claims entitled to receive Distributions under the Plan.

36. “Distribution Record Date” means the close of business on the Business Day immediately preceding the Effective Date.

37. “Effective Date” means the date selected by the Debtor which is a Business Day after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect, and (b) all conditions specified in Article X.B. of the Plan have been satisfied unless waived by the Debtor.

38. “Entity” means an entity as defined in section 101(15) of the Bankruptcy Code.

39. “Estate” means, individually, the Estate of the Debtor in this Chapter 11 Case, created pursuant to section 541 of the Bankruptcy Code upon the commencement of this Chapter 11 Case.

40. “Excess Net Cash Flow” means the Net Cash Flow less: (A) a \$1500 annual reserve for each Unit owned by the Reorganized Debtor and any other reserve for expenses reasonably related to the Collateral; and (B) Non-WFF Sale Proceeds.

41. “Excluded Claims” means all Avoidance Actions or other claims or causes of action against any party to an assumed contract or unexpired lease.

42. “Equity Security” means an equity security as defined in section 101(16) of the Bankruptcy Code.

43. “Face Amount” means (a) when used in reference to a Disputed Claim, the Disputed Claim amount, and (b) when used in reference to an Allowed Claim, the Allowed Claim amount.

44. “File” or “Filed” means file or filed with the Bankruptcy Court or its authorized designee in this Chapter 11 Case.

45. “Final Cash Collateral Order” means the Stipulation and Agreed Order Authorizing Use of Cash Collateral and Establishing the Value of the Collateral, which the Bankruptcy Court entered on November 23, 2010 (D. E. 252), which establishes the value of the Collateral to be \$20,575,000.00, and caps the secured portion of WFF’s claim at \$20,575,000.00 through June 1, 2011.

46. “Final Decree” means the decree in this Bankruptcy Case contemplated under Bankruptcy Rule 3022.

47. “Final Order” means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the subject matter, which has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek *certiorari* has expired and no appeal or petition for *certiorari* has been timely taken, or as to which any appeal that has been taken or any petition for *certiorari* that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed or from which *certiorari* was sought.

48. “General Unsecured Claim” means any Unsecured Claim against the Debtor.

49. “Guarantor Action” means the lawsuit styled BRT Realty Trust and W. Financial Fund LP against Moshe Lax, Estate of Chaim Lax and Isaac Hager, Supreme Court of the State of New York, County of Nassau, Index No. 10-001473, together with any judgment collection activities.

50. “Guarantors” means Isaac Hager, Estate of Chaim Lax and Moshe Lax.

51. “Holder” means an Entity holding a Claim or Equity Security.

52. “Impaired” means with respect to a Claim or Class of Claims, a Claim or Class of Claims that is impaired within the meaning of section 1124 of the Bankruptcy Code.

53. [Intentionally left blank].

54. “Insider” means an insider of any Debtor, as defined in section 101(31) of the Bankruptcy Code.

55. “Lender” means WFF, as lender under the Pre-Petition Credit Agreement.

56. “Lender Debt” means the debt owed WFF.

57. “Lien” means any charge against or interest in property (including, but not limited to, any mortgage, lien, pledge, charge, security interest, encumbrance or other security device of any kind) to secure payment of a debt or performance of an obligation.

58. “Managing Member” means Jack Weingarten.

59. “Management” means Officers and Directors of the Debtor, and the Restructuring Officer.

60. “Non-WFF Sale Proceeds” shall have the meaning contained within Article III.A.2.b.(iv) of the Plan.

61. "Net Cash Flow" means the rental (not sales) revenue from the Collateral collected by the Reorganized Debtor less Operating Expenses of the Reorganized Debtor and interest payments to WFF.

62. "Operating Expenses" means the Reorganized Debtor's costs for Condominium Association dues, management fees, repairs, maintenance and other administrative items.

63. "Owners" means Jack Weingarten, Isaac Hager and LX Holdings.

64. "Parking Spaces" means the Debtor's 40 parking spaces located at the Bayard Condominium Complex.

65. "Pendency Interest" means the interest that accrues on an oversecured Claim pursuant to § 506 between the Petition Date and Effective Date.

66. "Person" shall have the meaning set forth in section 101(41) of the Bankruptcy Code.

67. "Petition Date" means December 4, 2009, the date on which Debtor filed its petition for relief commencing this Chapter 11 Case.

68. "Plan" means this Chapter 11 Plan of Reorganization, either in its present form or as it may be altered, amended, modified or supplemented from time to time in accordance with the Plan, the Bankruptcy Code and the Bankruptcy Rules, including, without limitation, any exhibits and schedules hereto, either in its present form or as the same may be amended, modified or supplemented from time to time in accordance with the terms and provisions hereof.

69. "Plan Objection Deadline" means the deadline established by the Bankruptcy Court for filing and serving objections to Confirmation of the Plan.

70. "Post-Petition Trade Debt" means debt incurred by the Debtor with its respective vendors incurred in the ordinary course of business and which shall be paid in the ordinary

course of the Debtor's business and according to stated terms between the Debtor and the respective vendor.

71. "Pre-Petition Collateral" means the Debtor's Units and Parking Spaces located at the Bayard Condominium Complex, together with the related rents and leases.

72. "Pre-Petition Credit Agreement" means that certain Agreement of Consolidation, Extension and Modification of Mortgage entered into between WFF and the Debtor.

73. "Pre-Petition WFF Loan" means the one-year bridge loan WFF provided to the Debtor in October 2008 in the aggregate principal amount of \$17,400,000.00.

74. "Priority Claim" means any Claim, other than an Administrative Claim or a Priority Tax Claim, to the extent entitled to priority under section 507(a) of the Bankruptcy Code.

75. "Priority Tax Claim" means a Claim of a governmental unit of the kind specified in sections 502(i), 507(a)(8) or 1129 (a)(9)(D) of the Bankruptcy Code.

76. "Pro Rata" means proportionately so that, with respect to a Claim, the ratio of (a) (i) the amount of property distributed on account of a particular Claim to (ii) the Allowed amount of the Claim, is the same as the ratio of (b) (i) the amount of property distributed on account of all Claims of the Class in which the particular Claim is included (other than Claims disallowed by Final Order) to (ii) the amount of all Claims in that Class (other than Claims disallowed by Final Order).

77. "Professional" means an Entity (a) employed pursuant to a Final Order in accordance with sections 327 and 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date, pursuant to sections 327, 328, 329, 330 and 331 of the Bankruptcy Code, or (b) for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code. Professionals shall only consist of

the following: (i) Porzio Bromberg & Newman, P.C.; (ii) Moritt Hock & Hamroff LLP; (iii) Laub Consulting Services, LLC; (iv) Traxi LLC; (v) R.D. Geronimo Ltd.; and (vi) J.H. Cohn, LLP.

78. “Professional Fee Claim” means those fees and expenses claimed by Professionals pursuant to sections 330, 331 and/or 503 of the Bankruptcy Code, and accrued and unpaid as of the Effective Date.

79. “Professional Fees Account” means an account to be established and administered by the Reorganized Debtor containing funds deposited from the Owners and/or Guarantors in an amount equal to the aggregate estimated amount of unpaid Professional Fee Claims (whether or not subject to dispute, but other than Professional Fee Claims that are disallowed on or before the Effective Date pursuant to a Final Order of the Bankruptcy Court) incurred on or before the Effective Date, provided, however, Porzio, Bromberg & Newman, P.C. will defer payment of its fees and expenses if necessary to permit the Reorganized Debtor to satisfy the Allowed Professional Fee Claims of the Debtor’s other Professionals.

80. “Proof of Claim” means a proof of claim Filed pursuant to section 501 of the Bankruptcy Code and/or any order of the Bankruptcy Court, together with supporting documents.

81. “Related Party Claims” means the general unsecured claims against the Debtor held by the following entities: Bayard Park, LLC; Jack Weingarten; LX Holdings; and South 4th Street.

82. “Reorganized Debtor” means the Debtor on and after the Effective Date.

83. “Restructuring Officer” means Martin Ehrenfeld.

84. "Schedules" means the schedules of assets and liabilities as the Bankruptcy Court requires Debtor to file pursuant to section 521 of the Bankruptcy Code, the Official Bankruptcy Forms and the Bankruptcy Rules, as they may be amended and supplemented from time to time, and Debtor's statements of financial affairs filed with the Bankruptcy Court, as the Bankruptcy Court requires the Debtor to file pursuant to section 521 of the Bankruptcy Code, the Official Bankruptcy Forms and the Bankruptcy Rules, as they may be amended and supplemented from time to time.

85. "Secured Claim" means any Claim that is (a) secured in whole or part, as of the Petition Date, by a Lien which is valid, perfected and enforceable under applicable law and is not subject to avoidance under the Bankruptcy Code or applicable non-bankruptcy law, or (b) subject to setoff under section 553 of the Bankruptcy Code, but, with respect to both (a) and (b) above, only to the extent of the value, net of any senior Lien, of the Estate's interest in the assets or property securing any such Claim or the amount subject to setoff, as the case may be.

86. "Storage Cages" means the Debtor's storage units located at the Bayard Condominium Complex.

87. "Tax" means any tax, charge, fee, levy, impost or other assessment by any federal, state, local or foreign taxing authority, including, without limitation, income, excise, property, sales, transfer, employment, payroll, franchise, profits, license, use, *ad valorem*, estimated, severance, stamp, occupation and withholding tax. "Tax" shall include any interest or additions attributable to, imposed on or with respect to such assessments.

88. "Unimpaired Claim" means an unimpaired Claim within the meaning of section 1124 of the Bankruptcy Code.

89. “Units” means the Debtor’s 37 unsold condominium units located at the Bayard Condominium Complex.

90. “Unsecured Claim” means any Claim against the Debtor or Estate that is not a Secured Claim, Administrative Claim, Priority Tax Claim, or Priority Claim.

91. “U. S. Trustee” means the Office of the United States Trustee for the District of New Jersey.

92. “Voting Deadline” means a date uncertain to be fixed by the Court if voting is required.

93. “Voting Instructions” means the instructions for voting on the Plan contained in Article I of the Disclosure Statement and in the Ballots.

94. “Voting Record Date” means the date as of which the identity of Holders of Claims is set for purposes of determining the Entities entitled to receive and vote on the Plan. Pursuant to Bankruptcy Rules 3017(d) and 3018(a), this date is the date of entry of the Bankruptcy Court’s order approving the Disclosure Statement or such other date as the Bankruptcy Court may set.

95. “WFF” means W. Financial Fund L.P.

96. “WFF Allowed Claim” means the Allowed Secured Claim of WFF as determined by the Court or agreed to by the Debtor and WFF.

97. “WFF Lien” means collectively the Liens held by WFF in the Collateral.

98. “WFF Secured Claim” means collectively the Allowed Secured Claim of WFF in respect of (a) the balance due under the Pre-Petition Credit Agreement and Pre-Petition WFF Loan as of the Petition Date; and (b) the post-petition interest, fees and costs allowable under Section 506(b) of the Bankruptcy Code.

ARTICLE II

ADMINISTRATIVE CLAIMS, PROFESSIONAL FEES

AND PRIORITY TAX CLAIMS

A. Introduction

Certain types of Claims are not placed into voting Classes; instead they are unclassified. They are not considered Impaired and they do not vote on the Plan because they are automatically entitled to the specific treatment provided for them in the Bankruptcy Code. As such, Debtor has not placed the following Claims in a Class:

B. Administrative Claims (Other Than Professional Fee Claims)

Except as otherwise provided for herein, and subject to the requirements of this Plan, on (i) the Effective Date or (ii) the Distribution Date immediately following the date on which an Administrative Claim becomes an Allowed Administrative Claim, the Holder of such Allowed Administrative Claim (other than Professional Fee Claims) shall receive, in full settlement, satisfaction, release and discharge of and in exchange for such Allowed Administrative Claim (a) Cash equal to the unpaid portion of the Face Amount of such Allowed Administrative Claim or (b) such other less favorable treatment as to which the Debtor, Reorganized Debtor and such Holder shall have agreed to in writing; provided however, that Allowed Administrative Claims with respect to liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case shall be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto.

Notwithstanding any provision in the Plan regarding payment of Administrative Claims to the contrary, and without waiver of any argument available that such Claim is already time-barred by prior orders of the Bankruptcy Court and except for liabilities incurred by the Debtor

in the ordinary course of business during the Chapter 11 Case including but not limited to Post-Petition Trade Debt, all Administrative Claims required to be Filed and not Filed by the Administrative Claim Bar Date shall be deemed disallowed and discharged. As provided herein, the Administrative Claims/Priority Claims Account will include funds sufficient to cover the aggregate asserted amount of all Disputed Administrative Claims. Without limiting the foregoing, all fees payable under 28 U.S.C. § 1930 that have not been paid, shall be paid on or before the Effective Date.

C. Professional Fee Claims

The Reorganized Debtor shall pay Professionals from the Professional Fees Account all of their respective accrued and Allowed fees and reimbursement of expenses arising prior to the Effective Date.

The Bankruptcy Court must rule on and allow all Professional Fee Claims before the fees will be owed and paid. For all pre-Effective Date Professional Fee Claims, except Bankruptcy Clerk's Office fees and U.S. Trustee's fees, the Professional in question must file and serve a properly noticed final fee application and the Bankruptcy Court must rule on the application. Only the amount of fees and expenses Allowed by the Bankruptcy Court will be owed and required to be paid under the Plan.

The Reorganized Debtor may retain and compensate professionals for services rendered following the Effective Date without order of the Bankruptcy Court.

