

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

IN RE: §
§
GALP CNA LIMITED PARTNERSHIP, et al. § **CASE NO. 10-38975, et seq.**
§
DEBTOR-IN-POSSESSION § **(Chapter 11 – Jointly Administered)**

**WENTWOOD ROUNDHILL I, L.P.’S
FOURTH MODIFIED CHAPTER 11 PLAN OF REORGANIZATION**

WENTWOOD ROUNDHILL I, L.P., as Debtor-in-Possession, proposes this Fourth Modified Chapter 11 Plan of Reorganization pursuant to Chapter 11 of the Bankruptcy Code.

ARTICLE I

Definitions

1.01 Allowed Claim shall mean a Claim: (a) in respect of which a proof of claim has been filed with the Court within the applicable period of limitation fixed by Rule 3001; or (b) scheduled in the list of creditors prepared and filed with the Court pursuant to Rule 1007(b) and not listed as disputed, unknown, contingent or unliquidated as to amount, in either case as to which no objection to the allowance thereof has been interposed within an applicable period fixed by Rule 3001 or an order of the Court, or as to which any such objection has been determined by an order or judgment which is no longer subject to appeal or certiorari proceeding and as to which no appeal or certiorari proceeding is pending.

1.02 Allowed Secured Claim shall mean an allowed claim secured by a lien, security interest or other charge against or interest in property in which Debtor has an interest, or which is subject to set-off under Section 553 of the Code, to the extent of the value (determined in accordance with Section 506(a) of the Code) of the interest of the holder of such Allowed Claim

in the Debtor's interest in such property or to the extent of the amount subject to such set-off as the case may be.

1.03 Avoidance Actions shall mean any claim or cause of action belonging to the Debtor and arising under the Bankruptcy Code including, but not limited to, §§ 544, 547, 548 and 550.

1.04 Causes of Action shall mean any and all claims, rights and causes of action that have been or could have been brought by or on behalf of the Debtor arising before, on or after the Petition Date, known or unknown, in contract or in tort, at law or in equity or under any theory of law, including, but not limited to any and all claims, rights and causes of action the Debtor or the Estate may have against any person arising under chapter 5 of the Bankruptcy Code, or any similar provision of state law or any other law, rule, regulation, decree, order, statute or otherwise, including but not limited to any claim or cause of action under a policy of insurance, claims, if any, against officers and directors of the Debtor, Avoidance Actions under the Bankruptcy Code, and any other causes of action belonging to the Debtor or its Estate.

1.05 Centrum shall mean Centrum Financial Services, Inc. and any of its successors and assigns.

1.06 Centrum Loan Documents shall mean the Promissory Note in the original principal amount of \$5,000,000.00 payable to the order of Centrum, dated December 29, 2006, together with an Assignment of Rents and Leases, dated December 29, 2006, Deed of Trust in real property located in Harris County, Texas known as the Roundhill Townhomes (131 units), located at 601 Cypress Station Drive, Houston, TX 77090, a UCC Financing Statement filed on January 5, 2007, and any other documents or instruments executed or delivered in connection therewith and all amendments, restatements and continuations.

1.07 Centrum Collateral shall mean all property or assets encumbered or secured by a lien or security interest under the Centrum Loan Documents.

1.08 Claim shall mean any right to payment, or right to an equitable remedy for breach of performance if such breach gives rise to a right to payment against Debtor in existence on or as of the petition date, whether or not such right to payment or right to an equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, beneficial, secured or unsecured.

1.09 Class shall mean any class into which Allowed Claims are classified pursuant to Article II hereof.

1.10 Class 1 Claims, Class 2 Claims, Class 3 Claims, Class 4 Claims, Class 5 Claims, Class 6 Claims, Class 7 Claims, Class 8 Claims and Class 9 Claims shall mean the Allowed Claims so classified in Article II hereof.

1.11 Code shall mean the Bankruptcy Code, 11 U.S.C. 101 et seq., and any amendments thereof.

1.12 Confirmation Date shall mean the date upon which the Order of Confirmation is entered by the Court.

1.13 Court shall mean the United States Bankruptcy Court for the Southern District of Texas, in which the Debtor's Chapter 11 case, pursuant to which the Plan is proposed, is pending, and any court having competent jurisdiction to hear appeals or certiorari proceedings therefrom.

