

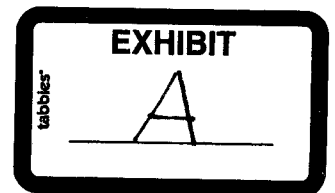
**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

IN RE:	§	
	§	
MANSIONS AT HASTINGS GREEN, LP	§	CASE NO. 10-39474-H3-11
	§	
MANSIONS AT HASTING GREEN SENIOR, LP	§	CASE NO. 10-39476-H3-11
	§	
DEBTORS.	§	(Chapter 11)
	§	Jointly Administered Under
	§	CASE NO. 10-39474-H3-11

**MANSIONS AT HASTINGS GREEN SENIOR, LP'S FIRST AMENDED CHAPTER 11  
PLAN OF REORGANIZATION**

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ATTORNEYS FOR DEBTOR



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<b>DEBTORS.</b>	§	<b>(Chapter 11) Jointly Administered Under CASE NO. 10-39474-H3-11</b>
	§	

**FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION**

Mansions At Hastings Green Senior, LP (“Debtor” or “Mansions Senior”), submits this First Amended Chapter 11 Plan of Reorganization (the “Plan”) in these jointly administered proceedings for the treatment of all outstanding creditor claims and equity interests of Mansions At Hastings Green Senior, LP, pursuant to Chapter 11 of the Bankruptcy Code. The Debtor is the proponent of the Plan within the meaning of Section 1129 of the Bankruptcy Code. All holders of claims against and equity interests in the Debtor are encouraged to read the Plan and accompanying Disclosure Statement in their entirety before voting on the Plan.

**ARTICLE 1  
INTRODUCTION AND GENERAL PURPOSES OF THE PLAN**

Mansions Senior is a limited partnership that owns and operates a 252 unit multifamily apartment community located 11707 Fallbrook Drive, Houston, Texas 77065 (“Senior Property”). The Senior Property is privately owned but is able to offer reduced rents because prior to construction it qualified for federal tax credits under Section 42 of the Internal Revenue Code. The rents are designated by the government and are designed

to fall into a range of "affordable" to low to moderate income people. Residents of the Senior Property must be over the age of 55. The only business of Mansions Senior is the ownership and operation of the Senior Property.

The Plan provides for the treatment of the Debtor's existing debts and payment to Creditors by the Reorganized Debtor as follows: (1) Allowed Administrative Claims and Priority Non-Tax Claims will be paid in cash in full; (2) Allowed Ad Valorem Claims of Taxing Authorities will be paid in cash within 30 days of the of the Effective Date; (3) Allowed Non-Tax Priority Claims, if any, will be paid in cash in full within 30 days of the Effective Date; (4) Allowed Priority Tax Claims, if any, will be paid in full within 30 days of the Effective Date, including interest at the statutory rate; (5) Allowed Secured Wells Fargo Claim (through its servicer, Citicorp) will be paid by paying down its Allowed Claim to \$13.2 million on the Effective Date, and the delivery of a promissory note from the Reorganized Debtor for \$13.2 million, plus interest at 5.8% to be paid over a 30 year period based upon a 40 year amortization schedule, with the balance due at the end of 30 years; (6) Allowed Unsecured Claims will be paid in full within 30 days of the Effective Date or the date that such claims become Allowed Claims; (7) Subject to resolution of claim objections, Allowed Claims of Mechanics and Materialmen shall receive the full amount of their respective Allowed Claims without interest; (7) Subject to resolution of objections, counter-claims and applicable offsets, the Allowed Claim of Nations Construction Management will be paid in full without interest within 30 days after the date the claim becomes an Allowed Claim; (8) Subject to resolution of objections, counter-claims, applicable offsets, the Allowed Claim of Robert Burchfield/Burchfield Development shall be fully subordinated to the Class 2 Claim and will be paid after the Class 2 Claim is paid in full; (9) Allowed Unsecured Claims of Red Capital will be paid in full as provided for in the

Plan; and (10) in exchange for additional equity contribution of \$1,201,155.50, the existing Investor Limited Partner and Special Limited Partner will maintain their equity interest in the Reorganized Debtor. The general partnership interest of Mansions At Hastings Green Senior I, LLC, will be assigned to a new general partner in accordance with the Plan. The means for the implementation of the Plan are set forth below.