Professionals requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code for services rendered prior to the Effective Date must File and serve pursuant to the notice provisions of the Bankruptcy Rules, an application for final allowance of compensation and reimbursement of expenses not

later than ninety (90) days after the Effective Date. All such applications for final allowance of compensation and reimbursement of expenses will be subject to the authorization and approval of the Bankruptcy Court. Holders of Administrative Claims (including, without limitation, Professionals) requesting compensation or reimbursement of such expenses pursuant to sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code that do not file such requests by the applicable deadline provided for herein shall be forever barred from asserting such claims against the Debtor, the Estate, Reorganized Debtor, or their successors, their assigns or their property. Any objection to Professional Fee Claims shall be filed on or before the objection deadline specified in the application for final compensation or order of the Bankruptcy Court; provided that such objection deadline is at least twenty (20) days after the filing and service of such final fee application.

D. Priority Tax Claims

Except to the extent that an Allowed Priority Tax Claim has been paid prior to the Initial Distribution Date, each Holder of an Allowed Priority Tax Claim shall be entitled to receive, in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Priority Tax Claim, as shall have been determined by the Debtor in its sole discretion, (i) on the Effective Date, Cash equal to the unpaid portion of such Allowed Priority Tax Claim, or (ii) the Distribution Date immediately following the date on which the Priority Tax Claim becomes an Allowed Priority Tax Claim. If and to the extent the aggregate amount of Allowed Priority Tax Claims exceeds amounts initially deposited in the Administrative Claims/Priority Claims Account for payment of such Claims, Allowed Priority Tax Claim will be paid by the Reorganized Debtor.

ARTICLE III

CLASSIFICATION AND TREATMENT OF CLAIMS

A. Summary

The categories of Claims listed below classify Claims for all purposes, including voting, Confirmation and Distribution pursuant to the Plan and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim shall be deemed classified in a particular Class only to the extent that the Claim qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim qualifies within the description of such different Class. A Claim is in a particular Class only to the extent that such Claim is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date.

The classification of Claims against the Debtor pursuant to the Plan is as follows:

Class	Status	Voting Rights
Class 1 – Priority Claims	Unimpaired	Not Entitled to Vote
Class 2 – WFF Secured Claim	Impaired	Entitled to Vote
Class 3 – General Unsecured Claims	Impaired	Entitled to Vote
Class 4 – Equity Security Holders	Impaired	Entitled to Vote

1. Class 1 – Priority Claims

- a. Classification: Class 1 consists of the Priority Claims against the Debtor.
- b. Treatment: The Reorganized Debtor shall pay the Allowed amount of each Class 1 Priority Claim from the Administrative Claims/Priority Claims Account to each Entity holding a Class 1 Priority Claim on: (x) the Effective Date; or (y) the Distribution Date immediately following the date on which such Claim becomes Allowed. The Reorganized Debtor shall pay each Entity holding a Class 1 Priority Claim in Cash in full in respect of such Allowed

Claim without interest accruing from the Petition Date; provided, however, that such Entity may be treated on such less favorable terms as may be agreed to in writing by such Entity.

c. Voting: Class 1 is an Unimpaired Class and Holders of Class 1 Claims are not entitled to vote on the Plan.

2. Class 2 –WFF Secured Claim

a. Classification: Class 2 consists of the WFF Secured Claim against the Debtor.

b. Treatment: The WFF Secured Claim shall be treated as an Allowed Secured Claim as follows:

(i) Liens and Protection of Collateral: To secure the repayment of the Secured Lender Claim, WFF shall retain its liens on the Pre-Petition Collateral and shall be granted a new lien on the Storage Cages. Additionally, WFF shall retain its lien on the rents and leases related to the Pre-Petition Collateral and be granted new liens on any rent and/or leases relating to the Storage Cages. During the pendency of the pay out of the WFF Secured Claim, the Reorganized Debtor shall provide WFF with proof that the Collateral is properly insured and that real estate taxes are current.

(ii) Required Payments:

(a) monthly interest payments based upon an interest rate of 6.50% on the then existing principal amount of the WFF Secured Lender Claim with the first payment being the month in which the Effective Date occurs;

(b) on or before the first year anniversary of the Effective Date, a paydown of principal in the amount of \$700,963.00;

(c) on or before the second year anniversary of the Effective Date, a paydown of principal in the amount of \$2,803,853.00;

(d) on or before the third year anniversary of the Effective Date, a paydown of principal in the amount of \$4,331,953.00;

(e) on or before the fourth year anniversary of the Effective Date, a paydown of principal in the amount of \$5,205,564.00; and

(f) on or before the fifth year anniversary of the Effective Date, the remaining principal of the WFF Secured Claim in the amount of \$7,415,656.00 shall be paid off. The required principal paydowns described in subparts (b) through (f) herein may be made earlier than the described time periods without any penalty being imposed upon the Reorganized Debtor for the following years. For example, if in the second year following the Effective Date, the Reorganized Debtor makes a principal paydown of \$3,303,853.00 instead of \$2,803,853.00 pursuant to subpart (c), then the Reorganized Debtor shall be required to make a principal paydown of \$3,831,953.00 on or before the third year anniversary of the Effective Date instead of \$4,331,953.00 in accordance with subpart (d).

(iii) Excess Net Cash Flow Payments: In each of the five years following the Effective Date, the Reorganized Debtor shall calculate on an annual basis its Excess Net Cash Flow and remit same to WFF to the extent available. The First Excess Net Cash Flow calculation shall be the first year anniversary following the Effective Date. Any Excess Net Cash Flow payments by the Reorganized Debtor shall be a credit against the required principal paydowns described above in Article III.A.2.b.(ii)(b) through (f).

(iv) Unit Sale Proceeds: With the exception of the First Unit, defined below, when any Unit is sold pursuant to the Plan, the Reorganized Debtor shall place 95% of the

net proceeds into an interest bearing account for the benefit of WFF pending a principal paydown. The remaining 5% of the net proceeds from any Unit sold (the "Interest Proceeds") will be added to the Plan Reserve defined below. As a condition precedent to the Effective Date and between the Confirmation Date and the Effective Date, the Debtor shall sell one (1) Unit (the "First Unit"). The proceeds of the First Unit will fund an interest reserve (the "Interest Reserve") in an amount of \$500,000.00, which will be used to augment the Debtor's monthly cash-flow to make interest payments to WFF at the 6.5% level proposed in this Plan in order to achieve a present value equal to the Allowed amount of the WFF Secured Claim. Interest Proceeds shall also be placed in escrow in an interest bearing account (the "Plan Reserve"). The Plan Reserve shall be used exclusively as an interest reserve for scheduled (and potential¹) Plan payments to WFF, and for payments to the General Unsecured Creditors. No monies in the Plan Reserve will be released or distributed to the Equity Security Holders until the completion of all scheduled Plan payments to WFF and the General Unsecured Creditors.

(v) Letter of Credit: Prior to the Effective Date, the Managing Member shall post letters of credit in favor of WFF in the aggregate amount of \$1,000,000.00, substantially in the form of the draft letter of credit attached hereto as **Exhibit A**, which shall serve as additional collateral for the Debtor's principal payments due to WFF under the Plan. WFF shall be entitled to draw, if necessary, but solely to the amount necessary, to satisfy any shortfall in a Debtor's scheduled principal paydown obligation under subsection (ii)(b)-(f) of this section. By way of example, if the Debtor delivers \$2,503,853.00 to WFF on the second anniversary of the

¹ On August 16, 2010, the Court entered an Order awarding WFF Pendency Interest at the rate of 24% (the "Pendency Interest Order"). The Debtor has appealed the Pendency Interest Order. If the Pendency Interest Order is overturned and WFF's Pendency Interest is revised to the rate of 12%, the Reorganized Debtor will increase the distributions to the General Unsecured Creditors consistent with Article III. A.6.b. of the Plan. On April 13, 2011, the Debtor filed its brief with the District Court on the Pendency Interest Appeal.

Effective Date, then WFF shall be entitled to an immediate draw of \$300,000.00 on the letters of credit, but no more. *See* subsection (ii)(c) of this section.

(vi) Other Provisions: During the five years following the Effective Date, the Reorganized Debtor will not sell any Units for a sale price which equates to less than \$500 per square foot. At any time during the five years following the Effective Date, the Reorganized Debtor may pay off the WFF Secured Claim without the imposition of any prepayment penalty.

c. Voting: Class 2 is an Impaired Class and Holders of Class 2 Claims are entitled to vote to accept or reject the Plan.

3. Class 3– General Unsecured Claims

a. Classification: Class 3 consists of the Claims of Holders of General Unsecured Claims.

b. Treatment: If WFF's Pendency Interest is calculated at 12%, then holders of Class 6 General Unsecured Claims shall be paid 50% of its Allowed General Unsecured Claims amount as follows: 33⅓% on or before the second year anniversary of the Effective Date, 33⅓% on or before the third year anniversary of the Effective Date and 33⅓% on or before the fourth year anniversary of the Effective Date, provided, however, the holders of the Related Party Claims do not receive distributions. If WFF's Pendency Interest is calculated at 24%, then holders of Class 6 General Unsecured Claims shall be paid 15% of its Allowed General Unsecured Claims amount as follows: 33⅓% on or before the second year anniversary of the Effective Date, 33⅓% on or before the third year anniversary of the Effective Date and 33⅓% on or before the fourth year anniversary of the Effective Date, provided, however, the holders of the Related Party Claims do not receive distributions.

c. Voting: Class 3 is an Impaired Class and Holders of Class 3 Claims are entitled to vote to accept or reject the Plan.

7. Class 4 – Equity Security Holders

a. Classification: Class 4 consists of the Holders of Equity Securities in the Debtor.

b. Treatment: A Holder of Allowed Equity Securities of the Debtor shall retain his Equity Securities and receive an equal Equity Security Share in the Reorganized Debtor so long as such Holder complies with the capital call to fund the Administrative Claims/Priority Account and Professional Fees Account. Any Holder not complying shall have its Equity Securities' share discharged and cancelled. No other Claims against the Equity Securities of the Debtor shall survive, provided, however, WFF shall retain its lien on the Equity Securities in whomever's hands to secure the Debtor's performance under the Plan on terms consistent with this Plan.

c. Voting: Class 4 is an Impaired Class and Holders of Class 4 Equity Securities are entitled to vote to accept or reject the Plan.

ARTICLE IV

ACCEPTANCE OR REJECTION OF THE PLAN

A. Voting Classes

Each Holder of an Allowed Claim in Classes 2 through 4 are entitled to vote either to accept or to reject the Plan. Only those votes cast by Holders of Allowed Claims shall be counted in determining whether acceptances have been received sufficient in number and amount to obtain Confirmation.

In the event of a controversy as to whether any Holder of an Allowed Claim or Plan Class is Impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, determine such controversy.

B. Acceptance by Impaired Classes

An Impaired Class of Claims shall be deemed to have accepted the Plan if (a) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Claims actually voting in such Class have voted to accept the Plan and (b) the Holders (other than any Holder designated under section 1126(e) of the Bankruptcy Code) of more than one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

C. Presumed Acceptance/Rejection of Plan

As indicated, Class 1 is not impaired and is therefore conclusively presumed to accept the Plan and is not entitled to vote.

D. Nonconsensual Confirmation

This Plan may be confirmed under the so-called “cram down” provisions set forth in 1129(b) of the Bankruptcy Code if, in addition to satisfying the other requirements for confirmation, this Plan “does not discriminate unfairly” and is determined to be “fair and equitable” with respect to each Class of Claims that has not accepted this Plan (*i.e.*, dissenting Classes). In the event that any Impaired Class rejects the Plan, the Debtor will request that the Bankruptcy Court confirm the Plan under this provision. Without limiting the foregoing, in the event that any Class of Claims entitled to vote on the Plan fails to accept the Plan as required by section 1129(a) of the Bankruptcy Code, the Plan may be amended in accordance with section XIII of the Plan and the Debtor reserves the right to seek confirmation of the Plan over such

rejection pursuant to section 1129(b) of the Bankruptcy Code. The Debtor further reserves the right to alter, amend, modify, revoke or withdraw the Plan or any amendment or supplement thereto, including to amend or modify it to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary, in accordance with section 1127 of the Bankruptcy Code and this Plan.

E. How to Vote

A form of Ballot is being provided to Creditors in Classes 2 through 4 by which Creditors in such Classes may vote their acceptance or rejection of the Plan. The Ballot for voting on the Plan gives most of you one important choice to make with respect to the Plan – you can vote for or against this Plan. To vote on the Plan, please complete the Ballot, as indicated thereon, (1) by indicating on the enclosed ballot that (a) you accept the Plan or (b) reject the Plan and (2) by signing your name and mailing the ballot in the envelope provided for this purpose.

IN ORDER TO BE COUNTED, BALLOTS MUST BE COMPLETED, SIGNED AND RECEIVED NO LATER THAN 4:00 p.m. Prevailing Eastern Time ON _____, 2011 AT THE FOLLOWING ADDRESS:

**20 Bayard Views, LLC Ballot Processing
c/o Porzio, Bromberg & Newman, P.C.
100 Southgate Parkway
Morristown, NJ 07962
Attn: Maria Dermatis**

IF YOUR BALLOT IS NOT PROPERLY COMPLETED, SIGNED AND RECEIVED AS DESCRIBED, IT WILL NOT BE COUNTED. IF YOUR BALLOT IS DAMAGED OR LOST, YOU MAY REQUEST A REPLACEMENT BY ADDRESSING A WRITTEN REQUEST TO THE ADDRESS SHOWN ABOVE. FACSIMILE OR ELECTRONICALLY SUBMITTED BALLOTS WILL NOT BE COUNTED.

ARTICLE V

EFFECT OF CONSUMMATION

A. Vesting of Cash and Assets

On the Effective Date, the Debtor's Assets shall be transferred to and vest in the Reorganized Debtor free of any Claims, Liens and Interests, except for the WFF Secured Claim, to be managed and used by the Reorganized Debtor to carry out the Plan and effectuate the Distributions provided for in the Plan.

