

PRELIMINARY REORGANIZATION PLAN

2010		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	TOTAL
DAYS PER MONTH		31	28	31	30	20	30	31	31	30	31	30	31	354
Weeks per month		4	4	5	4	5	4	4	5	4	4	5	4	52
Income						0.67								
Room Revenue		0	0	0	0	233,333	380,000	650,000	600,000	410,000	380,000	250,000	290,000	3,193,333
Banquet Revenue		0	0	0	0	63,333	90,000	150,000	140,000	100,000	90,000	65,000	75,000	773,333
Currents Café Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
Restaurant Revenue		0	0	0	0	31,667	53,150	65,000	60,000	55,000	51,000	36,000	33,000	384,817
Lounge Revenue		0	0	0	0	15,833	21,500	32,000	28,000	21,000	20,000	12,500	13,500	164,333
Fitness Center Revenue		0	0	0	0	10,667	15,000	15,000	15,000	15,000	15,000	15,000	15,000	115,667
Rent revenue		0	0	0	0	7,333	11,000	17,600	17,500	12,000	11,500	8,500	8,100	93,533
Other Revenue		0	0	0	0	7,000	11,000	16,400	16,000	12,500	12,500	8,000	6,500	89,900
Total Income		0	0	0	0	369,167	581,650	946,000	876,500	625,500	580,000	395,000	441,100	4,814,917
Cost of Goods Sold	32.00%	0	0	0	0	35,467	52,688	79,040	72,960	56,320	51,520	36,320	38,880	423,195
Gross Profit		0	0	0	0	333,700	528,962	866,960	803,540	569,180	528,480	358,680	402,220	4,391,722
Operating Expenses														
Administration	4.0%	0	0	0	0	14,767	23,266	37,840	35,060	25,020	23,200	15,800	17,644	192,597
Fitness Center	0.1%	0	0	0	0	369	582	946	877	626	580	395	441	4,815
Franchise Fees	10.0%	0	0	0	0	23,333	38,000	65,000	60,000	41,000	38,000	25,000	29,000	319,333
Maintenance	2.0%	0	0	0	0	7,383	11,633	18,920	17,530	12,510	11,600	7,900	8,822	96,298
Payroll Wages & Benefits	27.60%	0	0	0	0	120,000	160,000	184,000	230,000	160,000	160,000	175,000	140,000	1,329,000
Payroll Costs	15.00%	0	0	0	0	18,000	24,000	27,600	34,500	24,000	24,000	26,250	21,000	199,350
Payroll Benefits	3.0%	0	0	0	0	3,600	4,800	5,520	6,900	4,800	4,800	5,250	4,200	39,870
Legal		0	0	0	0	5,000	5,000	2,500	2,500	2,500	2,500	2,500	2,500	25,000
Accounting		0	0	0	0	2,500	2,500	1,500	1,500	1,500	1,500	1,500	1,500	14,000
Restaurant/Banquet	2.75%	0	0	0	0	10,152	15,995	26,015	24,104	17,201	15,950	10,863	12,130	132,410
Rooms/Hotel	3.5%	0	0	0	0	12,921	20,358	33,110	30,678	21,893	20,300	13,825	15,439	168,522
Telephone	1.0%	0	0	0	0	3,692	5,817	9,460	8,765	6,255	5,800	3,950	4,411	48,149
Miscellaneous	0.5%	0	0	0	0	1,846	2,908	4,730	4,383	3,128	2,900	1,975	2,206	24,075
Utilities	8.0%	0	0	0	0	29,533	46,532	75,680	70,120	50,040	46,400	31,600	35,288	385,193
Management Fee	3.50%	0	0	0	0	12,921	20,358	33,110	30,678	21,893	20,300	13,825	15,439	168,522
TOTAL OPERATING EXPENSES		0	0	0	0	266,017	381,748	525,931	557,593	392,364	377,830	335,633	310,019	3,147,135