1.14 Creditors Committee shall mean the creditors committee appointed by Order of this Court, and members thereof and any successor or added members.

1.15 Debtor shall mean WENTWOOD ROUNDHILL I, L.P., the Debtor-in-Possession in this Chapter 11 case.

1.16 Effective Date shall mean the date upon which the Order of Confirmation is no longer subject to appeal or certiorari proceeding, or the date on which no such appeal or certiorari proceeding is then pending, and on which date all of the conditions to the effectiveness of the Plan expressly set forth in the Plan have been satisfied fully or effectively waived.

1.17 Filing Date shall mean October 4, 2010 the date the Debtor filed its voluntary Chapter 11 Petition initiating this case.

1.18 Indebtedness as applied to the Debtor (but not to others) shall mean:

(a) All indebtedness or other obligations of the Debtor for borrowed money or for the deferred purchase price or property or services;

(b) All indebtedness of the Debtor, contingent, direct or otherwise, secured (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured) by any mortgage, pledge, lien, security interest or vendor's interest under any conditional sale or other title retention agreement existing on any property or asset owned or held by the Debtor, whether or not the indebtedness secured thereby shall have been assumed by the Debtor (hereinafter "Secured Indebtedness"); or

(c) All indebtedness of others, secured or unsecured, directly or indirectly guaranteed, endorsed, or discounted with recourse by the Debtor, or in respect of which the Debtor is otherwise directly or indirectly liable, including, without limitation, indebtedness in effect guaranteed by the Debtor through any agreement (contingent or otherwise) to purchase, repurchase or otherwise acquire such indebtedness or any security therefore, or to provide funds for the payment or discharge of such indebtedness or of any other liability of the obligor of such indebtedness (whether in the form of loans, advances, stock purchases, capital contributions or otherwise), or to maintain the solvency or any balance sheet or other financial condition of the

obligor of such indebtedness, or to make payment for any products, materials or supplies or for any transportation or services regardless of the non-delivery or non-furnishing thereof.

1.19 Net Reorganized Assets shall mean the cash and cash equivalents and any other value, or proceeds of settlement, or other disposition of the Debtor following payment of (i) fees and expenses of the Debtor, including the fees and expenses of the Debtor and the professionals engaged by the Debtor, (ii) normal expenses of administration of the Debtor (including the establishment of such reserves as the Debtor deems appropriate) and the payments permitted by the Plan, and (iii) all taxes, fees, levies, assessments, or other governmental charges incurred by the Debtor.

1.20 Order of Confirmation shall mean the Order entered by the Court confirming the Plan in accordance with the provisions of Chapter 11 of the Code, which Order is no longer subject to appeal or certiorari proceeding or as to which no appeal or certiorari proceeding is pending.

1.21 Person shall mean an individual, corporation, partnership, joint venture, trust, estate, unincorporated organization, or a government of any agency or political subdivision thereof.

1.22 Petition Date shall mean October 4, 2010, the date on which Debtor filed its Chapter 11 Petition with the Court.

1.23 Plan shall mean this Chapter 11 Plan, or as amended in accordance with the terms hereof or modified in accordance with the Code.

1.24 Property of the Estate shall mean that interest in property of the Debtor which the estate obtained pursuant to 11 U.S.C. Section 541, and retained despite the operation of 11 U.S.C. Sections 522, 554 and 362-365, together with interests in property which the estate

obtained by 11 U.S.C. Sections 542, 547 and 548.

1.25 Rules shall mean the Bankruptcy Rules, as amended and supplemented by the local Bankruptcy Rules as adopted by the Court.

ARTICLE II

Classification and Treatment of Claims and Interests

The Plan divides the creditors of the Debtor into nine (9) classes as follows:

Class 1 - PRIORITY CLAIMS

Claims of attorneys and other professionals entitled to “priority,” as such term is defined 11 U.S.C. § 507, as the same are allowed, approved and ordered paid by the Bankruptcy Court. There are two (2) creditors in this class, as follows: 1) The Law Offices of Matthew Hoffman, p.c., Debtor’s Bankruptcy Counsel; and 2) United States Trustee Fees. Each creditor holding an allowed Class 1 Claim shall be paid in cash in full (unless such Claimant has agreed to other treatment) on the Effective Date or when such claim is allowed or ordered paid by Final Order of the Court, whichever date is later. **Class 1 claims are not impaired.**