B. Limitation of Liability

Except as expressly set forth in the Plan, on and after the Confirmation Date, neither the Debtor, nor their successors or assigns, nor any of their respective past and present officers, directors, employees, members, agents, representatives, shareholders, attorneys, accountants, financial advisors, investment bankers, lenders, consultants, experts, and Professionals and agents for the foregoing shall have or incur any liability for, and are expressly exculpated and released from, any claim (as defined in section 101(5) of the Bankruptcy Code) or any past or present actions taken or omitted to be taken under or in connection with, related to, effecting, or arising out of the following: (i) the Debtor's operations after the Petition Date; (ii) this Chapter 11 Case; (iii) the postpetition administration of the Debtor's Cash, Assets, and real and personal property; (iv) the pursuit of Confirmation; (v) the formulation, preparation, dissemination, implementation, administration, confirmation, or Consummation of the Plan and the Disclosure Statement; (vi) the sale and liquidation of the Assets (including the prosecution of Causes of Action), or the property to be distributed under the Plan; (vii) any other act taken or omitted to be taken in connection with the Debtor's business after the Petition Date; or (viii) any contract, instrument, release, or other agreement entered into or created in connection with the foregoing;

except only for actions or omissions to act to the extent determined by a court of competent jurisdiction (in a Final Order) to be by reason of such party's gross negligence, willful misconduct, or fraud, and in all respects, such party shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan; it being expressly understood that any act or omission with the approval of the Bankruptcy Court will be conclusively deemed not to constitute gross negligence, willful misconduct, or fraud unless the approval of the Bankruptcy Court was obtained by fraud or misrepresentation.

Nothing in Article V of the Plan shall be construed as a waiver of or release for any attorneys retained in connection with the Debtor's cases from claims by their respective clients. Nothing in Article V of the Plan shall limit the liability of the Debtor's professionals to their respective client(s) pursuant to DR 6-102 of the Code of Professional Responsibility.

Nothing in Article V of the Plan shall effect a release of any claim of the United States Government or any of its agencies or any state and local authority whatsoever, including without limitation any claim arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States or any state and local authority against any party, nor shall anything in the Confirmation Order or the Plan enjoin the United States or any state or local authority from bringing any claim, suit, action or other proceedings against any party for any liability whatsoever, including without limitation any claim arising under the Internal Revenue Code, the environmental laws or any criminal laws of the United States or any state or local authority, provided, however, the Debtor is entitled to the benefit of the discharge and injunction described in Article XI.B. and XI.C. of the Plan against all parties including the United States Government, its agencies and any state or local authority.

C. Injunction

Except as otherwise expressly provided in the Plan, all Entities that have held, hold or may hold Claims against the Debtor are permanently enjoined, from and after the Effective Date, from taking any of the following actions against any of the Debtor, its Estate, the Professionals, or any of their property on account of any Claims or causes of action arising from events prior to the Effective Date, including, without limitation: (i) commencing or continuing in any manner any action or other proceeding of any kind; (ii) enforcing, attaching, collecting or recovering by any manner or in any place or means any judgment, award, decree or order; (iii) creating, perfecting, or enforcing any Lien or encumbrance of any kind; and (iv) asserting any right of setoff against any obligation, debt

By accepting Distributions pursuant to the Plan, each Holder of an Allowed Claim receiving Distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth herein.

ARTICLE VI

MEANS OF IMPLEMENTATION OF THE PLAN

A. Continued Corporate Existence

The Debtor shall continue to exist as the Reorganized Debtor after the Effective Date in accordance with the laws of New York and pursuant to its formation documents and operating agreement in effect prior to the Effective Date, except to the extent such formation documents and operating agreement are amended pursuant to the Plan.

B. Operations of the Reorganized Debtor

On and after the Effective Date, the Reorganized Debtor may operate its business, may use, acquire and dispose of property, may retain, compensate and pay any professionals or advisers, and compromise or settle any causes of action, claims or interests without the supervision of or approval by the Bankruptcy Court and free and clear of any restrictions of the Bankruptcy Code and the Bankruptcy Rules other than restrictions expressly imposed by the Plan or the Confirmation Order.

C. Post-Effective Date Management of the Reorganized Debtor

Except as expressly provided in this Plan and the formation documents and operating agreement of the Reorganized Debtor, (as amended from time to time), the operation, management and control of the Reorganized Debtor shall be the general responsibility of its Managing Member and Restructuring Officer. It is not contemplated that the Managing Member or Restructuring Officer will receive compensation for their roles with the Reorganized Debtor.

D. Employment Agreements

As of the Effective Date, the Reorganized Debtor shall have the authority, without need for any approval by the Bankruptcy Court, (i) to maintain, amend, or revise existing employment

agreements, subject to the terms and conditions of any such agreement, and (ii) to enter into new employment agreements. The Debtor had no retirement benefit agreements with past or current employees.

E. Restructuring Transactions

On or as of the Effective Date, the distributions provided for under the Plan may be effectuated pursuant to the Restructuring Transactions described herein. The Debtor reserves the right to amend the Plan to implement the Restructuring Transactions no later than ten (10) days prior to the Confirmation Date, without the need for further approval or resolicitation of any party. Consistent with the Plan, the Debtor may elect to effectuate the following restructuring transactions:

1. Make a capital call of the Owners to fund the Administrative Claims/Priority Claims Account and Professional Fees Account;
2. Seek contribution from the Guarantors to fund the Administrative Claims/Priority Claims Account and Professional Fees Account; and
3. Amend its formation documents and operating agreement.

F. Vesting of Assets; Release of Liens

Except as otherwise provided herein, the property of the Debtor's Estate shall vest in the Reorganized Debtor on the Effective Date. As of the Effective Date, all such property of the Reorganized Debtor shall be free and clear of all Liens, Claims and interests of any kind, except for the WFF Secured Claim as contemplated herein and as otherwise specifically provided in the Plan and the Confirmation Order.

G. Exemption From Certain Transfers

Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, transfer or exchange of a security, or the making or delivery of an instrument from the Debtor to a Reorganized Debtor or any other Entity pursuant to this Plan, including, without limitation, the granting or recording of any Lien or mortgage on any property under the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, recording tax, or other similar tax or governmental assessment and the Confirmation Order shall direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without payment of any such tax or governmental assessment.

H. Operation Between Confirmation and Effective Date

The Debtor shall continue to operate as a Debtor-In-Possession during the period from the Confirmation Date through and until the Effective Date.

I. Authority to Effectuate Plan

Upon the entry of the Confirmation Order by the Bankruptcy Court, all matters provided under the Plan shall be deemed to be authorized and approved without further approval from the Bankruptcy Court. The Confirmation Order shall act as an order modifying Debtor's operating agreement such that the provisions of this Plan can be effectuated. Debtor shall be authorized, without further application to or order of the Bankruptcy Court, to take whatever action is necessary to achieve the Effective Date and carry out the Plan and to effectuate the Distributions provided for thereunder.

J. Post-Confirmation Status Report

Unless the Effective Date has already occurred, within 120 days of the entry of the Confirmation Order, the Reorganized Debtor shall file a status report with the Bankruptcy Court explaining what progress has been made toward the Effective Date of the confirmed Plan. The status report shall be served on the U.S. Trustee and those parties who have requested notice post-Confirmation. Further status reports shall be filed every 60 days and served on the same entities until the Effective Date. Nothing contained in the Plan shall modify the Reorganized Debtor's obligation to file post-confirmation monthly operating reports pursuant to Local Rule 2015-1.

K. Escrows

All escrows previously established in this Chapter 11 Case and still in existence on the Effective Date shall continue in effect, be administered, and the escrowed funds released, according to their terms and any orders of the Bankruptcy Court previously entered.

L. Binding Effect

Except as otherwise expressly provided in the Plan, on and after the Effective Date, the Plan and all exhibits thereto shall bind WFF and all Holders of Claims.

M. Good Faith

Confirmation of the Plan shall constitute a finding that: (i) this Plan has been proposed in good faith and in compliance with applicable provisions of the Bankruptcy Code; and (ii) the solicitation of acceptances or rejections of this Plan by all Entities has been in good faith and in compliance with applicable provisions of the Bankruptcy Code.

ARTICLE VII
TREATMENT OF EXECUTORY CONTRACTS
AND UNEXPIRED LEASES

A. Assumption of Executory Contracts and Unexpired Leases

Except as otherwise provided in the Plan, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, as of the Effective Date, the Debtor shall be deemed to have assumed each pre-petition executory contract and unexpired lease to which it is a party and assigned such executory contract and unexpired lease to the Reorganized Debtor unless such executory contract or unexpired lease (a) was previously assumed or rejected upon motion by a Final Order, (b) previously expired or terminated pursuant to its own terms; or (c) is the subject of any pending motion, including to assume, to assume on modified terms, to reject or to make any other disposition filed by the Debtor on or before the Confirmation Date. In accordance with this, the Debtor shall be deemed to have assumed each of its leases for Units, Parking Spaces and/or Storage Cages, and as of the Effective Date, assigned each such lease to the Reorganized Debtor. The Confirmation Order shall constitute an order of the Bankruptcy Court under section 365(a) of the Bankruptcy Code approving the assumption and/or assignment of prepetition executory contracts and unexpired leases described above, as of the Effective Date.

B. Assignment of Executory Contracts and Unexpired Leases

To the extent provided under the Bankruptcy Code or other applicable law, any executory contract or unexpired lease transferred and assigned pursuant to this Plan shall remain in full force and effect for the benefit of the transferee or assignee in accordance with its terms, notwithstanding any provision in such executory contract or unexpired lease (including those of

the type described in section 365(b)(2) of the Bankruptcy Code) that prohibits, restricts or conditions such transfer or assignment. To the extent provided under the Bankruptcy Code or other applicable law, any provision that prohibits, restricts or conditions the assignment or transfer of any such executory contract or unexpired lease or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or unexpired lease to terminate, modify, recapture, impose any penalty condition renewal or extension or modify any term or condition upon any such transfer and assignment constitutes an unenforceable anti-assignment provision and is void and of no force or effect.

C. Cure Rights for Executory Contracts and Unexpired Leases Assumed Under Plan

Any monetary amounts by which each executory contract and unexpired lease to be assumed pursuant to the Plan is in default shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by Cure. The Debtor believes there are no Cure amounts for any of its executory contracts and unexpired leases to be assumed, other than the Debtor's executory contract with the Bayard Views Condominium Association which has a Cure amount of \$64,000.00. If there is a dispute regarding (a) the nature or amount of any Cure, (b) the ability of the Reorganized Debtor or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed, or (c) any other matter pertaining to assumption, Cure shall occur following the entry of a Final Order by the Bankruptcy Court resolving the dispute and approving the assumption or assumption and assignment, as the case may be; provided, however, that the Debtor or Reorganized Debtor, as applicable, shall be authorized to reject any executory contract or unexpired lease to the extent the Debtor or Reorganized Debtor, in the exercise of their sound business judgment, conclude that the amount of the Cure obligation as determined by such Final

Order, renders assumption of such executory contract or unexpired lease unfavorable to the Debtor or Reorganized Debtor.

D. Rejection of Executory Contracts and Unexpired Leases

The contracts and leases set forth on Schedule 1 attached hereto shall be deemed rejected as of the Effective Date. The Debtor reserves the right, at any time prior to the Effective Date, except as otherwise specifically provided in the Plan, to seek to reject any executory contract or unexpired lease to which the Debtor is a party and to file a motion requesting authorization for the rejection of any such executory contract or unexpired lease.

If the rejection of an executory contract or unexpired lease pursuant to the Plan results in a Claim, then such Claim shall be forever barred and shall not be enforceable against the Debtor or Reorganized Debtor or the properties of any of them unless a Proof of Claim is filed with the claims agent and served upon counsel to the Reorganized Debtor within thirty (30) days after entry of the Confirmation Order. The foregoing applies only to Claims arising from the rejection of an executory contract or unexpired lease; any other Claims held by a party to a rejected contract or lease shall have been evidenced by a Proof of Claim filed by earlier applicable Bar Date or shall be barred and unenforceable.

E. Assumption of Governmental Licenses

In the event that any license granted to the Debtor by a governmental unit, and in effect immediately prior to the Effective Date, is considered to be an executory contract and is not otherwise terminated or rejected by the Debtor, such license shall be deemed to be assumed and assigned to the Reorganized Debtor pursuant to section 365 of the Bankruptcy Code and Article VII.A of the Plan.

F. Continuing Obligations Owed to Debtor

1. Continuing obligations of third parties to the Debtor under insurance policies, contracts, or leases that have otherwise ceased to be executory or have otherwise expired on or prior to the Effective Date, including, without limitation, continuing obligations to pay insured claims, to defend against and process claims, to refund premiums or overpayments, to provide indemnification, contribution or reimbursement, to grant rights of first refusal, to maintain confidentiality, or to honor releases, shall continue and shall be binding on such third parties notwithstanding any provision to the contrary in the plan, unless otherwise specifically terminated by the Debtor or by order of Bankruptcy Court.

2. To the extent any insurance policy under which the insurer has a continuing obligation to pay the Debtor or a third party on behalf of the Debtor is held by the Bankruptcy Court to be an executory contract, such insurance policy shall be treated as though it is an executory contract that is assumed pursuant to section 365 of the Bankruptcy Code and Article VII.A of the Plan. Any and all Claims (including Cure) arising under or related to any insurance policies or related insurance agreements that are assumed by the Debtor prior to or as of the Effective Date: (i) shall not be discharged; (ii) shall be Allowed Administrative Claims; and (iii) shall be paid in full in the ordinary course of business of the Reorganized Debtor as set forth in Article II.B of the Plan.

G. Continuing Obligation of Debtor with Respect to Tenant Security Deposits

The Debtor and Reorganized Debtor shall maintain accounts holding security deposits posted by its tenants in connection with the Units. In accordance with applicable state law, those security deposits will remain the property of the tenants. Accordingly, tenants shall not have Claims against the Debtor with respect to a respective tenant's security deposit so long as the

Debtor continues to maintain the tenant's security deposit in an account segregated from the Debtor's business accounts. At the conclusion of any lease term with a tenant, the Debtor and Reorganized Debtor shall administer the tenant's security deposit in accordance with the terms of the parties' respective lease and applicable state law.