NET ORDINARY INCOME		0	0	0	0	67,683	147,214	341,029	245,947	176,816	150,650	23,048	92,201	1,244,587
OTHER PROPERTY EXPENSES														
RBC Mortgage Interest		0	0	0	0	0	34,740	34,709	34,679	34,648	34,617	34,586	34,555	242,534
HSBC Interest		0	0	0	0	0	746	741	736	731	726	721	715	5,116
First Niagara Interest		0	0	0	0	0	642	640	637	635	633	631	629	4,447
Past Due Property Taxes and Water Bill	168,298	0	0	0	0	0	0	0	0	0	0	0	0	0
Past Due Sales Tax	137,546	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance	160,000	0	0	0	0	0	0	40,000	13,333	13,333	13,333	13,333	13,333	106,667
Current Property Taxes		0	0	0	0	0	0	0	0	0	55,000	0	0	55,000
TOTAL OTHER EXPENSES		0	0	0	0	0	36,128	76,090	49,385	49,347	104,309	49,271	49,232	413,764
NET CASH BEFORE NON OPERATING EXPENSES		0	0	0	0	67,683	111,086	264,939	196,562	127,468	46,341	(26,224)	42,969	830,824
NON OPERATING EXPENSES														
Principal on RBC Mortgage		0	0	0	0	0	5,466	5,497	5,527	5,558	5,589	5,620	5,651	38,905
Additional Payment to RBC	750,000	0	0	0	0	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	10,500
U.S. Trustee Fee		0	0	0	0	0	0	4,333	0	0	6,500	0	0	10,833
Capitalized Leases		0	0	0	0	0	21,287	21,287	21,287	21,287	21,287	21,287	21,287	149,011
Intercontinental	235,814	0	0	0	0	0	6,550	6,550	6,550	6,550	6,550	6,550	6,550	45,853
HSBC Principal		0	0	0	0	0	1,644	1,649	1,654	1,659	1,664	1,669	1,675	11,615
First Niagara Principal		0	0	0	0	0	367	369	372	374	376	378	380	2,619
Business Financial Services Cash Advance	291,221	0	0	0	0	0	1,456	1,456	1,456	1,456	1,456	1,456	1,456	10,193
Unsecured Creditors	536,668	0	0	0	0	0	0	0	0	0	0	0	0	0
HLS and BNZ Loans Payable Unsecured	510,698	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Management Fee Unsecured	145,305	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Improvements	3.00%	0	0	0	0	0	17,450	28,380	26,295	18,765	17,400	11,850	13,233	133,373
Holiday Inn Sign (Relaunch)		0	0	0	0	0	0	0	0	25,000	0	0	0	25,000
FF&E (Relaunch)		0	0	0	0	0	0	0	0	20,000	0	0	0	20,000
Banquet Room Carpet		0	0	0	0	0	0	0	0	15,000	15,000	15,000	15,000	60,000
Soft Goods (Linens/Towels/etc.)		0	0	0	0	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	17,500
Additional Security Deposits		0	0	0	0	5,000	5,000	5,000	5,000	0	0	0	0	20,000
TOTAL NON OPERATING EXPENSES		0	0	0	0	5,000	63,220	78,522	72,142	119,650	79,823	67,811	69,233	555,400
NET CASH BEFORE NEW EQUITY		0	0	0	0	62,683	47,865	186,417	124,420	7,819	(33,482)	(94,035)	(26,264)	341,687
CASH AT BEGINNING OF PERIOD		0	0	0	0	0	102,683	150,548	336,965	461,385	469,204	435,722	341,687	
ADDITIONAL NEW EQUITY		0	0	0	0	40,000	0	0	0	0	0	0	0	0
CASH AT END OF PERIOD		0	0	0	0	102,683	150,548	336,965	461,385	469,204	435,722	341,687	315,423	