Class 2 - PRIORITY TAX CLAIMS

Claims of taxing authorities entitled to “priority,” as such term is defined in 11 U.S.C. § 507, as the same are allowed, approved and ordered paid by the Bankruptcy Court. There are three (3) known creditors (the “Taxing Authorities”) in this class, as follows: 1) Harris County, et al. Tax Assessor - \$197,366.05 (ad valorem property taxes for Y/E 2007, 2008, 2009 and 2010); 2) Spring ISD – Tax Office - \$350,904.72 (disputed claim for Y/E 2008 and 2009 taxes); and 3) CNP Utility District - \$81,876.79 (disputed claim for taxes). No request for allowance of administrative expense(s) is required for the Debtor’s 2011 taxes to be paid. Debtor intends to pay the agreed upon post-petition taxes as billed, without the necessity of the Taxing Authorities

to file claims. Each creditor holding an allowed Class 2 Claim is an ad valorem tax creditor of Debtor and Debtor's Estate, holding prior perfected liens against property of Debtor's Estate. The Taxing Authorities continue to hold their perfected liens for pre- and post-petition taxes against property of the Debtor's Estate until the Taxing Authorities' claims, including interest thereon, are paid in full, pursuant to 11 U.S.C. § 1129(b). The Taxing Authorities' claims are secured pursuant to Texas Property Tax Code §§ 32.01 and 32.07, et seq. The Taxing Authorities are secured by the various pieces of real and personal property owned by the Debtor. Each creditor holding an allowed Class 2 Claim shall be paid in cash and in full, plus twelve percent (12%) simple interest per annum, beginning from the October 4, 2010 petition date and continuing until such claims have been paid in full, pursuant to the Texas Property Code § 33.01(c) and 11 U.S.C. § 511, on the Effective Date or when such claim is allowed or ordered paid by Final Order of the Court, whichever date is later. **Class 2 claims are not impaired.**

Class 3 - UNSECURED PRIORITY CLAIMS

Claims of governmental units enforcing its police and regulatory power, including the enforcement of a judgment other than a money judgment, obtained in an action or proceeding by the governmental unit to enforce such governmental unit's police or regulatory power. There are no known governmental units seeking to enforce their police and regulatory power obtained in an action or proceeding by the governmental unit or units in this case or in this class. Each creditor holding a Class 3 Claim shall be paid 100% of such Allowed Claim and shall be paid in cash and in full on the Effective Date or when such claim is allowed or ordered paid by Final Order of the Court, whichever date is later. **Class 3 claims are not impaired.**

Class 4 - SECURED CLAIMS

The claim of Centrum secured by a valid first lien on all property owned by Debtor or its estate is allowed, on a final basis, in the agreed amount of \$5,738,359.98. Debtor is to pay down \$1,000,000.00 of the principal on Centrum's secured first lien claim within two business days after the Effective Date, said payment and any and all other principal reduction payments shall be made to First-Citizens Bank & Trust Company, pursuant to instructions provided by Centrum and First-Citizens Bank & Trust Company until First-Citizens Bank & Trust Company is paid in full. After First-Citizens Bank & Trust Company is paid in full, all payments will revert to Centrum and its successors and assigns pursuant to instructions provided by Centrum. With respect to the arrearage of back interest (at the non-default rate), on the Effective Date, the reorganized Debtor shall pay \$492,000.00 to Centrum, pursuant to payment instructions provided by Centrum, reducing the arrearage of back interest (at the non-default rate), leaving an unpaid balance of \$4,246,359.09 on Centrum's allowed secured claim. Commencing on the Effective Date, the post-confirmation fixed interest rate is to be set at 9% per annum, with monthly payments in the amount of \$30,000.00 and the term extended through December 1, 2013 (the "Maturity Date"). All negatively amortizing interest (that interest in excess of \$30,000.00 in monthly payments that accrues at 9% per annum on the unpaid principal balance of \$4,246,359.09) will accrue, but not be payable unless and until there is an Event of Default under the Centrum Loan Documents. Unless there has been an Event of Default, the Debtor may discharge all its remaining obligations to Centrum on or any time before the Maturity Date with a payment of \$4,000,000.00 to Centrum. Upon the occurrence of any Event of Default under the Loan Documents, in addition to all other remedies allowed in the Centrum Loan Documents, the full allowed amount of \$4,246,359.09, plus all accrued and unpaid interest on this amount,