H. Limited Extension of Time to Assume or Reject

1. In the event of a dispute as to whether a contract or lease is executory or unexpired, the right of the Debtor or the Reorganized Debtor to move to assume or reject such contract or lease shall be extended until the date that is thirty (30) days after entry of a Final Order by the Bankruptcy Court determining that the contract or lease is executory or unexpired.

2. In the event the Debtor or the Reorganized Debtor becomes aware after the Confirmation Date of the existence of an executory contract or unexpired lease that was not included in the Schedules, the right of the Reorganized Debtor to move to assume or reject such contract or lease shall be extended until the date that is thirty (30) days after the date on which the Debtor or the Reorganized Debtor becomes aware of the existence of such contract or lease.

I. Post-Petition Contracts and Leases

The Debtor shall not be required to assume or reject any contract or lease entered into by the Debtor after the Petition Date. Any such contract or lease shall continue in effect in accordance with its terms after the Effective Date, unless the Debtor or Reorganized Debtor has obtained a Final Order of the Bankruptcy Court approving rejection or other termination of such contract and lease.

J. Treatment of Claims Arising From Assumption or Rejection

All Allowed Claims for Cure arising from the assumption of any executory contract or unexpired lease shall be treated as Administrative Claims pursuant to Article II.B of the Plan; all

Allowed Claims arising from the rejection of an executory contract or unexpired lease shall be treated, to the extent applicable, as General Unsecured Claims, unless otherwise ordered by Final Order of the Bankruptcy Court; and all other Allowed Claims relating to an executory contract or unexpired lease shall have such status as they may be entitled to under the Bankruptcy Code as determined by Final Order of the Bankruptcy Court.

ARTICLE VIII

PROVISIONS GOVERNING DISTRIBUTIONS

A. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the Plan, or as may be ordered by the Bankruptcy Court, Distributions on account of those Claims that are Allowed as of the Effective Date and are entitled to receive Distributions under the Plan, shall be made by the Reorganized Debtor on the Effective Date and on such subsequent Distribution Dates as set forth in the Plan. Distributions on account of Claims that become Allowed after the Effective Date shall be made on the next subsequent Distribution Date, in each case without interest. The Holders of Claims in Classes 2 through 3 will be paid from the proceeds of the sales of the Debtor's Units and from the rents generated from the Debtor's leasing of its Units, Storage Cages and Parking Spaces. Notwithstanding anything herein to the contrary, funds contained in the Administrative Claims/Priority Claims Account and the Professional Fees Account may not be commingled or used for the payment of any Allowed Claim other than (i) Allowed Administrative Claims and Allowed Priority Claims with respect to the Administrative Claims/Priority Claims Account and (ii) Allowed Professional Fee Claims with respect to the Professional Fees Account, provided, however, in the event there are funds remaining in the Administrative Claims/Priority Claims Account after satisfying the Allowed Administrative Claims and Allowed Priority Claims, such

excess funds will be utilized to satisfy any outstanding Allowed Professional Fee Claims; similarly, any funds remaining in the Professional Fees Account after satisfying the Allowed Professional Fee Claims will be utilized to satisfy any outstanding Allowed Administrative Claims and Allowed Priority Claims. After payment of the Allowed Administrative Claims, Allowed Priority Claims and Allowed Professional Fee Claims, as the case may be, in accordance with the Plan, all of the remaining funds in the Administrative Claims/Priority Claims Account and the Professional Fees Account shall be and revested in the Reorganized Debtor free and clear of all Claims.

At the close of business on the Distribution Record Date, the claims register for all Claims shall be closed, and there shall be no further changes in the record holders of such Claims. Except as provided herein, the Debtor, Reorganized Debtor, and each of their respective agents, successors, and assigns shall have no obligation to recognize any transfer of Claims occurring after the Distribution Record Date and shall be entitled instead to recognize and deal for all purposes hereunder with only those record holders stated on the claims register as of the close of business on the Distribution Record Date irrespective of the number of Distributions to be made under the Plan to such Entities on the date of such Distributions.

B. Distributions; Causes of Action

If, as a result of the pursuit of any Causes of Action, a Claim would arise from a recovery pursuant to section 550 of the Bankruptcy Code after Distributions under the Plan have commenced, the Reorganized Debtor shall be permitted to reduce the recovery by an amount that reflects the value of the treatment that would have been accorded to the Claim under the Plan, thereby effectively treating the Claim through the reduction.

C. Manner of Payment

Any payment of Cash made under the Plan may be made either by check drawn on a domestic bank, by wire transfer, or by automated clearing house transfer from a domestic bank, at the option of the Reorganized Debtor.

The Reorganized Debtor in making Distributions under the Plan, shall comply with applicable tax withholding and reporting requirements imposed by any governmental unit, and all Distributions made pursuant to the Plan shall be subject to such withholding and reporting requirements. The Reorganized Debtor, may withhold the entire Distribution due to any Holder of an Allowed Claim until such time as such Holder provides the Reorganized Debtor with the necessary information to comply with any reporting and withholding requirements of any governmental unit. Any funds so withheld will then be paid by the Reorganized Debtor to the appropriate authority. If the Holder of an Allowed Claim fails to provide to the Reorganized Debtor the information necessary to comply with any reporting and withholding requirements of any governmental unit within thirty (30) days from the date of first notification by the Reorganized Debtor to the Holder of such Allowed Claim about the need for such information or for the Cash necessary to comply with any applicable withholding requirements, then the Holder's Distribution shall be treated as an undeliverable Distribution in accordance with Article VIII.E below.

D. Transmittal of Distributions to Parties Entitled Thereto

All Distributions by check shall be deemed made at the time such check is duly deposited in the United States mail, postage prepaid. All Distributions by wire transfer shall be deemed made as of the date the Federal Reserve or other wire transfer is made. Except as otherwise agreed with the Holder of an Allowed Claim in respect thereof or as provided in the Plan, any

property to be distributed on account of an Allowed Claim shall be distributed by mail, upon compliance by the Holder with the provisions of the Plan, to (a) the latest mailing address Filed for the Holder of an Allowed Claim entitled to a Distribution, (b) the latest mailing address Filed for a Holder of a Filed power of attorney designated by the Holder of such Claim to receive Distributions, (c) the latest mailing address Filed for the Holder's transferee as identified in a Filed notice served on Debtor pursuant to Bankruptcy Rule 3001(e), or (d) if no such mailing address has been Filed, the mailing address reflected on the Schedules or in the Debtor's books and records.

E. Disputed Claims and Unclaimed Property

Notwithstanding all references in the Plan to Claims that are Allowed, in undertaking the Pro Rata calculations concerning Allowed Claims under the Plan, including the determination of the amount of Distributions due to the Holders of Allowed Claims, each Disputed Claim shall be treated as if it were an Allowed Claim, as appropriate, except that if the Bankruptcy Court estimates the portion of a Disputed Claim to be Allowed or otherwise determines the amount which would constitute a sufficient reserve for a Disputed Claim (which estimations and determinations may be requested by the Reorganized Debtor), such amount as determined by the Bankruptcy Court shall be used as to such Claim.

The Distributions due in respect of Disputed Claims based on the calculations required by the Plan shall be reserved for the Holders of the Disputed Claims and deposited into the account or trust. The amount so deposited on behalf of a Creditor holding a particular Disputed Claim is referred to herein as the "Reserve Amount."

After an objection to a Disputed Claim is withdrawn or determined by Final Order, the Distributions due on account of any resulting Allowed Claim shall be paid by the Reorganized

Debtor from the Reserve Amounts for such Creditor held in the account or trust together with the interest, if any, actually accrued on the Reserve Amounts (up to a maximum of the interest actually accrued on the amount of the resulting Allowed Claim). Such payment shall be made on the next Subsequent Distribution Date. No interest shall be due to a Disputed Claim holder based on the delay attendant to determining the allowance of such Claim except as set forth in this subsection.

Should the Distribution on account of any Allowed Claim of such Creditor exceed the Reserve Amount, the shortfall may be paid from available sums, if any, for the next Distribution, provided that, in no event shall the Creditor have recourse to any payments already made to others or to sums reserved by the Reorganized Debtor in connection with the account or trust or for ongoing fees and costs of administering Debtor's Estate or effectuating the Plan.

After an objection to such a Disputed Claim is sustained in whole or in part by a Final Order, any Reserve Amounts for such Claim held in the respective account or trust in excess of the Distributions due on account of any resulting Allowed Claim may be removed by the Reorganized Debtor from the respective Reserve Fund and treated as available funds for ongoing costs and fees and Distributions.

At the election of the Reorganized Debtor, any property, which is unclaimed for ninety (90) days after Distribution thereof by mail to the last known mailing address of the party entitled thereto, shall revert in the Reorganized Debtor, as available funds for ongoing costs and fees. Notwithstanding the foregoing, if any mail sent to a Creditor at the last known mailing address by the Reorganized Debtor, is returned without a forwarding address and the Creditor does not Claim its Distribution within ninety (90) days after it is mailed to the Creditor, the Reorganized Debtor shall strike the Creditor's Claim from the Creditor list, issue no more checks

to such Creditor and, for the purposes of future Distributions, treat the Creditor's Claim as if it were disallowed.

F. Setoffs

The Reorganized Debtor, may, but shall not be required to, setoff against any Claim, and the payments and/or Distribution of other property to be made under the Plan in respect of such claim, any Claims of any nature whatsoever Debtor may have against the Holder of a Claim, but neither the failure to do so nor the allowance of any Claim under the Plan shall constitute a waiver by Debtor or Reorganized Debtor of any such claim the held against such Holder.

G. Saturday, Sunday or Legal Holiday

If any payment, Distribution, or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or Distribution or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

H. Fractional Cents

Notwithstanding any other provisions of the Plan to the contrary, no payment of fractional cents will be made under the Plan. Cash will be issued to Holders entitled to receive a Distribution of Cash in whole cents (rounded-down to the nearest whole cent when and as necessary).

I. Corporate Action

Upon the entry of the Confirmation Order by the Bankruptcy Court, all matters provided under the Plan involving the corporate structure of the Debtor shall be deemed to be authorized and approved without any requirement of further action by Debtor, Debtor's shareholders, Debtor's board of directors, and/or the Reorganized Debtor.

J. De Minimis Payments and Distributions

Notwithstanding any other provision of this Plan, de minimis payments of less than \$50 need not be made by the Reorganized Debtor on account of any Allowed Claim; provided that such de minimis payments that would otherwise be made on the Initial Distribution Date or a subsequent Distribution Date shall carry over until the next date of a Distribution until the cumulative amount of Distributions to which the Holder of such Allowed Claim is more than \$50, at which time the cumulative amount of such Distributions shall be paid to such Holder. De minimis payments that will not be distributed as of the final Distribution Date shall be treated as undeliverable Distributions as provided in Article VIII.E above.

ARTICLE IX

PROCEDURES FOR RESOLVING DISPUTED CLAIMS

A. Prosecution of Objections to Claims

Unless otherwise ordered by the Bankruptcy Court after notice and a hearing, and except as set forth in the Plan, the Debtor, Reorganized Debtor, and their respective professionals and shall have the exclusive right to make and File objections to any Claims.

The Debtor and Reorganized Debtor, shall have until ninety (90) days following the Effective Date to File objections to the applicable filed or scheduled proofs of Claim filed prior to the Effective Date; provided, however, that the Debtor or Reorganized Debtor, may apply to the Bankruptcy Court for an extension of such deadline for cause.

Pursuant to an Order entered by the Bankruptcy Court setting the Bar Date, any person or entity holding a claim scheduled as disputed, unliquidated or contingent were required to file a proof of claim before the Bar Date. The following persons/entities were scheduled as holding disputed claims and did not file proofs of claim by the Bar Date: BAC Group Ltd.; Guma Corp.;

Luxury Designs, Inc.; Parking Depot; and Supreme Wood Floors (collectively, the “Non-Filing Parties”). In accordance with the terms of the order establishing the Bar Date, the Non-Filing Parties are barred, estopped and enjoined from asserting any Claim against the Debtor and Reorganized Debtor and the property of the Debtor and Reorganized Debtor is discharged from any and all indebtedness, liens or liability with respect to any claims of the Non-Filing Parties.

Except as set forth in the Plan, nothing in the Plan, the Disclosure Statement, the Confirmation Order or any order in aid of Confirmation, shall constitute, or be deemed to constitute, a waiver or release of any claim, cause of action, right of setoff, or other legal or equitable defense that Debtor had immediately prior to the commencement of this Chapter 11 Case or the Effective Date, against or with respect to any Claim. Except as set forth in the Plan, upon Confirmation, the Reorganized Debtor shall have, retain, reserve and be entitled to assert all such claims, Causes of Action, rights of setoff and other legal or equitable defenses that Debtor had immediately prior to the Effective Date or prior to the commencement of this Chapter 11 Case as if this Chapter 11 Case had not been commenced.

B. Estimation of Claims

The Debtor and Reorganized Debtor may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the Debtor and Reorganized Debtor previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount will constitute either the allowed amount of such Claim or a

maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Debtor or the Reorganized Debtor, as the case may be, may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim.

C. Cumulative Remedies

All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court. Until such time as such Claim becomes an Allowed Claim, such Claim shall be treated as a Disputed Claim for purposes related to allocations, Distributions, and voting under the Plan.