PRELIMINARY REORGANIZATION PLAN

2011		Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	TOTAL
DAYS PER MONTH		31	28	31	30	31	30	31	31	30	31	30	31	365
Weeks per month		5	4	4	4	5	4	5	4	4	5	4	4	52
INCOME							3.50%	3.50%	3.50%	3.50%	3.50%	-10.00%	-20.00%	
Room Revenue		170,000	145,000	170,000	230,000	310,000	393,300	672,750	621,000	424,350	393,300	225,000	232,000	3,986,700
Banquet Revenue		50,000	30,000	37,500	64,500	75,000	93,150	155,250	144,900	103,500	93,150	58,500	60,000	965,450
INCOME							3.50%	3.50%	3.50%	3.50%	3.50%	-10.00%	-20.00%	
Restaurant Revenue		25,500	20,000	35,500	40,000	44,000	55,010	67,275	62,100	56,925	52,785	32,400	26,400	517,895
Lounge Revenue		15,000	9,500	18,000	22,000	25,000	22,253	33,120	28,980	20,700	20,700	11,250	10,800	238,338
Fitness Center Revenue		15,000	15,000	15,000	15,000	14,200	14,200	14,200	14,200	14,200	14,200	14,200	14,200	173,600
Rent revenue		3,500	2,500	9,040	6,772	5,500	11,385	18,216	18,113	12,420	11,903	7,650	6,480	113,474
Other Revenue		4,500	2,000	9,500	5,500	5,000	11,385	16,974	12,938	12,938	7,200	7,200	5,200	109,694
TOTAL REVENUE		283,500	224,000	294,540	383,772	478,700	600,683	977,785	905,853	646,068	598,975	356,200	355,080	6,105,155
COGS	32.00%	28,960	19,040	29,120	40,480	46,080	54,532	81,806	75,514	58,291	53,323	32,688	31,104	550,938
GROSS PROFIT		254,540	204,960	265,420	343,292	432,620	546,151	895,979	830,339	587,776	545,652	323,512	323,976	5,554,216
OPERATING EXPENSES						3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Administration	4.0%	11,340	8,960	11,782	15,351	15,210	23,964	38,975	36,112	25,771	23,896	16,274	18,173	245,807
Fitness Center	0.1%	284	224	295	384	380	599	974	903	644	597	407	454	6,145
Franchise Fees	10.0%	17,000	14,500	17,000	23,000	31,000	39,330	67,275	62,100	42,435	39,330	22,500	23,200	398,670
Maintenance	2.0%	5,670	4,480	5,891	7,675	7,605	11,982	19,488	18,056	12,885	11,948	8,137	9,087	122,904
Payroll Wages & Benefits	32.65%	160,000	128,000	136,000	144,000	180,000	164,800	189,520	236,900	164,800	164,800	180,250	144,200	1,993,270
Payroll Costs	15.0%	24,000	19,200	20,400	21,600	27,000	24,720	28,428	35,535	24,720	24,720	27,038	21,630	298,991
Payroll Benefits	3.0%	4,800	3,840	4,080	4,320	5,400	4,944	5,686	7,107	4,944	4,944	5,408	4,326	59,798
Legal		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Accounting		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Restaurant/Banquet	2.75%	7,796	6,160	8,100	10,554	10,457	16,475	26,795	24,827	17,717	16,429	11,188	12,494	168,992
Rooms/Hotel	3.5%	9,923	7,840	10,309	13,432	13,308	20,968	34,103	31,598	22,549	20,909	14,240	15,902	215,081
Telephone	1.0%	2,835	2,240	2,945	3,838	3,802	5,991	9,744	9,028	6,443	5,974	4,069	4,543	61,452
Miscellaneous	0.5%	1,418	1,120	1,473	1,919	1,901	2,995	4,872	4,514	3,221	2,987	2,034	2,272	30,726
Utilities		30,000	40,000	65,000	45,000	30,419	47,928	77,950	72,224	51,541	47,792	32,548	36,347	576,749
Management Fee	3.00%	8,505	6,720	8,836	11,513	14,361	18,020	29,334	27,176	19,382	17,969	10,686	10,652	183,155