including, without limitation, the accrued negatively amortized interest described above, shall be fully due and payable. On the Effective Date, (i) the reorganized Debtor shall execute, in a form satisfactory to Centrum an amended and restated promissory note in the amended principal amount of \$4,246,359.09, and (ii) the reorganized Debtor shall execute, and the reorganized Debtor shall cause any guarantors or indemnitors under the Centrum Loan Documents to execute, any and all other documentation as may be required by Centrum to effectuate the treatment provided in this Plan. On the Effective Date, the Debtor will also provide, at the Debtor's expense, (i) a new loan policy of title insurance to Centrum and its successors and assigns, issued by a title company selected by Centrum, insuring the amended principal balance on the amended and restated promissory note, and containing only those exceptions to title approved by Centrum, and (ii) an opinion of Debtor's counsel acceptable to Centrum covering the enforceability, due execution, authority and other matters requested by Centrum. Except as specifically modified in this paragraph or in amendments executed in connection with the Plan or after the Effective Date between Centrum and the Debtor or the reorganized Debtor, all provisions in the Centrum Loan Documents shall continue to be in full effect on and after the Effective Date, shall survive confirmation of this Plan and are assumed to the extent any constitutes an executory contract. All of Centrum's prepetition and postpetition liens, encumbrances and security interests shall continue on the Centrum Collateral after the Effective Date and will secure all of the reorganized Debtor's obligations to Centrum. Any prepayment of principal and upon the Maturity Date, any and all principal shall be paid to First-Citizens Bank & Trust Company pursuant to instructions provided by First-Citizens Bank & Trust Company until First-Citizens Bank & Trust Company is paid in full. Upon written notice from First-Citizens Bank & Trust Company to reorganized Debtor and Debtor's counsel, the reorganized Debtor

shall direct any and all payments thereafter, including principal, interest, default interest, late fees, attorneys' fees and costs, to First-Citizens Bank & Trust Company pursuant to the instructions provided in said notice. After First-Citizens Bank & Trust Company is paid in full, all payments will revert to Centrum and its successors and assigns. **Class 4 claims are impaired.**

Class 5 - SECURED MECHANIC'S AND MATERIALMEN'S LIEN CLAIMS

Claims secured by a mechanic's and materialmen's lien in property owned by the Debtor or its estate. There are no known creditors in this class. Each creditor holding a Class 5 Claim shall be paid in full, on the Effective Date, in consideration of the releases of their liens (i.e., Release of Lien filed amongst the Harris County, Texas Real Property Records) or when such claim is allowed or ordered paid by Final Order of the Court, whichever date is later. **Class 5 claims are not impaired.**

Class 6 - GENERAL UNSECURED CREDITORS

Claims not secured by a lien, security interest, encumbrance or right of set-off, as the same are allowed, approved and ordered paid by the Bankruptcy Court. There are eighteen (18) known creditors in this class, exclusive of those (smaller) Class 7 creditors holding unsecured claims of \$1,000 or less. Each creditor holding a Class 6 Claim shall be paid 20% of its allowed claim, in cash, on the Effective Date or when such claim is allowed or ordered paid by Final Order of the Court, whichever date is later. **Class 6 claims are impaired.**

Class 7 - ALLOWED UNSECURED CLAIMS OF \$1,000.00 OR LESS

Allowed, Unsecured Claims of \$1,000.00 or less, and those Allowed Unsecured Claims in excess of \$1,000.00 which are voluntarily reduced by the holders thereof to \$1,000.00 with the amount in excess of \$1,000.00 being waived, as the same are allowed, approved and ordered paid by the Bankruptcy Court. There are at least seven (7) known creditors in this class. Each

creditor holding an Allowed Class 7 Claim shall receive 70% of the amount of its claim, in cash, on the Effective Date or when such claim is allowed or ordered paid by Final Order of the Court, whichever date is later. **Class 7 claims are impaired.**

Class 8 - CLAIMS NOT SECURED BY A LIEN OR SECURITY INTEREST

Claims not secured by a lien, security interest, encumbrance or right of set-off, as the same are allowed, approved and ordered paid by the Bankruptcy Court. There is one (1) known creditor in this class: Graoch Associates #170 Limited Partnership - \$4,834,302.00 (various insider unsecured advances/loans). The claim of Class 8 claimant will be deemed allowed, without setoff or counterclaim, upon confirmation of the Plan. Following confirmation of the Plan, Class 8 claimant will retain its claim, in its full amount of \$4,834,302.00, against Debtor.