D. Payments and Distributions on Disputed Claims

On the Distribution Dates, the Reorganized Debtor shall transfer and maintain for each respective Reserve Account such amounts of Cash the Reorganized Debtor shall determine to be necessary to retain on that Distribution Date on account of the Disputed Claims for which the respective Account is established. In determining the amount of Cash to contribute to each respective Account, Reorganized Debtor shall be entitled to rely upon the estimation, if any, of any Disputed Claims pursuant to the Plan to determine the amount of Cash so reserved, without objection by the Holder of the Disputed Claim. As and when authorized by a Final Order, Disputed Claims that become Allowed Claims shall be paid first from the respective Account corresponding to such Disputed Claim and second from the remaining funds, if any, in the possession of the Reorganized Debtor, until such time that the Holder of such Allowed Claim receives all payments and Distributions to which such Holder is entitled under the Plan.

Notwithstanding any provision in the Plan to the contrary, no partial payments and no partial Distributions will be made with respect to a Disputed Claim until the resolution of such disputes by settlement or Final Order. Unless otherwise agreed by the Reorganized Debtor, a Creditor who holds both (an) Allowed Claim(s) and (a) Disputed Claim(s) will not receive a Distribution, nor accrue interest thereon, until such dispute is resolved by settlement or Final Order.

E. Allowance of Claims

Except as expressly provided in the Plan, no Claim shall be deemed Allowed by virtue of the Plan, Confirmation, or entry of the Confirmation Order, unless and until such Claim is deemed Allowed under the Bankruptcy Code or the Bankruptcy Court enters a Final Order in this Chapter 11 Case allowing such Claim.

F. Controversies Concerning Impairment

If a controversy arises as to whether any Claims or any Class of Claims are Impaired under the Plan, the Bankruptcy Court, after notice and a hearing, shall determine such controversy before the Confirmation Date. If such controversy is not resolved prior to the Effective Date, the Bankruptcy Court's interpretation of the Plan shall govern.

ARTICLE X

CONDITIONS PRECEDENT TO CONFIRMATION

OF THE PLAN AND ACHIEVING THE EFFECTIVE DATE

A. Condition Precedent to Confirmation

Before the Effective Date may occur, the following conditions precedent must occur:

1. The Confirmation Order shall approve in all respects all of the provisions, terms and conditions of the Plan; and

2. the proposed form of the Confirmation Order is satisfactory in form and substance to each of the Debtor and the U.S Trustee.

3. Prior to the Confirmation Date, the Debtor shall place the First Unit under contract for sale.

B. Conditions Precedent to Achieving the Effective Date

Before the Effective Date may occur, the following conditions precedent must occur:

1. The Confirmation Order shall have been signed by the Bankruptcy Court and duly entered on the docket for this Chapter 11 Case by the Clerk of the Bankruptcy Court in form and substance acceptable to Debtor and the U.S. Trustee;

2. The Confirmation Order shall be a Final Order;

3. The Owners or Guarantors shall have adequately funded the Administrative Claims/Priority Claims Account and Professional Fees Account;

4. The Debtor shall close on the sale of the First Unit and place the proceeds of such sale into escrow to fund the Interest Reserve to be used to augment the monthly payments to achieve an interest rate of 6.5%.

5. The Managing Member shall post letters of credit in favor of WFF in the aggregate amount of \$1,000,000.00, substantially in the form of the draft letter of credit attached hereto as **Exhibit A**; and

6. All material actions, documents, and agreements necessary to implement the Plan shall have been effected or executed.

The Debtor may waive any of the conditions of the Confirmation and/or the Effective Date of the Plan, in whole or in part, set forth in Article X of the Plan at any time, without notice, without leave or order of the Bankruptcy Court.

C. Effect of Non-Occurrence of Conditions to Achieving the Effective Date

If the Confirmation Order is vacated, the Plan shall be null and void in all respects, and nothing contained in the Plan or the Disclosure Statement shall: (a) constitute a waiver or release of any Claims by or against the Debtor; (b) prejudice in any manner the rights of Debtor, or (c) constitute an admission, acknowledgment, offer or undertaking by Debtor in any respects.

D. Notice of Effective Date

On the Effective Date, or as soon thereafter as reasonably practicable, the Reorganized Debtor shall File with the Bankruptcy Court a “Notice of Effective Date” in a form reasonably acceptable to the U.S. Trustee, which notice shall be served on all creditors and constitute appropriate and adequate notice that this Plan has become effective. The Plan shall be deemed effective as of 12:01 a.m., prevailing Eastern Time, on the Effective Date specified in such filing.

ARTICLE XI

EFFECT OF ACHIEVING THE EFFECTIVE DATE

A. Vesting Of Assets

As of the Effective Date, all property of Debtor shall be free and clear of all Claims, Liens and other interests, except for Liens preserved for WFF. As of the Effective Date, except for those Liens preserved as specifically provided in the Plan, all mortgages, deeds of trust, Liens or security interests in any property of the Estate will be released and all the right, title and interest of any Holder of any such mortgages, deeds of trust, Liens or security interests shall be canceled, annulled, terminated and become null and void. Debtor and Reorganized Debtor shall

be authorized to act as attorney-in-fact for any such Holder to cause all public records to properly reflect and effectuate this provision. If the Confirmation Order is ever reversed or revoked, this provision of the Plan shall become null and void, and all Liens existing before the Confirmation Date shall be revived.

B. Discharge of Claims Against the Debtor and the Reorganized Debtor

On the Effective Date, except as otherwise expressly provided in this Plan or the Confirmation Order, the Confirmation of this Plan shall as of the Effective Date: (i) discharge the Debtor, the Reorganized Debtor and any of their Assets from all Claims demands, liabilities and other debts that arose on or before the Effective Date, including, without limitation, all debts of the kind specified in section 502 of the Bankruptcy Code, whether or not (A) a Proof of Claim based on such debt is filed or deemed filed pursuant to section 501 of the Bankruptcy Code, (B) a Claim based on such debt is Allowed pursuant to section 502 of the Bankruptcy Code, (C) a Claim based on such debt is or has been disallowed by order of the Bankruptcy Court, or (D) the Holder of a Claim based on such debt has accepted this Plan; and (ii) preclude all Entities from asserting against the Debtor, the Reorganized Debtor or any of their Assets any other or further Claims based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date, all pursuant to sections 524 and 1141 of the Bankruptcy Code. The discharge provided in this provision shall void any judgment obtained against the Debtor at any time, to the extent that such judgment relates to a discharged Claim. The Debtor is discharged from any Claims and agreements related to debts that arose on or before the Effective Date and such debts, Claims and agreements are deemed restructured and new as set forth in the Plan.

C. Injunction Related to the Discharge

Except as otherwise provided in this Plan or the Confirmation Order, all Entities that have held, currently hold or may hold Claims or other debts or liabilities against the Debtor or other right of an Equity Security Holder in any or all of the Debtor that are discharged pursuant to the terms of this Plan are permanently enjoined, on and after the Effective Date, from taking any of the following actions on account of any such Claims, debts, liabilities or rights: (i) commencing or continuing in any manner any action (other than the Guarantor Action) or other proceeding of any kind with respect to any such Claim debt, liability, or right other than to enforce any right to a Distribution pursuant to this Plan; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award decree or order against the Debtor, the Reorganized Debtor or any of their Assets on account of any such Claim debt, liability, or right; (iii) creating, perfecting or enforcing any Lien or encumbrance against the Debtor, the Reorganized Debtor or any of their Assets on account of any such Claim debt liability, or right; (iv) asserting any right of setoff subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtor, the Reorganized Debtor or any of their Assets on account of any such Claim debt, liability, or right; and (v) commencing or continuing any action in any manner, in anyplace that does not comply with or is inconsistent with the provisions of this Plan or the Confirmation Order. Such injunction shall extend to any successor of the Debtor, the Reorganized Debtor and any of their Assets. Any entity injured by a willful violation of such injunction shall recover actual damages, including costs and attorneys' and experts' fees and disbursements, and, in appropriate circumstances, may recover punitive damages from the willful violator. Nothing contained herein shall be deemed to discharge or release WFF's claims against

the Guarantors guaranteeing fifty percent of the Lender Debt as the Lender Debt has been amended and modified by this Plan.

D. Preservation of Rights of Action by the Debtor and the Reorganized Debtor

Except as provided in this Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with this Plan, in accordance with section 1123(b) of the Bankruptcy Code and to the fullest extent possible under applicable law, the Reorganized Debtor, shall retain and may enforce, and shall have the sole right to enforce, any claims, demands, rights and Causes of Action that the Debtor or Estate may hold against any Entity, as appropriate. The Reorganized Debtor, and its successors and assigns, may pursue such retained claims, demands, rights or Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtor holding such claims, demands, rights or Causes of Action. Further, the Reorganized Debtor retain their rights to file and pursue, and shall have the sole right to file and pursue any adversary proceedings against any account debtor related to debit balances or deposits owed to the Debtor.

By accepting Distributions pursuant to the Plan, each Holder of an Allowed Claim receiving Distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth herein.

E. Limitation of Liability

Except as expressly set forth in the Plan, on and after the Effective Date, neither the Debtor, nor its successors or assigns, including the Reorganized Debtor, nor any of their respective past and present officers, directors, employees, members, agents, representatives, shareholders, attorneys, accountants, financial advisors, investment bankers, lenders, consultants, experts, and Professionals and agents for the foregoing shall have or incur any liability for, and

are expressly exculpated and released from, any claim (as defined in section 101(5) of the Bankruptcy Code) of any past or present actions taken or omitted to be taken under or in connection with, related to, effecting, or arising out of the following: (i) the Debtor's and/or Reorganized Debtor operations after the Petition Date; (ii) this Chapter 11 Case; (iii) the post-petition administration of the Debtor's Cash, Assets, and real and personal property; (iv) the pursuit of Confirmation; (v) the formulation, preparation, dissemination, implementation, administration, confirmation, or achieving the Effective Date of the Plan and the Disclosure Statement; (vi) the sale and liquidation of the Assets (including the prosecution of Causes of Action), or the property to be distributed under the Plan; (vii) any other act taken or omitted to be taken in connection with the Debtor's business after the Petition Date; or (viii) any contract, instrument, release, or other agreement entered into or created in connection with the foregoing; except only for actions or omissions to act to the extent determined by a court of competent jurisdiction (in a Final Order) to be by reason of such party's gross negligence, willful misconduct, ultra vires acts, or fraud, and in all respects, such party shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

F. Release of Liens

Except as otherwise expressly provided in this Plan or in any contract, instrument, indenture or other agreement or document expressly incorporated by reference in this Plan, upon the occurrence of the Effective Date, the Confirmation Order shall release any and all Liens other than as otherwise provided in this Plan; *provided, however*, that this provision *shall not* prevent Liens from attaching to the Reorganized Debtor's Assets as provided for by this Plan.

G. Terms of Existing Injunctions or Stays

Unless otherwise provided herein, all injunctions or stays provided for in this Chapter 11 Case pursuant to sections 105, 362 or 525 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date. The Plan and Confirmation Order will permanently enjoin the commencement or prosecution by any Entity, whether directly, derivatively or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released or enjoined pursuant to the Plan.

ARTICLE XII

RETENTION OF JURISDICTION

Notwithstanding entry of the Confirmation Order or the Effective Date having occurred, this Chapter 11 Case having been closed, or Final Decree having been entered, the Bankruptcy Court shall have jurisdiction of matters arising out of, and related to this Chapter 11 Case and the Plan under, and for the purposes of, sections 105(a), 1127, 1142 and 1144 of the Bankruptcy Code and for, among other things, the following purposes:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or status of any Claim, including the resolution of any request for payment of any Administrative Claim or Priority Tax Claim and the resolution of any and all objections to the allowance or priority of Claims;
2. grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date;

3. resolve any matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which the Debtor may be liable and to hear, determine and, if necessary, liquidate, any Claims arising therefrom;

4. ensure that Distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan, including ruling on any motion or objection Filed pursuant to the Plan;

5. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving any or all of the Debtor or their affiliates, directors, employees, agents or Professionals that may be pending on the Effective Date;

6. enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan or the Disclosure Statement;

7. resolve any cases, controversies, suits or disputes that may arise in connection with achieving the Effective Date, interpretation or enforcement of the Plan, or any Entity's obligations incurred in connection with the Plan, including, among other things, any avoidance actions or subordination actions under sections 510, 544, 545, 547, 548, 549, 550, 551, and 553 of the Bankruptcy Code;

8. issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with achieving the Effective Date or enforcement of the Plan, except as otherwise provided herein;

9. resolve any cases, controversies, suits or disputes with respect to the releases, injunction and other provisions contained in Article XI and enter such orders as may be necessary or appropriate to implement such releases, injunction and other provisions;

10. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

11. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan or the Disclosure Statement;

12. enter an order and/or Final Decree concluding this Chapter 11 Case;

13. to consider any modification of the Plan under section 1127 of the Bankruptcy Code and/or modification of the Plan before “substantial consummation” as defined in section 1101(2) of the Bankruptcy Code;

14. to protect the property of the Estate from adverse Claims or interference inconsistent with the Plan, including to hear actions to quiet or otherwise clear title to such property based upon the terms and provisions of the Plan, or to determine a Debtor’s exclusive ownership of claims and Causes of Action retained or otherwise dealt with under the Plan;

15. to hear and determine matters pertaining to abandonment of property of the Estate;

16. to consider any modifications of the Plan, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

17. to interpret, enforce and address any and all issues relating to any Orders, including without limitation all sale orders entered in this Chapter 11 Case pursuant to section 363 of the Bankruptcy Code, previously entered in this Chapter 11 Case to the extent such Orders are not superseded or inconsistent with the Plan;

18. to recover all Assets of Debtor and property of the Estate wherever located;

19. to hear and determine matters concerning state, local, and federal taxes in accordance with sections 345, 505, and 1146 of the Bankruptcy Code.