TOTAL OPERATING EXPENSES		248,565	200,064	221,774	249,572	299,563	320,269	429,360	470,179	329,630	320,034	295,044	259,781	3,643,835
NET ORDINARY INCOME		5,975	4,896	43,646	93,720	133,057	225,881	466,618	360,160	258,147	225,618	28,468	64,195	1,910,381
OTHER PROPERTY RELATED EXPENSES														
RBC Mortgage Interest		34,523	34,492	34,460	34,428	34,396	34,364	34,331	34,299	34,266	34,233	34,199	34,166	412,157
HSBC Interest		710	705	700	694	689	684	678	673	668	662	657	651	8,171
First Niagara Interest		627	625	623	620	618	616	614	612	609	607	605	603	7,379
Past Due Property Taxes and Water Bill	168,298	0	0	0	0	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	37,400
Past Due Sales Tax	137,546	0	0	0	0	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	30,566
Insurance		13,333	13,333	13,333	13,333	0	0	41,200	13,733	13,733	13,733	13,733	13,733	163,200
Current Property Taxes		0	65,000	0	0	0	0	0	0	0	57,750	0	0	122,750
TOTAL OTHER EXPENSES		49,193	114,155	49,116	49,075	44,199	44,160	85,319	57,813	57,772	115,481	57,690	57,649	781,622
NET CASH BEFORE NON OPERATING EXPENSES		(43,218)	(109,259)	(5,470)	44,644	88,858	181,722	381,300	302,347	200,375	110,137	(29,222)	6,546	1,128,758
NON OPERATING EXPENSES														
Principal on RBC Mortgage		5,683	5,714	5,746	5,778	5,810	5,842	5,875	5,907	5,940	5,973	6,007	6,040	70,310
Additional Payment to RBC	739,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
U.S. Trustee Fee		6,500	0	0	4,875	0	0	4,875	0	0	6,500	0	0	22,750
Capitalized Leases		13,674	13,674	13,674	13,674	13,674	13,674	13,674	13,674	13,674	13,674	13,674	13,674	164,090
Intercontinental	235,814	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	78,605
HSBC Principal		1,680	1,685	1,690	1,696	1,701	1,706	1,712	1,717	1,722	1,728	1,733	1,739	20,510
First Niagara Principal		382	384	386	389	391	393	395	397	400	402	404	406	4,734
Business Financial Services Cash Advance	281,028	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	17,473
Unsecured Creditors	536,668	4,472	4,472	4,472	4,472	4,472	4,472	4,472	4,472	4,472	4,472	4,472	4,472	53,667
HLS and BNZ Loans Payable Unsecured	510,698	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Management Fee Unsecured	145,305	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Improvements	4.00%	11,340	8,960	11,782	15,351	19,148	24,027	39,111	36,234	25,843	23,959	14,248	14,203	244,206
Soft Goods (Linens/Towels/etc.)		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
TOTAL NON OPERATING EXPENSES		55,238	46,396	49,257	57,742	56,703	61,621	81,621	73,908	63,558	68,215	52,045	52,041	718,344
NET CASH BEFORE NEW EQUITY		(98,456)	(155,655)	(54,727)	(13,098)	32,155	120,100	299,678	228,439	136,817	41,922	(81,267)	(45,495)	410,414
CASH AT BEGINNING OF PERIOD		315,423	216,967	61,312	46,585	33,488	65,643	185,743	485,422	713,860	850,677	892,599	811,333	811,333
ADDITIONAL NEW EQUITY		0	0	40,000	0	0	0	0	0	0	0	0	0	0
CASH AT END OF PERIOD		216,967	61,312	46,585	33,488	65,643	185,743	485,422	713,860	850,677	892,599	811,333	765,837	765,837