Class 8 claims are impaired.

Class 9 - INTEREST HOLDERS

Allowed Equity Interest Holders. There are five (5) equity interest holders in this class, as follows:

- (i) Wentwood Roundhill Partners, L.L.C.
General Partner – 1%
- (ii) Graoch Associates #40 Limited Partnership
Limited Partner (Class A) – 73.22623%
- (iii) Graoch Associates #48 Limited Partnership
Limited Partner (Class A) – 4.72377%
- (iv) Graoch Associates #101 Limited Partnership
Limited Partner (Class B) – 15.036%
- (v) Magnolia Partners I Limited Partnership
Limited Partner (Class B) – 6.014%

Each equity interest holder in Class 9 shall be allowed to retain such interest held. Upon confirmation of the Plan, the property of the estate will be free and clear of any and all claims and interests of all entities, except as provided in the Plan, and shall re-vest in the reorganized Debtor. **Class 9 interests are not impaired.**

ARTICLE III

Treatment of Executory Contracts

Upon the Effective Date of the Plan, unless assumed by the Debtor prior to that time, all unexpired leases of the Debtor, if any, will be deemed rejected. Any party claiming to be affected by this provision shall have thirty (30) days subsequent to the Effective Date of this Plan within which to file a claim in this estate.

ARTICLE IV

Means for Execution of the Plan

The Debtor is in the process of arranging to fund the Plan of Reorganization out of: (i) new equity (in the form of mandatory and non-mandatory cash calls on various limited partners); and (ii) collection of related party receivables. The funds necessary for the satisfaction of the creditors' claims are to be generated, basically, as follows:

Source of Funds:

New Equity (from cash calls):	\$2,014,119.98
Related Party Receivables:	\$ 67,560.00
Ch. 11 Prepetition Retainer (\$9,000):	<u>\$ 4,079.53</u>
	\$2,085,759.51

Use of Funds:

Class 1 Creditors (Professionals):	\$ 4,000.00
Class 2 (Taxing Authorities):	\$ 561,916.00
Class 4 (Centrum):	\$1,492,000.00
Class 6 (General Unsecured):	\$ 25,407.64
(20% of face)	
Class 7 (\$1,000 or less Unsecured):	<u>\$ 2,435.87</u>
(70% of face)	
	\$2,085,759.51

The Debtor may propose amendments or modifications of the Plan at any time prior to Confirmation, upon notice to all parties-in-interest. After Confirmation, the Debtor may, with approval of the Court and so long as it does not materially or adversely affect the interest of creditors, remedy any defect or omission or reconcile any inconsistencies in the Order of Confirmation in such manner as may be necessary to carry out the purposes and effect of this Plan.

Pursuant to order of the Court, the automatic stay provided by Bankruptcy Code §363(a) lifted as to Centrum on June 1, 2011. Neither confirmation of this Plan, nor any other action shall reimpose the stay as to Centrum.

In the event this Plan is not confirmed on or before July 25, 2011, the Plan is void and of no legal effect. In the event either, (i) the Debtor fails to close on the transactions or make the payments required on the Effective Date, or (ii) the Effective Date fails to occur on or before August 9, 2011, the Plan is void and of no legal effect.

ARTICLE V

Disbursements Under the Plan

Disbursements to be made under the Plan, unless otherwise required under the Code or Bankruptcy Rules, or specifically provided for herein, shall be made on the Effective Date, provided that if the claim upon which payment is to be made is either disputed or contingent, such date shall be thirty (30) days after the date, in the case of a disputed claim, such claim is no longer disputed (whether by agreement or Final Order of an appropriate Court) or in the case of any contingent claim, such claim ceases to be contingent and becomes enforceable against the Debtor (as agreed by the Debtor or as determined by Final Order by an appropriate Court).