20. to hear and act on any other matter not inconsistent with the Bankruptcy Code;

21. to consider and act on the compromise and settlement of any litigation, Claim against or cause of action on behalf of the Estate; and

22. to interpret and enforce the injunctions contained in the Confirmation Order and Plan.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

A. Payment of Statutory Fees

All fees payable pursuant to 28 U.S.C § 1930 as determined by the Bankruptcy Court at the hearing pursuant to section 1128 of the Bankruptcy Code, shall be paid on or before the Effective Date. The Reorganized Debtor shall pay all statutory fees due and payable, under 28 U.S.C § 1930, plus accrued interest under 31 U.S.C. § 3717, on all disbursements, including Plan payments and disbursements inside and outside of the ordinary course of business, until the entry of a final decree, dismissal or conversion of the case to Chapter 7.

B. Modification of Plan

The Debtor reserves to itself, in accordance with the Bankruptcy Code, the right to amend or modify the Plan prior to the entry of the Confirmation Order. However, in certain instances, the Bankruptcy Court may require a new disclosure statement and/or revoking the Plan.

Prior to entry of the Confirmation Order, the Plan may only be modified by the Debtor. After the entry of the Confirmation Order, Reorganized Debtor may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan, if (a) the Plan has not been substantially consummated and (b) the Bankruptcy Court authorizes the proposed modifications after notice and a hearing.

C. Revocation of Plan

The Debtor reserves the right, to the extent provided under the Bankruptcy Code, to withdraw the Plan at any time before substantial consummation of the Plan if any of the following events occur: (a) the Confirmation Order is not entered by **July 1, 2011**; (b) the Effective Date does not occur by **August 1, 2011**; (c) the Effective Date of the Plan is not substantially achieved by **August 1, 2011**; or (d) the Confirmation Order is reversed or revoked, then, in each case at the option of Debtor, the Plan shall be deemed null and void. In any of those events, nothing contained in the Plan shall be deemed to constitute a waiver of any claim by the Debtor to prejudice in any manner the rights of the Debtor in any further proceedings involving the Debtor.

D. Successors and Assigns

The rights, benefits and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign of such Entity.

E. Reservation of Rights

Except as expressly set forth herein, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. The filing of the Plan, the statements or provisions contained therein, or the taking of any action by the Debtor with respect to the Plan shall not be, or shall not be deemed to be, an admission or waiver of any rights of the Debtor with respect to Claims prior to the Effective Date.

F. Post-Confirmation Effectiveness of Proofs of Claims

Proofs of Claims shall, upon the Effective Date, represent only the right to participate in the Distributions contemplated by the Plan (to the extent the claims set forth in such Proofs of Claims are Allowed) and otherwise shall have no further force or effect.

G. Term of Injunctions or Stays

Unless otherwise provided, all injunctions or stays provided for in this Chapter 11 Case under sections 105 and 362 of the Bankruptcy Code or otherwise in effect on the Confirmation Date shall remain in full force and effect until the Effective Date.

H. Further Assurances

Debtor, Reorganized Debtor and all Holders of Claims receiving Distributions under the Plan and all other parties in interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

I. Entire Agreement

The Plan supersedes all prior discussions, understandings, agreements, and documents pertaining or relating to any subject matter of the Plan.

J. Failure of Bankruptcy Court to Exercise Jurisdiction

If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction, or is otherwise without jurisdiction over any matter arising out of this Chapter 11 Case, including any of the matters set forth in the Plan, the Plan shall not prohibit or limit the exercise of jurisdiction by any other court of competent jurisdiction with respect to such matter.

K. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), the internal laws of the State of New York shall govern the construction and implementation of the Plan and any agreements, documents, and instruments executed in connection with the Plan, without regard to the conflict of laws provisions of the State of New York.

L. Headings

The headings used in the Plan are inserted for convenience only and neither constitute a portion of the Plan nor in any manner shall affect the provisions or interpretation(s) of the Plan.

M. Notices

Any pleading, notice or other document required by the Plan to be served on or delivered to Debtor shall be sent by first class U.S. mail, postage prepaid to:

To Debtor:

20 Bayard Views, LLC
c/o Martin Ehrenfeld
580 Fifth Avenue, Suite 501
New York, NY 10036

With copies to:

Porzio, Bromberg & Newman, P.C.
100 Southgate Parkway
Morristown, NJ 07962
Attn: John S. Mairo
Michael J. Naporano
Counsel for the Debtor

N. Filing of Additional Documents

On or before the Effective Date, Debtor may File such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

O. Enforceability

Should any provision in the Plan be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of the Plan.

P. Severability

The provisions of the Plan shall not be severable unless such severance is agreed to by the Debtor, and such severance would constitute a permissible modification of the Plan pursuant to section 1127 of the Bankruptcy Code.

Q. Notice of Default under the Plan

Unless otherwise agreed, no default shall be declared under the Plan unless any payment or performance due under the Plan (other than a payment required on the Effective Date) shall not have been made or deemed made thirty (30) calendar days after written notice of the default is received by Debtor and Reorganized Debtor. Any notice of default as provided for in the Plan or in any exhibit to the Disclosure Statement shall (a) conspicuously state that it is a notice of default; (b) describe with particularity the nature of the default, including a reference to the specific provisions of the Plan as to which a default or defaults have allegedly occurred; and (c)

describe any action required to cure the default, including the exact amount of any payment required to cure such default, if applicable.

R. Investments

Reorganized Debtor shall be permitted from time to time to invest all or a portion of the Cash contained in any of the Reserve Funds in securities issued or directly guaranteed by the United States government or any agency thereof, commercial paper of corporations rated at least “A-1” by Standard & Poor’s Corporation or rated at least “P-1” by Moody’s Investor Services, Inc., interest bearing certificates of deposit, time deposits, bankers’ acceptances and overnight bank deposits, and repurchase agreements.

S. Reliance

The Reorganized Debtor and its respective agents, employees and professionals, while acting in their capacity as such, including but not limited to, objecting to Claims, making Distributions to Creditors holding allowed Claims and approving settlement of actions, as the case may be, shall be permitted to reasonably rely on any certificates, sworn statements, instruments, reports, claim dockets, schedules, or other documents reasonably believed to be genuine and to have been prepared or presented by the Bankruptcy Court Clerk’s Office, the Debtor, and the Debtor’s professionals.

Dated: _____, 2011

20 Bayard Views, LLC

By: /s/ Martin Ehrenfeld
Name: Martin Ehrenfeld
Title: Restructuring Officer

Schedule 1

1. 20 Bayard Views, LLC, as Seller, to Fabio Lazoski Fonseca, as purchaser, for Condo Unit PHB at 20 Bayard Street, Brooklyn, New York.

Exhibit A

[Bank Letterhead]

IRREVOCABLE STANDBY LETTER OF CREDIT

LETTER OF CREDIT NO. _____

DATE OF ISSUANCE: _____

EXPIRY DATE: _____

Beneficiary:
W. Financial Fund, LP

Account Party:
Jack Weingarten

Dear sirs:

We hereby establish our Irrevocable Standby Letter of Credit in favor of you, W. Financial Fund, LP (the “Beneficiary”), at the request of and for the account of Jack Weingarten (the “Account Party”), for [_____] United States Dollars (\$ _____ .00), available to the you at sight upon demand at our counters at [_____] on or before the Expiry Date (as defined below) against presentation to us of the following written statements, dated and signed by a representative of the Beneficiary:

“I certify that the Account Party has failed to make a principal payment (“Unpaid Amount”) owed pursuant to Article III, paragraph A.2.b(ii) of the Debtor’s Modified/Amended Plan of Reorganization, and Order confirming same, and such Unpaid Amount remains unpaid at the time of drawing hereunder. Wherefore, the undersigned does hereby demand payment of [Insert Amount in Words] United States Dollars (\$ [Insert Amount in Numbers]) under the Letter of Credit.”²

This Letter of Credit shall expire at our counters on [_____] at 5:00 pm (New York City time) (the “Expiry Date”).

Partial and multiple drawings are permitted hereunder.

The amount which may be drawn by you under this Letter of Credit shall be automatically reduced by the amount of any drawings by you under this Letter of Credit.

All costs and banking charges pertaining to this Letter of Credit are for the account of the Account Party. Failure of the Account Party to pay any such amounts shall not affect your rights to make drawings under this Letter of Credit.

² Drawing cover letter must include wire instructions to WFF’s account.

We hereby agree with you that draw requests presented under and in compliance with the terms of this Letter of Credit shall be duly honored and paid in immediately available funds as specified herein.

If demand for payment is made by you hereunder on a Business Day on or prior to 4:00 pm, New York City time, and your drawing certificate conforms to the terms and conditions hereof, payment shall be made to you on the next immediately succeeding Business Day. If demand for payment is made by you hereunder on a Business Day after 4:00 pm, New York City time, and your drawing certificate conforms to the terms and conditions hereof, payment shall be made to you on the second immediately succeeding Business Day. As used herein the term "Business Day" means (a) a day on which we (at our above address) are open for the purpose of conducting a commercial banking business and (b) a day on which banking institutions in New York, New York, generally are open for the purpose of conducting a commercial banking business.

Any notice, demand, draw request or other communication hereunder shall be delivered by hand, by nationally recognized overnight courier, by telex or by telecopier to:

Attention: _____
Telecopier No.: _____

This Letter of Credit shall be governed by and construed in accordance with the law of the State of New York, including Article 5 of the Uniform Commercial Code as in effect in that State.

(DATE)

Lender Signature

Printed name of
Signatory:

Bank Contact Information (Bank address, contact person and telephone #)

EXHIBIT B

PROJECTIONS

The Projections (as defined below) were prepared by the Debtor's management and are based on the accompanying assumptions. The Projections present, to the best of the Debtor's knowledge, information and belief, the expected results of operations and cash flows of the Debtor for the applicable periods. Accordingly, these Projections reflect the Debtor's reasonable judgment and estimation as of the date of this Disclosure Statement, of expected future operating conditions and future business decisions, which are subject to change. The assumptions disclosed herein are those that the Debtor believes are significant to the Projections.

The Debtor does not intend to revise the Projections to reflect circumstances existing after the date of this Disclosure Statement or to reflect the occurrence of unanticipated events. The Debtor assumes no responsibility to advise users of the Projections about any subsequent changes.

THE DEBTOR CAUTIONS THAT NO REPRESENTATION CAN BE MADE AS TO THE ACCURACY OF THE PROJECTED FINANCIAL INFORMATION CONTAINED HEREIN (THE "PROJECTIONS") OR THE DEBTOR'S ABILITY TO ACHIEVE THE PROJECTED RESULTS. MANY OF THE ASSUMPTIONS UPON WHICH THESE PROJECTIONS ARE BASED ARE NOT DIRECTLY DERIVED FROM HISTORICAL RESULTS AND ARE SUBJECT TO SIGNIFICANT ECONOMIC AND COMPETITIVE UNCERTAINTIES. IT IS LIKELY THAT SOME ASSUMPTIONS WILL NOT MATERIALIZE BECAUSE OF UNANTICIPATED EVENTS AND CIRCUMSTANCES. ACCORDINGLY, THE ACTUAL RESULTS ACHIEVED THROUGHOUT THE PROJECTION PERIOD ARE LIKELY TO VARY FROM THE PROJECTED RESULTS. THE VARIATIONS MAY BE MATERIAL AND ADVERSE.

ALTHOUGH THE DEBTOR BELIEVES THAT THE ASSUMPTIONS UNDERLYING THE PROJECTIONS, WHEN CONSIDERED ON AN OVERALL BASIS, ARE REASONABLE IN LIGHT OF CURRENT CIRCUMSTANCES, NO ASSURANCE CAN BE GIVEN THAT THE ASSUMPTIONS WILL PROVE TO BE ACCURATE OR THAT THE PROJECTIONS WILL BE REALIZED. THE DEBTOR URGES HOLDERS OF CLAIMS AND EQUITY INTERESTS TO CONSIDER CAREFULLY THE UNDERLYING ASSUMPTIONS IN EVALUATING THE PLAN. THE PROJECTIONS HAVE NOT BEEN SUBJECT TO ANY REVIEW, COMPILATION, OR AUDIT BY ANY INDEPENDENT ACCOUNTING FIRM.

The Debtor has developed the Projections (summarized below) to assist holders of Claims and Equity Interests in evaluating the Plan and analyzing its feasibility. **THE PROJECTIONS ARE BASED UPON A NUMBER OF SIGNIFICANT ASSUMPTIONS DESCRIBED BELOW. ACTUAL OPERATING RESULTS AND CASH FLOWS MAY AND LIKELY WILL VARY FROM THOSE PROJECTED.**

1. The Projections present the expected financial statements of the Debtor on an annual basis.
2. Plan Terms and Confirmation. The Projections assume an Effective Date of July 1, 2011. If the Effective Date does not occur on or about July 1, 2011, operating results and values would vary from those projected.
3. Assumptions Preceding the Confirmation Date. As a basis for the Projections, management has estimated the operating results for the period of time leading up to the Effective Date. Specifically, it has been assumed that for the duration of the Chapter 11 case, the Debtor's results of operations and other funding requirements will remain consistent with recent performance.
4. General Economic Conditions. The Projections were prepared assuming that economic conditions during the Projection period in the markets served by the Debtor do not differ significantly or deteriorate from current economic conditions.
5. Rental Income. Rental income consists of rent collections from unsold units. The Projections assume there are 37 rental units at the beginning of the period. An annual 3% increase in rents is assumed commencing in year 3. In addition, there is a 10% vacancy factor throughout the period.
6. Gross proceeds – sale of units. The Projections assume that the Debtor will sell condo units over the projection period. Gross sale price per unit is assumed to be \$675/square foot, \$800,000/unit with a 3% increase in sale price commencing in year 3.
7. Condo fees. The Projections assume that during the period the condominium fees for common charges due to the condominium association will increase by 2% a year.
8. Management Fees. The projections assume a 2% management fee based upon rental income.
9. Maintenance & reserve. The maintenance and reserve is assumed to be \$1,500 per rental unit and will increase by 2% a year commencing in year 3.
10. Brokers commissions & sales expenses. Broker commissions and sales expense relate to the sale of the condo units. Sale commissions are assumed to be 5%, with an additional 2.5% for marketing and other related costs and contingencies and \$1,500 per unit legal fees. Legal fees increase by 3% a year commencing in year 3.
11. Interest Expense. The projected interest rate is assumed to be 6.5% for the secured claim of W Financial and 0% for the mechanic lien holders. Up to the effective date, interest due on the W Financial loan accrued at a 24% annual rate less all payments made during the bankruptcy.
12. Allocation of proceeds - condo unit sales. The net cash proceeds from the sale of condo units will be distributed 95% to W Financial with the balance to be retained by the Reorganized Debtor.
13. Mechanics Liens. Mechanic lien holder claims will treated as an unsecured claim be paid out over a three year period commencing in year 2. Mechanic lien claims are estimated at \$373,000.
14. Unsecured claims. Pre-petition unsecured claims will be paid at 15% over a 3 year period commencing in year 2. The unsecured claims pool is \$1,106,000 comprised of unsecured pre petition claims of \$733,000 plus \$373,000 of

mechanic claims.