PRELIMINARY REORGANIZATION PLAN

2012		Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	TOTAL
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DAYS PER MONTH		31	29	31	30	31	30	31	31	30	31	30	31	366
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Weeks per month		5	4	4	5	4	4	5	4	4	5	4	5	53
INCOME		-10.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Room Revenue		153,000	150,800	176,800	239,200	322,400	409,032	699,660	645,840	441,324	409,032	234,000	241,280	4,122,368
Banquet Revenue		45,000	31,200	39,000	67,080	78,000	96,876	161,460	150,696	107,640	96,876	60,840	62,400	997,068
INCOME		-10.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Restaurant Revenue		22,950	20,800	36,920	41,600	45,760	57,211	69,966	64,584	59,202	54,896	33,696	27,456	535,041
Lounge Revenue		13,500	9,880	18,720	22,880	26,000	23,143	34,445	30,139	22,604	21,528	11,700	11,232	245,771
Fitness Center Revenue		15,000	15,000	15,000	15,000	14,000	14,000	14,000	14,000	14,500	14,500	14,500	14,500	174,000
Rent revenue		3,150	2,600	9,402	7,043	5,720	11,840	18,945	18,837	12,917	12,379	7,956	6,739	117,527
Other Revenue		4,050	2,080	9,880	5,720	5,200	11,840	17,653	17,222	13,455	13,455	7,488	5,408	113,452
TOTAL REVENUE		256,650	232,360	305,722	398,523	497,080	623,942	1,016,128	941,319	671,642	622,666	370,180	369,015	6,305,227
COGS	32.00%	26,064	19,802	30,285	42,099	47,923	56,713	85,079	78,534	60,623	55,456	33,996	32,348	568,922
GROSS PROFIT		230,586	212,558	275,437	356,424	449,157	567,229	931,050	862,784	611,019	567,210	336,185	336,667	5,736,305
OPERATING EXPENSES		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Administration		11,680	9,229	12,135	15,811	15,666	24,683	40,144	37,195	26,544	24,613	16,762	18,719	253,181
Fitness Center		292	231	303	395	392	617	1,004	930	664	615	419	468	6,330
Franchise Fees	10.0%	15,300	15,080	17,680	23,920	32,240	40,903	69,966	64,584	44,132	40,903	23,400	24,128	412,237
Maintenance		5,840	4,614	6,068	7,906	7,833	12,341	20,072	18,598	13,272	12,306	8,381	9,359	126,591
Payroll Wages & Benefits	32.56%	164,800	131,840	140,080	148,320	185,400	169,744	195,206	244,007	169,744	169,744	185,658	148,526	2,053,068
Payroll Costs	15.00%	24,720	19,776	21,012	22,248	27,810	25,462	29,281	36,601	25,462	25,462	27,849	22,279	307,960
Payroll Benefits	3.00%	4,944	3,955	4,202	4,450	5,562	5,092	5,856	7,320	5,092	5,092	5,570	4,456	61,592
Legal		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Accounting		750	750	750	750	750	750	750	750	750	750	750	750	9,000
Restaurant/Banquet		8,030	6,345	8,343	10,870	10,770	16,969	27,599	25,572	18,249	16,921	11,524	12,869	174,062
Rooms/Hotel		10,220	8,075	10,618	13,835	13,708	21,598	35,126	32,546	23,226	21,536	14,667	16,379	221,534
Telephone		2,920	2,307	3,034	3,953	3,916	6,171	10,036	9,299	6,636	6,153	4,191	4,680	63,295
Miscellaneous		1,460	1,154	1,517	1,976	1,958	3,085	5,018	4,649	3,318	3,077	2,095	2,340	31,648
Utilities		30,900	41,200	66,950	46,350	31,332	49,366	80,289	74,390	53,087	49,226	33,524	37,437	594,052