ARTICLE VI

Disputed Claims and Objections to Claims

The Debtor may file an objection to any claim within sixty (60) days after the Effective Date of the Order confirming the Plan, except the claim filed by Centrum, which is allowed on a final basis pursuant Article II of this Plan. Objections not filed within such time shall be deemed waived. If any claim or portion thereof is challenged or has been challenged by objection or otherwise the Debtor shall segregate and set aside a portion of funds to be paid sufficient to satisfy the claims as filed, or as scheduled by the Debtor. The portion of the funds not segregated shall be distributed in accordance with the provisions of this Plan. In the event that an objection is overruled or a dispute is resolved favorably to the party asserting such claim, then the portion of the creditor's funds shall be paid to the parties asserting the disputed claim in accordance with the Plan. In the event that the disputed claim is disallowed, the portion of the funds, which have been segregated, shall be distributed in accordance with the Plan.

ARTICLE VII

Retention of Jurisdiction

The Court will retain jurisdiction until this Plan has been fully consummated, including but not limited to the following purposes:

(a) The classification of the claim of any creditor and the re-examination of claims which have been allowed for purposes of voting, and the determination of such objections as may be filed to creditor's claims. The failure by the Debtor to object to or to examine any claim for the purpose of voting shall not be deemed to be a waiver of the Debtor's right to object to or re-examine the claim in whole or in part.

(b) Determination of all questions and disputes regarding title to the assets of the

estate, and determination of all causes of action, controversies, disputes, or conflicts, whether or not subject to action pending as to the date of confirmation, between the Debtor and any other party, including but not limited to any rights of the Debtor to recover assets pursuant to the provisions of Title 11 of the United States Code.

(c) A correction of any defect, the curing of any omissions or the reconciliation of any inconsistencies in this Plan or the Order of Confirmation as may be necessary to carry out the purposes and intent of this Plan.

(d) The modification of the Plan after Confirmation pursuant to the Bankruptcy Rules and Title 11 of the United States Bankruptcy Code.

(e) To enforce and interpret the terms and conditions of this Plan.

(f) Entry of any Order, including injunctions, necessary to enforce the title, rights, or powers of the Debtor and to impose such limitations, restrictions, terms and conditions of such title, rights and powers that this Court may deem necessary.

(g) Entry of any Order concluding and terminating this case.

ARTICLE VIII

Effect of Confirmation

Confirmation of this Plan will bind the Debtor, any entity acquiring property under the Plan, and any creditor of the Debtor, whether or not the claim or interest of such creditor is impaired under the Plan and whether or not such creditor has accepted the Plan, for any and all claims against Debtor arising prior to the filing date of the Debtor's bankruptcy petition in this Court.

After the Effective Date of this Plan, the property dealt with by the Plan is free and clear of all claims and interests of creditors and the Debtor, except as otherwise expressly preserved by

the Plan. Except as otherwise provided in the Plan, confirmation of this Plan shall release and discharge the Debtor from any and all claims arising prior to the date that the Debtor filed their bankruptcy petition. In this, such release shall be conditioned upon the occurrence of the Effective Date of the Plan and prompt payments of the amounts due to the creditors hereunder.

ARTICLE IX

Miscellaneous

Absolute Priority Rule. Section 1129(b)(2)(B)(ii) controls the payment of senior and junior classes of claims or interests in the event that all of the applicable requirements of Section 1129(a), other than paragraph (8), are met with respect to a plan. Under the Debtor's Plan, no junior classes of claims or interests are to receive more than senior classes of claims. Moreover, since creditors are entitled to be paid in full before junior classes of claims or interests receive any payments, the Debtor's Plan provides that no holder of any claim or equity interest that is junior to the claims of such senior claimants shall receive any payment on account of such junior claim or interest.

New Value Exception. In the event that any impaired class (that is not an "insider", as defined in 11 U.S.C. § 101(31)) rejects the Plan, the equity interest holders (or other interests junior to unsecured creditors) may retain their interest in the reorganized Debtor in return for capital contributions infused into the reorganized Debtor so long as the contribution is: (1) new; (2) substantial; (3) reasonably equivalent to the value received by the equity interest holder; (4) necessary to the effective reorganization of the Debtor; and (5) in the form of money or money's worth. *Bank of Am. Nat. Trust & Sav. Ass'n v. 203 N. LaSalle St. P'ship*, 526 U.S. 434, 445 (1999). The assessment of the required capital contribution amounts for the equity interest holders (or other interests junior to unsecured creditors) is to be made in the event that any

impaired class (that is not an “insider”) rejects the Plan.