15. Excess Cash Flow. Excess cash flows will be paid to W Financial.

16. Special Note Regarding Forward Looking Statements. Except for historical information, statements contained in the Disclosure Statement and incorporated by reference, including the Projections, may be considered “forward-looking statements” within the meaning of federal securities laws. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from future results express or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, general economic and business conditions, the competitive environment in which the Debtor operates and will operate, the success or failure of the Debtor in implementing its current business and operational strategies, the ability of the Debtor to maintain and improve its revenues and margins, and the liquidity of the Debtor on a cash flow basis.

SUMMARY

	<u>Yr 1</u>	<u>Yr 2</u>	<u>Yr 3</u>	<u>Yr 4</u>	<u>Yr 5</u>	
Beginning Secured Claim Balance	\$20,575,000	\$19,874,037	\$17,070,183	\$12,738,230	\$7,532,665	
Sales of Condo - # of Units	1	4	6	7	9	
Net Proceeds from Sale of Units	700,963	2,803,853	4,331,953	5,205,564	6,893,654	
Secured Claim Balance	19,874,037	17,070,183	12,738,230	7,532,666	639,011	
Payment Plan - Net Cash Flows (NCF)						
NCF from Rental Units	1,052,310	1,009,501	901,485	730,388	503,325	
Interest Payment to W Financial	1,337,375	1,291,812	1,109,562	827,985	489,623	
Net Cash Flow from Rental Operations	(285,065)	(282,312)	(208,077)	(97,597)	13,701	
Payment to WFF	-	-	-	-	-	
Unsecured Claims Payment	-	(55,300)	(55,300)	(55,300)	-	
Excess (shortfall)	(285,065)	(337,612)	(263,377)	(152,897)	13,701	
Debtors 5% cash retention from sale of units	36,893	147,571	227,998	152,897		
Cash Interest Reserve	248,172	190,041	35,379			
Final Payment to Secured Lender					625,310	
Ending Secured Claim Balance	\$19,874,037	\$17,070,183	\$12,738,230	\$7,532,665	(\$0)	
Net Proceeds from Sales						
Secured - W Financial	95%	700,963	2,803,853	4,331,953	5,205,564	6,893,654
Reorganized Debtor	5%	36,893	147,571	227,998	273,977	362,824
Total Net Sales Proceeds		737,856	2,951,425	4,559,951	5,479,541	7,256,478

PROJECTED INCOME STATEMENTS

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Rental Units	35	31	25	18	9
Condo Unit Sales	1	4	6	7	9
Revenues					
Rental Income	\$1,498,014	\$1,412,413	\$1,234,364	\$976,249	\$631,384
Gross Proceeds -Sale of Units	799,304	3,197,216	4,939,698	5,935,871	7,860,789
Total Revenues	2,297,318	4,609,629	6,174,062	6,912,120	8,492,173
Expenses					
Condo Fees	363,243	328,164	269,942	198,245	101,105
Management Fees	29,960	28,248	24,687	19,525	12,628
Maintenance & Reserve	52,500	46,500	38,250	28,091	14,326
Brokers Commissions & Sales Expenses	61,448	245,791	379,747	456,330	604,311
Total Expenses	507,151	648,704	712,626	702,191	732,370
Cash Flows Before Debt Service	1,790,167	3,960,925	5,461,436	6,209,930	7,759,803
Interest Expense					
W Financial	1,337,375	1,291,812	1,109,562	827,985	489,623
Interest Expense	1,337,375	1,291,812	1,109,562	827,985	489,623
Earnings Before Amortization	452,792	2,669,113	4,351,874	5,381,945	7,270,179
Amortization of Sold Units	608,056	2,432,222	3,648,333	4,256,389	5,472,500
Net Income	(\$155,264)	\$236,891	\$703,540	\$1,125,556	\$1,797,679

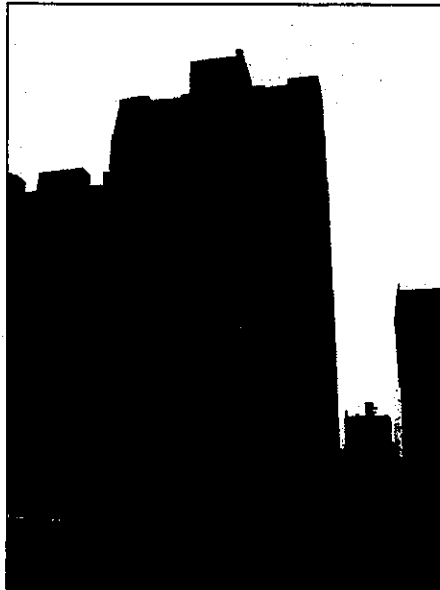
PROJECTED STATEMENTS OF CASH FLOWS

	<u>Yr 1</u>	<u>Yr 2</u>	<u>Yr 3</u>	<u>Yr 4</u>	<u>Yr 5</u>
Net Income	(\$155,264)	\$236,891	\$703,540	\$1,125,556	\$1,797,679
Adjustments to reconcile net income (loss) to cash provide by (used in) operating activities:					
Amortization	608,056	2,432,222	3,648,333	4,256,389	5,472,500
Net (increase) decrease in accounts receivable	3,020	856	1,780	2,581	3,449
Net (increase) decrease Interest Reserve	248,172	190,041	35,379	-	-
Net cash provided by (used in) operating activities	703,983	2,860,009	4,389,034	5,384,526	7,273,628
Cash flows from financing activities					
Payments to Secured Lender	(700,963)	(2,803,853)	(4,331,953)	(5,205,564)	(6,907,355)
Payments to Unsecured Creditors	-	(55,300)	(55,300)	(55,300)	-
Net cash provided (used in) financing activities	(700,963)	(2,859,153)	(4,387,253)	(5,260,864)	(6,907,355)
Net Cash Flow	3,020	856	1,780	123,662	366,273
Cash, beginning of period	-	3,020	3,876	5,656	129,318
Cash, end of period	\$3,020	\$3,876	\$5,656	\$129,318	\$495,590

EXHIBIT C

SELF-CONTAINED APPRAISAL REPORT

MARKET VALUATION ANALYSIS/BANKRUPTCY PROCEEDING
THE UNSOLD APARTMENTS AT
20 BAYARD STREET
BROOKLYN, NEW YORK 11211
FILE NO. 10-035



DATE OF VALUATION
MARCH 4, 2010

PREPARED FOR
20 BAYARD VIEWS, LLC (DEBTOR)
C/O MARTIN EHRENFELD
580 FIFTH AVENUE; SUITE 501
NEW YORK, NEW YORK 10036
CASE NO.: 09-50723 (ESS)

PREPARED BY
R.D. GERONIMO LTD
158 THIRD STREET
MINEOLA, NY 11501

R.D. GERONIMO LTD.
REAL ESTATE ADVISORY SERVICES

158 Third Street
Mineola, New York 11501-4317
Tel (516) 294-8600 • Fax (516) 294-8804
Email: rjd@rdgeronimo.com

Richard J. DiGeronimo
MAI, SRPA, CRA

April 5, 2010

20 Bayard Views, LLC
c/o Mr. Martin Ehrenfeld
580 Fifth Avenue, Ste. 501
New York, NY 10036

Re: Market Valuation Analysis/Bankruptcy Proceeding
37 Unsold Apartments at 20 Bayard Street
Brooklyn, New York 11211
File No. 10-035
Case No.: 09-50723 (ESS)

Dear Mr. Ehrenfeld:

The undersigned have inspected and prepared the following appraisal report on the above captioned property, consisting of 37 unsold condominium units and 40 unsold parking spaces at 20 Bayard Street, Brooklyn, New York (a.k.a. Bayard Views Condominium). The purpose of this report is to estimate the "As Is" Market Value of the subject property for bankruptcy proceedings under its highest and best use assumption.

The subject property consists of a 17-story plus penthouse and basement level luxury condominium apartment building constructed in 2006/07 with a total of 62 residential apartments, 46 outdoor parking space and 24 storage units. The improvement contains 82,265± square feet of gross building area and 65,643± square feet of Net Rentable/Saleable. Amenities at the property include 24 hour doorman, a free fitness center, children's playroom, a private garden, common rooftop terrace, on-site parking and on-site storage units. The apartments are finished in marble kitchen counter tops, high end stainless steel appliances, granite tile bathroom floors, custom made wood cabinets, wood flooring and floor to ceiling windows. As the tallest building located around McCarren Park, the property offers scenic views of Manhattan and Williamsburg and a well sought after public amenity.

At the time of inspection, March 4, 2010, the subject consisted of 37 unsold condominium units totaling 43,820± square feet of Net Rentable/Saleable Area and 40 unsold outdoor parking spaces. Specific unit allocations of the unsold units include eleven (11) luxury one-bedroom units, eight (8) luxury two-bedroom units and eighteen (18) luxury three-bedroom units. Each of the unsold units is rented with the exception of two apartments that are currently vacant (units 8C and PHB).

The subject building is situated on an irregular-shaped thru-block site having a combined lot area of 31,000± square feet located along the southerly side of Bayard Street and the northerly side of Richardson Street, between Union Avenue and Lorimer Street in the Williamsburg section of Brooklyn, directly south of McCarren Park. The site is located within a M1-2/R6A Zoning District with an as-of-right Residential FAR of 3.0. A more detailed zoning description is provided in the "Zoning Regulations" section of this report.

20 Bayard Views, LLC
c/o Mr. Martin Ehrenfeld
March 8, 2010
Page 2

The purpose of this valuation analysis is to estimate the "As Is" Market Value of the remaining 37 unsold condominium units and 40 unsold parking spaces located at the subject property under its Highest and Best Use. The Market Value estimate is based on a conservative 60-month Condominium "Gross Sellout" assumption and the in-place revenue stream generated by the units as they are sold out over the projected absorption period. The Income Approach was also not utilized as the property was appraised based on its Highest and Best Use, which clearly lies in the direction of its initial condominium offering plan and actual sale of 25 units. The interim rental use of the remaining unsold use is reflective of prevailing market conditions, reduced pricing indices and the stigma of the actual bankruptcy proceeding. The Cost Approach was not utilized as the units being appraised are part of a larger property and allocating the various development costs will not result in a reliable value conclusion, nor is it applicable due to the fractional interest under valuation.

The Highest and Best Use of the site is its current, condominium apartment building utilization, which is evident by its actual sales history. This conclusion is partially predicated on the site's location, surrounding land uses, land-use density, submitted development costs, overall return/profitability, and the stable long-term outlook for the area's residential housing market in conjunction with neighborhood land use trends over the long term. Under an interim use, the property is also suited for a rental apartment use until market or new sale conditions stabilize.

The presented analyses, opinions, and conclusions are subject to the reported underlying Assumptions and Limiting Conditions based on our knowledge of the area, past and present advisory experiences, and certain detailed information as submitted by the client and other interested and related sources deemed reliable.

This analysis considers, and is based on the following relevant factors which may have an effect on the value of real estate including, but not limited to, area and population demographics, market-abstracted supply and demand indices, relevant absorption and economic trends, comparable condominium sales data, projected rental data, physical property and construction characteristics, published indices, and projected operating information.

Based upon a physical inspection of the subject asset, its recent condominium development, as well as our discussions with the project manager and other knowledgeable real estate professionals, the following Market Value conclusion is indicated:

"AS IS" MARKET VALUE – AS OF MARCH 4, 2010
TWENTY-ONE MILLION EIGHT HUNDRED NINETY THOUSAND DOLLARS
(\$21,890,000)

The preceding value allocation is based on market-derived findings, client-supplied information, and independent value conclusions as allocated for each of the subject's contributing value components. These include the subject's actual and forecasted revenue stream and resulting net operating income and market-derived unit pricing for the condominium project in correlating a gross sellout and net present value forecast. Each of these contributing value components form an integral part of the overall valuation process. Should any of these contributing value components be altered or omitted, a change in value would most likely occur necessitating a re-valuation of the subject asset.

The indicated value conclusion is further based upon an analysis of the information contained in this appraisal report, which is subject to the Limiting Conditions and Certifications set forth. We have assumed a five (5) year sellout period to capitalize on the forecasted market recovery over the next 2-5 year period.