Management Fee	3.00%	7,699	6,971	9,172	11,956	14,912	18,718	30,484	28,240	20,149	18,680	11,105	11,070	189,157
TOTAL OPERATING EXPENSES		282,857	245,556	293,692	301,785	338,337	377,781	521,348	557,441	391,175	377,399	335,789	303,389	4,326,549
NET ORDINARY INCOME		(52,271)	(32,997)	(18,255)	54,639	110,820	189,447	409,702	305,344	219,844	189,811	395	33,278	1,409,757
OTHER PROPERTY RELATED EXPENSES														
RBC Mortgage Interest		33,715	33,679	33,642	33,606	33,569	33,532	33,495	33,458	33,421	33,383	33,345	33,307	402,152
HSBC Interest		1,031	1,023	1,016	1,008	1,000	993	985	977	969	961	953	945	11,861
First Niagara Interest		572	569	567	564	562	559	557	554	552	549	547	544	6,696
Past Due Property Taxes and Water Bill		4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	56,099
Past Due Sales Tax		3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	45,849
Insurance		13,733	13,733	13,733	13,733	0	0	42,436	14,145	14,145	14,145	14,145	14,145	168,096
Current Property Taxes		0	68,250	0	0	0	0	0	0	0	60,638	0	0	128,888
TOTAL OTHER EXPENSES		57,547	125,750	57,454	57,407	43,627	43,580	85,969	57,630	57,583	118,172	57,486	57,437	819,641
NET CASH BEFORE NON OPERATING EXPENSES		(109,818)	(158,747)	(75,709)	(2,768)	67,193	145,868	323,733	247,714	162,261	71,639	(57,091)	(24,159)	590,116
NON OPERATING EXPENSES RELATED TO PROPERTY														
Principal on RBC Mortgage		6,073	6,107	6,141	6,175	6,210	6,244	6,279	6,314	6,349	6,384	6,420	6,455	75,146
Additional Payment to RBC	721,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
U.S. Trustee Fee		4,875	0	0	4,875	0	0	6,500	0	0	6,500	0	0	22,750
Capitalized Leases		11,289	11,289	11,289	11,289	11,289	11,289	11,289	11,289	11,289	11,289	11,289	11,289	135,470
Intercontinental		6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	6,550	78,605
HSBC Principal		1,744	1,749	1,755	1,760	1,766	1,771	1,777	1,782	1,788	1,794	1,799	1,805	21,291
First Niagara Principal		409	411	413	416	418	420	423	425	428	430	432	435	5,065
Business Financial Services Cash Advance	263,555	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	17,473
Unsecured Creditors	483,001	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	48,300
HLS and BNZ Loans Payable Unsecured		0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Management Fee Unsecured		0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Improvements	4.00%	10,266	9,294	12,229	15,941	19,883	24,958	40,645	37,653	26,866	24,907	14,807	14,761	252,209
Soft Goods (Linens/Towels/etc.)		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
TOTAL NON OPERATING EXPENSES		48,188	42,382	45,359	53,988	53,098	58,213	80,445	70,994	60,251	64,835	48,279	48,276	674,309
NET CASH BEFORE NEW EQUITY		(158,006)	(201,130)	(121,068)	(56,756)	14,095	87,654	243,289	176,719	102,010	6,804	(105,370)	(72,435)	
CASH AT BEGINNING OF PERIOD		765,837	607,832	406,702	285,634	228,879	242,974	330,628	573,917	750,636	852,645	859,450	754,080	
ADDITIONAL NEW EQUITY		0	0	0	0	0	0	0	0	0	0	0	0	
CASH AT END OF PERIOD		607,832	406,702	285,634	228,879	242,974	330,628	573,917	750,636	852,645	859,450	754,080	681,645	