Reservation of Claims and Causes of Action. Except as expressly provided in the Plan or Disclosure Statement, any and all claims, causes of action, cross-claims or counterclaims held or assertable by the Debtor (with the exception of any Claims or Causes of Action which have been released, waived, compromised or settled pursuant to this Plan), including but not limited to: (i) the Causes of Action; (ii) the Avoidance Actions; and (iii) any and all claims, causes of action, counterclaims, demands, controversies, against third parties on account of costs, debts, sums of money, accounts, reckonings, bonds, bills, damages, obligations, liabilities, objections, and executions of any nature, type, or description which the Debtor have or may come to have, including, but not limited to, negligence, gross negligence; usury, fraud, deceit, misrepresentation, conspiracy, unconscionability, duress, economic duress, defamation, control, interference with contractual and business relationships, conflicts of interest, misuse of insider information, concealment, disclosure, secrecy, misuse of collateral, wrongful release of collateral, failure to inspect, environmental due diligence, negligent loan processing and administration, wrongful setoff, violations of statutes and regulations of governmental entities, instrumentalities and agencies (both civil and criminal), racketeering activities, securities and antitrust laws violations, tying arrangements, deceptive trade practices, breach or abuse of fiduciary duty, breach of any alleged special relationship, course of conduct or dealing, obligation of fair dealing, obligation of good faith, and obligation of good faith and fair dealing, whether or not in connection with or related to the loan papers and this Plan, at law or in equity, in contract in tort, or otherwise, known or unknown, suspected or unsuspected, are hereby preserved and retained for enforcement by and for the benefit of the reorganized Debtor effective as of the Confirmation Date. It is the intent of the Debtor that this reservation of claims shall be

as broad as permitted by applicable law and shall include all claims, whether or not disclosed in the Debtor's Schedules, and shall include any claims and causes of action referenced in the Disclosure Statement, except as expressly provided in the Plan or Disclosure Statement. **Notwithstanding this reservation of claims and causes of action, or any other provision of the Plan, the Debtor, its estate and the reorganized Debtor fully and finally release Centrum and Equity Funding, LLC and their officers, directors, agents, employees, representatives, financial advisors, attorneys and accountants from any and all liabilities, claims and causes of action, known or unknown, that may have arisen or be based on actions taken prior to confirmation of the Plan, including, without limitation, any Avoidance Actions and any and all other Causes of Action the Debtor or its estate may have. It is the intent of each of the parties to this release that this release be interpreted as broadly as possible under applicable law.**

Provision for payment of pre-confirmation and post-confirmation quarterly fees and submission of statements of disbursements to the United States Trustee: The Debtor shall timely pay on the Effective Date all pre-confirmation quarterly fees owed to the United States Trustee. The reorganized Debtor also shall timely pay post-confirmation quarterly fees assessed pursuant to 28 U.S.C. §1930(a)(6) until such time as the Bankruptcy Court enters a final decree closing this chapter 11 case, or enters an order either converting this case to a case under chapter 7 or dismissing this case. After confirmation, the reorganized Debtor shall file with the Bankruptcy Court and shall transmit to the United States Trustee a true and correct statement of all disbursements for each quarter, or portion thereof, that this chapter 11 case remains open in a format prescribed by the United States Trustee.

Creditors' rights in event of default in Plan payments: Creditors can resort to applicable

non-bankruptcy law upon default and failure to cure by the Debtor.

Notices: All notices required or permitted to be made in accordance with the Plan shall be in writing and shall be delivered personally or by telecopy or other telegraphic means or mailed by registered or certified mail, return receipt requested.

(a) If to Debtor, at 750 Market Street, Tacoma, WA 98402, with copies to The Law Offices of Matthew Hoffman, 2777 Allen Parkway, Suite 1000, Houston, Texas 77019.

(b) If to a holder of an Allowed Claim, at the address set forth in its allowed proof of claim, or if none, at its address set forth in the schedules prepared and filed by the Debtor with the Court pursuant to Rule 1007(b).

(c) Notice shall be deemed given when received. Any person may change the address at which it is to receive notices under the Plan by sending written notice pursuant to the provisions of this Section to the person to be charged with knowledge of such change.

SIGNED this the 22nd day of July, 2011.

Respectfully submitted,

WENTWOOD ROUNDHILL I, L.P.
DEBTOR-IN-POSSESSION

By: /s/ Matthew Hoffman

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