20 Bayard Views, LLC
c/o Mr. Martin Ehrenfeld
March 8, 2010
Page 3

SUMMARY OF PROJECT'S PRO'S & CON'S

PRO'S

- 421-a tax benefits provides lower carrying/occupancy costs
- On-site parking is considered to enhance the overall marketability of the subject asset
- Twenty-five (25) of the subject units have sold
- Thirty-five (35) of the unsold units are currently rented
- Twenty (20) parking spaces are leased to Zipcar Inc.
- Close proximity to subway stations and other public transportation
- Easy access to the Brooklyn Queens Expressway
- New developments within the immediate area support projected price levels and Highest & Best Use
- Favorable residential setting and nearby amenities (McCarren Park and Pool) resulting in limited competition
- Layout and finishes are of excellent quality and design with a diversified unit mix and unit sizes
- Scenic views of Manhattan and Williamsburg landscape
- The current R6B zoning would restrict a development of the subject's size, height and density.
- Unobstructed views and natural light along the front and rear facades
- Small project size, 62 luxury units with a high ratio of two & three-bedroom units

CON'S

- Credit crunch and possible higher interest/carrying costs due to prevailing market conditions
- Limited marketability due to stigma of ongoing bankruptcy proceeding
- Possible over-supply in the subject's neighborhood which may prolong marketing/absorption period
- Tighter lending standards and credit underwriting

Based on the present status of the subject property and prevailing market trends, a projected marketing period of 60 months is forecasted in achieving the projected Gross Sellout.

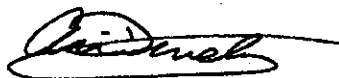
The appraisal analysis, opinions, and conclusions were developed, and this appraisal has been prepared in conformance with all regulations issued by the appropriate regulatory entities regarding the enactment of Title XWE of the Financial Institute Reform, Recovery and Enforcement Act of 1989 (FIRREA). In addition, the appraisal report has been prepared in conformity with the requirements of the Standards of Professional Appraisal Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by The Appraisal Foundation, and with the requirements of the State of New York for State Certified Appraisers.

The following is a Self-Contained Appraisal report that outlines the various methods and procedures of valuation. Should any questions arise regarding the attached report or its reported assumptions and conclusions, please do not hesitate to contact the undersigned.

Respectfully submitted,
R.D. GERONIMO LTD.



Richard J. DiGeronimo
MAI, SRPA, CRA
Certified General Appraiser
New York License No. 46000008238



Ari Dirielyan
Certified General Appraiser
New York License No. 46000045710

MARKET VALUATION SUMMARY

Market Valuation Summary			
20 Bayard Street Brooklyn, New York 10-035 March 4, 2010			
Property Type:	17-Story Plus Penthouse and Cellar Level, Luxury Elevator Condominium Apartment Building		
Land Area (+/- SF):	31,000	Total GLA:	82,265 +/- SF
Block & Lots:	2721/Various	Total GLA of Unsold Units	43,820 +/- SF
Zoning:	M1-2/R6	Average Residential Unit Size (SF):	1,184
As-of-Right FAR:	2.43	No. of Parking Spaces	46
No. of Units:	62	No. of Units Unsold:	40
No. of Units Unsold:	37	Owning Entity:	20 Bayard Views, LLC
Sales Comparison Value Under 5 Year "Gross Sellout & Net Sellout Assumptions"			
Prospective Trended Gross Sellout Value - 37 Unsold Units and 20 Unsold/Unrented Parking Spaces		(rounded)	\$31,570,000
Less:			
Brokerage Fees/Marketing/Transfer Costs		\$1,578,434	
Legal & Professional Fees		\$55,500	
Administrative, Contingencies, etc.		\$789,217	
Total Selling & Carrying Costs		(rounded)	\$2,423,000
Net Proceeds		(rounded)	\$29,147,000
Less: Discounting Effects @	15%	(rounded)	\$10,827,000
Prospective Value Net Sale Discounted		(rounded)	\$18,320,000
\$418 Per SF of GLA (unsold units only, inclusive of parking spaces)			
Net Present Value of Rental Revenue Under a 5 Year Assumption			
Total Effective Gross Income		\$5,600,000	
Total Operating Expenses		<u>\$1,416,000</u>	
Net Operating Income (5 year projection)		\$4,184,000	
Less: Discounting Effects @	10%		
Discounted Net Operating Income		(rounded)	\$3,010,000
Plus: Zip Parking Revenues		\$72,000	
Residual Rental Value @ 8%		\$900,000	
Less: Discounting Effects of 5 yrs @ 10%		\$560,000	
Present Value of Zip Parking Revenues		(rounded)	\$560,000
"As Is" Market Value			
Prospective Value Net Sale Discounted		\$18,320,000	
Discounted Net Operating Income		\$3,010,000	
Present Value of Zip Parking Revenues		<u>\$560,000</u>	
Current "As Is" Market Value		(rounded)	\$21,890,000

INTERIM INCOME OF THE SUBJECT UNITS

In the sections that follow, we present the analysis of the interim revenue stream of the subject's unsold units as they are being absorbed over the 60 month sellout period. Our annual rent is based on the current actual rent roll with market rents applied to the two vacant units (8C & PHB). The subject's actual rents were kept flat for the first two years and increased at 3% thereafter. A 10% concession, vacancy and collection loss allowance was deducted from the potential gross income in arriving at our Effective Gross Income projection.

Expenses include the annual maintenance fee as reported by the condominium offering plan, actual real estate taxes inclusive of the 421-A benefits in the amount of \$257/unit, a maintenance and reserves expense of \$1,500 per unit and an asset management fee of 2% of the Effective Gross Income. The projected expenses were increased at 3% per year over the forecasted sellout period, with the exception of the asset management fee. The total operating expense forecast equates to \$1,416,000, which resulted in a net operating income projection over the five-year sellout period of \$4,184,000 prior to discounting. We then applied a 10% discount factor to the yearly net revenue forecast, which took into consideration the investment risk associated with the leased units.

<u>Market Indices (National Survey)</u>		<u>Yield Rate (IRR)</u>
Korpacz National Apartment Market	1st Qtr. 2010	10.17%
		6.50% - 14.00%
Real Estate Research Corporation	4th Qtr. 2009	9.10%
		7.00% - 11.00%
RealtyRates.com - Apartments - All Types	1st Qtr. 2010	12.20%
		7.05% - 16.45%
Viewpoint - Suburban Multi-Family	2010	8.00%
Viewpoint - Urban Multi-Family	2010	8.00%

The overall discounting process resulted in a total net discount ratio of 28% or \$1,174,000. Our analysis indicates a Discounted Net Operating Income of **\$3,010,000**, which is presented on the following page

Our Discounted Net Operating Forecast did not take into consideration the 20 leased ZIP parking spaces at the subject which has annual reported revenue of \$72,000. In order to account for the added value of the parking lease agreement over our projected 5 year sellout period we capitalized the annual income of \$72,000 by a residual capitalization rate of 8% then discounted the residual value by our 10% discount factor. The resulting discounted value of the ZIP lease is \$560,000 over our 5 year sellout period.

Remaining Zip Parking Revenues	\$72,000
Residual Zip Rental Value @ 8%	\$900,000
Discounted at 10% for 5 Yrs (rd)	\$560,000

PRESENT VALUE SUMMARY

The indicated "As Is" Market Value conclusion consists of three primary value components:

1. Gross Sellout of remaining unsold units discounted to a present value estimate
2. Present Value of Interim Rental Revenue
3. Present Value of Zip Lease Agreement

The sum of these three (3) revenue components resulted in an "As Is" value conclusion of **\$21,890,000**.

FINAL MARKET VALUE CORRELATION & RECONCILIATION

The indicated value conclusion summarized on the preceding page was based on a projected 60 month Condominium "Gross Sellout" assumption and the rental revenue stream generated by the unsold units in the interim as they are sold out over the projected absorption period.

The Sales Comparison Approach was utilized in deriving a "Gross Sellout Market Value" and resulted in a projected unit pricing of \$675 per square foot of Gross Saleable Area or an overall average unit price of \$800,000 as applied to the unsold residential condominium units. Utilizing the trended Gross Sellout value conclusion of \$31,570,000 (inclusive of parking units), we then formulated a projected a Discounted Net Sellout Value. The analysis considered the time, cost and risk involved with the sale of the subject's unsold units and employed a market-derived discount rate of 15%. This analysis resulted in a Discounted Net Sellout Value conclusion of \$18,320,000.

The interim revenue stream of the subject's units as they are being absorbed over the 60 month sellout period resulted in an aggregate Net Operating Income of \$4,184,000, which was then used to formulate a Discounted Net Operating Income forecast. Based on a market-derived discount rate of 10%, the Discounted Net Operating Income total was \$3,010,000.

The Zip annual parking income of \$72,000 was capitalized at 8% and discounted for the 5 year holding period at a discount factor of 10%. This analysis resulted in a Discounted Value conclusion of \$560,000 (rd), as applied to the ZIP rental agreement.

Prospective Net Sellout Value	\$18,320,000
Discounted Net Operating Income	\$3,010,000
Remaining Discounted Zip Parking Revenues	\$560,000
Total As Is Market Value	\$21,890,000

Based upon a physical inspection of the subject asset, its recent condominium development, as well as our discussions with the project manager and other knowledgeable real estate professionals, the following Market Value conclusion is indicated:

"AS IS" MARKET VALUE – AS OF MARCH 4, 2010
TWENTY-ONE MILLION EIGHT HUNDRED NINETY THOUSAND DOLLARS
(\$21,890,000)

The preceding value allocations are based on market-derived findings, client-supplied information, and independent value conclusions as allocated for each of the subject's contributing value components. These include the subject's actual and forecasted revenue stream and resulting net operating income, and market-derived unit pricing for the condominium project in correlating a gross sellout and net present value forecast. Each of these contributing value components form an integral part of the overall valuation process. Should any of these contributing value components be altered or omitted, a change in value would most likely occur necessitating a re-valuation of the subject asset.

EXHIBIT D

LIQUIDATION ANALYSIS

THE DEBTOR'S LIQUIDATION ANALYSIS IS AN ESTIMATE OF THE PROCEEDS THAT MAY BE GENERATED AS A RESULT OF A HYPOTHETICAL CHAPTER 7 LIQUIDATION OF THE DEBTOR AND ITS ASSETS. Underlying the liquidation analysis are a number of estimates and assumptions that are inherently subject to significant economic, competitive and operational uncertainties and contingencies beyond the control of the Debtor or a Chapter 7 trustee. Additionally, various liquidation decisions upon which certain assumptions are based are subject to change. Therefore, there can be no assurance the assumptions and estimates employed in determining the liquidation values of the Debtor's assets will result in the proceeds which would be realized were the Debtor to undergo an actual liquidation. The actual amounts of Claims against the Debtor could vary significantly from the Debtor's estimate, depending on the claims asserted during the pendency of the Chapter 7 liquidation case. This liquidation analysis does not include liabilities that may arise as a result of potential litigation, certain new tax assessments or other potential claims. This analysis does not include potential recoveries from any avoidance actions or adversary proceedings. No value was assigned to additional proceeds which might result from the sale of certain items with intangible value. Therefore, the actual liquidation value of the Debtor could vary materially from the estimates provided herein.

The Liquidation Analysis is based on management assumptions with the assistance of the Debtor's professionals, including J.H. Cohn LLP and R.D. Geronimo Ltd. and assumes that the liquidation of the Debtor would commence under the direction of a Court-appointed Chapter 7 trustee and would continue for 60 days, during which time the Debtor's assets would be sold and the cash proceeds, net of liquidation costs, would be distributed to its secured creditors. The 60 day liquidation period assumes that it would allow for the collection of receivables, sales of real estate assets and the wind-down of daily operations.

THE LIQUIDATION ANALYSIS SET FORTH BELOW WAS BASED ON THE ESTIMATED VALUES OF THE DEBTOR'S ASSETS IMMEDIATELY PRIOR TO THE EFFECTIVE DATE. TO THE EXTENT OPERATIONS THROUGH SUCH DATE ARE DIFFERENT THAN ESTIMATED, THE ASSET VALUES MAY CHANGE. THESE VALUES HAVE NOT BEEN SUBJECT TO ANY REVIEW, COMPILATION OR AUDIT BY ANY INDEPENDENT ACCOUNTING FIRM.

**20 Bayard Views LLC
Liquidation Analysis**

Description	Projected Book Value as of 10/1/2010	Liquidation Proceeds
Cash	\$25,000	\$25,000
Accounts Receivable (net)	18,000	17,100
Prepaid Expenses	3,150	-
Other Current Assets	-	-
Property - Condo Units	21,000,000	16,787,673
Total Assets / Recovery	\$21,046,150	\$16,829,773
Proceeds available for distribution to Chapter 7 Administrative Claims		\$16,829,773
Trustee Fees		528,143
Professional Fees		100,000
Wind-down Costs		50,000
Proceeds Available for Secured Claims		\$16,151,630
W Financial		20,152,500
Mechanics Liens		373,000
Total Secured Claims Recovery		\$16,151,630
Secured Claims		\$20,525,500
Recovery		78.7%
Proceeds Available for Chapter 11 Administrative Expenses		(4,373,870)
Chapter 11 Administrative Claims		\$800,000
Recovery		0.0%
Proceeds Available for Unsecured & Related Party Claims		(5,173,870)
Unsecured & Related Party Claims		\$3,610,866
Recovery		0.0%
Total Proceeds (Deficiency) after Unsecured Claims		(\$8,784,736)
Total Proceeds Available to Members Equity		(\$8,784,736)

Footnotes to Liquidation Analysis

- 1) Date of projected liquidation is October 1, 2010.
 - 2) Sale of Condo Units to be liquidated within 60 days.
 - 3) Trustee fees are 25% of the first \$5K, 10% of the next \$45K, 5% of the next \$950K and 3% of the balance.
 - 4) Professional fees represent fees of attorneys, financial advisors, accountants, appraisers and other professionals retained by the Chapter 7 Trustee.
 - 5) Wind-down costs consist of expenses of maintaining the property, security and general and administrative expenses to be incurred during the Chapter 7 liquidation.
 - 6) W Financial interest accrual is through 10/1/2010 at the stated 12% rate of interest plus default interest at 12% less payments made and projected to be made during the Chapter 11 proceedings.
- For each additional month beyond 10/1/2010 interest would accrue at approximately \$340,000/ month at the stated 12% interest rate plus 12% default rate of interest.