PRELIMINARY REORGANIZATION PLAN

2013	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	TOTAL
DAYS PER MONTH	31	29	31	30	31	30	31	31	30	31	30	31	366
Weeks per month	5	4	4	5	4	4	5	4	4	5	4	5	53
INCOME	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

Room Revenue		159,120	156,832	183,872	248,768	335,296	425,393	727,646	671,674	458,977	425,393	243,360	250,931	4,287,263
Banquet Revenue		46,800	32,448	40,560	69,763	81,120	100,751	167,918	156,724	111,946	100,751	63,274	64,896	1,036,951
INCOME		4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Restaurant Revenue		23,868	21,632	38,397	43,264	47,590	59,499	72,765	67,167	61,570	57,092	35,044	28,554	556,443
Lounge Revenue		14,040	10,275	19,469	23,795	27,040	24,068	35,823	31,345	23,509	22,389	12,168	11,681	255,602
Fitness Center Revenue		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
Rent revenue		3,276	2,704	9,778	7,325	5,949	12,314	19,702	19,590	13,433	12,874	8,274	7,009	122,228
Other Revenue		3,645	1,872	8,892	5,148	4,680	10,656	15,888	15,500	12,110	12,110	6,739	4,867	102,107
TOTAL REVENUE		265,749	240,763	315,967	413,063	516,675	647,682	1,054,742	977,000	696,544	645,609	383,859	382,939	6,540,593
COGS	32.00%	27,107	20,594	31,496	43,783	49,840	58,982	88,482	81,676	63,048	57,674	35,355	33,642	591,678
GROSS PROFIT		238,642	220,170	284,471	369,280	466,835	588,700	966,260	895,325	633,496	587,935	348,504	349,297	5,948,914
OPERATING EXPENSES		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Administration		12,031	9,506	12,499	16,286	16,136	25,423	41,349	38,311	27,340	25,351	17,265	19,280	260,777
Fitness Center		15,000	15,000	15,000	15,000	15,000	15,000	14,500	14,500	14,500	14,500	14,500	14,500	177,000
Franchise Fees	10.0%	15,912	15,683	18,387	24,877	33,530	42,539	72,765	67,167	45,898	42,539	24,336	25,093	428,726
Maintenance	2.00%	5,315	4,815	6,319	8,261	10,334	12,954	21,095	19,540	13,931	12,912	7,677	7,659	130,812
Payroll Wages & Benefits	32.33%	169,744	135,795	144,282	152,770	190,962	174,836	201,062	251,327	174,836	174,836	191,227	152,982	2,114,660
Payroll Costs	15.00%	25,462	20,369	21,642	22,915	28,644	26,225	30,159	37,699	26,225	26,225	28,684	22,947	317,199
Payroll Benefits	3.00%	5,092	4,074	4,328	4,583	5,729	5,245	6,032	7,540	5,245	5,245	5,737	4,589	63,440
Legal		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Accounting		750	750	750	750	750	750	750	750	750	750	750	750	9,000
Restaurant/Banquet		8,271	6,535	8,593	11,196	11,093	17,479	28,427	26,339	18,796	17,429	11,870	13,255	179,284
Rooms/Hotel		10,527	8,317	10,937	14,250	14,119	22,245	36,180	33,522	23,923	22,182	15,107	16,870	228,180
Telephone		3,008	2,376	3,125	4,071	4,034	6,356	10,337	9,578	6,835	6,338	4,316	4,820	65,194
Miscellaneous		1,504	1,188	1,562	2,036	2,017	3,178	5,169	4,789	3,418	3,169	2,158	2,410	32,597
Utilities		31,827	42,436	68,959	47,741	32,272	50,847	82,698	76,622	54,680	50,703	34,530	38,560	611,873
Management Fee	3.00%	7,972	7,223	9,479	12,392	15,500	19,430	31,642	29,310	20,896	19,368	11,516	11,488	196,218
TOTAL OPERATING EXPENSES		313,414	275,069	326,863	338,128	381,120	423,508	583,164	617,994	438,273	422,549	370,673	336,204	4,630,742
NET ORDINARY INCOME		(74,772)	(54,899)	(42,392)	31,152	85,715	165,192	383,096	277,331	195,223	165,386	(22,170)	13,093	1,121,955
OTHER PROPERTY RELATED EXPENSES														
RBC Mortgage Interest		33,268	33,230	33,191	33,152	33,113	33,073	33,034	32,994	32,954	32,914	32,873	32,832	396,628
HSBC Interest		527	521	515	509	504	498	492	486	480	474	468	462	5,936
First Niagara Interest		541	539	536	533	531	528	525	523	520	517	514	512	6,319
Past Due Property Taxes and Water Bill		4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	4,675	56,099
Past Due Sales Tax		3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	3,821	45,849
Insurance		14,145	14,145	14,145	14,145	0	0	43,709	14,570	14,570	14,570	14,570	14,570	173,139
Current Property Taxes		0	70,298	0	0	0	0	0	0	0	62,457	0	0	132,754
TOTAL OTHER EXPENSES		56,977	127,229	56,883	56,835	42,644	42,595	86,256	57,068	57,019	119,427	56,920	56,871	816,724
NET CASH BEFORE NON OPERATING EXPENSES		(131,749)	(182,128)	(99,275)	(25,683)	43,072	122,597	296,840	220,262	138,204	45,959	(79,090)	(43,779)	305,231
NON OPERATING EXPENSES RELATED TO PROPERTY														
Principal on RBC Mortgage		6,491	6,527	6,564	6,600	6,637	6,674	6,711	6,748	6,785	6,823	6,861	6,899	80,315
Additional Payment to RBC	703,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
U.S. Trustee Fee		0	4,875	0	0	6,500	0	0	6,850	0	0	4,875	0	23,100
Capitalized Leases		3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	44,759
Intercontinental		6,550	6,550	6,550	6,550	6,550	0	0	0	0	0	0	0	32,752
HSBC Principal		1,359	1,367	1,374	1,382	1,390	1,397	1,405	1,413	1,421	1,429	1,437	1,445	16,820
First Niagara Principal		437	440	442	445	447	450	452	455	457	460	462	465	5,417
Business Financial Services Cash Advance	246,082	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	17,473
Unsecured Creditors	434,701	3,623	3,623	3,623	3,623	3,623	3,623	3,623	3,623	3,623	3,623	3,623	3,623	43,470
HLS and BNZ Loans Payable Unsecured		0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Management Fee Unsecured		0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Improvements	4.00%	10,630	9,631	12,639	16,523	20,667	25,907	42,190	39,080	27,862	25,824	15,354	15,318	261,624
Soft Goods (Linens/Towels/etc.)		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
TOTAL NON OPERATING EXPENSES		37,776	41,699	39,878	43,809	54,500	46,737	63,066	66,855	48,833	46,845	41,298	36,435	543,730
NET CASH BEFORE NEW EQUITY		(169,525)	(223,826)	(139,153)	(69,492)	(11,428)	75,860	233,774	153,408	89,371	(886)	(120,388)	(80,214)	
CASH AT BEGINNING OF PERIOD		681,645	512,120	288,294	149,141	79,649	68,221	144,082	377,856	531,263	620,634	619,748	499,360	
ADDITIONAL NEW EQUITY		0	0	0	0	0	0	0	0	0	0	0	0	
CASH AT END OF PERIOD		512,120	288,294	149,141	79,649	68,221	144,082	377,856	531,263	620,634	619,748	499,360	419,146	

PRELIMINARY REORGANIZATION PLAN

EXIT STRATEGY END OF YEAR 2013

SALE

NET OPERATING INCOME

CAP RATE 11.00%

CASH AT END OF PERIOD

CASH AVAILABLE FOR DISTRIBUTION TO CREDITORS

End of

Year 3

816,062

7,418,747

419,146

7,837,893

LEGAL/ACCOUNTING/MORTGAGE CLOSING COSTS	75,000
PAYOFF RBC MORTGAGE	6,091,245
PAYOFF RBC ADDITIONAL AMOUNT	703,500
PAYOFF HSBC LOANS	185,446
PAYOFF FIRST NIAGARA LOAN	101,651
PAYOFF BUSINESS FINANCIAL LOAN	246,082
PAYOFF 100% to UNSECURED CREDITORS	434,701
PAYOFF ACCRUED MANAGEMENT FEE	0
	<u>7,837,625</u>
CASH AVAILABLE FOR DISTRIBUTION TO OWNERS	268