## **ARTICLE 2** **DEFINITIONS**

2.1 For purposes of the Plan the following terms shall have the respective meanings specified as follows:

- 2.1.1 Administrative Claim shall mean any Claim that is defined in Section 503(b) of the Bankruptcy Code as being an “administrative expense” within the meaning of such section and referenced in Bankruptcy Code Section 507(a)(1) including, without limitation, the actual, necessary costs and expenses of preserving the Debtor’s estate and operating the business of the Debtor, including wages, salaries, or commissions for services rendered after the commencement of the case, compensation for legal and other services and reimbursement of expenses Allowed or awarded under Bankruptcy Code Sections 330(a) or 331, and all fees and charges assessed against the estate of the Debtor under title 28 of the United States Code.
- 2.1.2 Allowed Claim or Allowed Interest shall mean a Claim or Interest (a) in respect of which a proof of claim or application has been filed with the Bankruptcy Court within the applicable period of limitation fixed by Bankruptcy Rule 3001 or (b) scheduled in the list of Creditors prepared and filed with the Bankruptcy Court pursuant to Bankruptcy Rule 1007(b) and not listed as Disputed Claims or contingent or liquidated as to amount, in either case as to which no objection to the allowance thereof has been interposed within any applicable period of limitation fixed by Bankruptcy Rule 3001 or an order of the Bankruptcy Court, or this Plan, 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 or as otherwise allowed under this Plan. An Allowed Claim may refer to a Secured Claim, a General Unsecured Claim, an Administrative Claim or a Priority Claim as the context provides.
- 2.1.3 Avoidance Actions shall mean those causes of action provided for under Sections 547 to 551 of the Bankruptcy Code, causes of action under applicable non-bankruptcy law for voidable transfers or similar legal theories.
- 2.1.4 Bankruptcy Code shall mean the Bankruptcy Code, 11 U.S.C. §101 *et seq.*, as it existed on the Filing Date.

- 2.1.5 Bankruptcy Court shall mean the United States Bankruptcy Court for the Southern District of Texas, Houston Division, in which the Debtor's Chapter 11 case is pending, and any Court having competent jurisdiction to hear appeals or certiorari proceedings therefrom.
- 2.1.6 Bankruptcy Estate shall mean all of the assets owned by the Debtor and its estate.
- 2.1.7 Bankruptcy Rules shall mean the rules of procedure in bankruptcy cases applicable to cases pending before the Bankruptcy Court and local bankruptcy rules as adopted by the Bankruptcy Court.
- 2.1.8 Bar Date shall mean December 20, 2010, the date established by the Bankruptcy Court as the date by which proofs of claim for non-governmental entities had to be filed.
- 2.1.9 Beneficiary Parties shall mean the Harris County Housing Finance Corporation, Wells Fargo Bank, N.A., and Citicorp Capital Management, LLC.
- 2.1.10 Burchfield shall mean Robert Burchfield individually and d/b/a Burchfield Development.
- 2.1.11 Cash shall mean Cash and Cash equivalents including, without limitation, checks and wire transfers.
- 2.1.12 Citi shall mean Citicorp USA, Inc., in its capacity as servicer of certain debt obligations of the Debtor.
- 2.1.13 Claim shall have the meaning given in Section 101 of the Bankruptcy Code, to wit, 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 the Debtor in existence on or before the Filing Date, whether or not such right to payment or right to equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, secured or unsecured whether or not asserted.
- 2.1.14 Class shall mean any class into which Allowed Claims or Allowed Interests are classified pursuant to Article 4.
- 2.1.15 Class 1 Claims, Class 2 Claims, Class 3 Claims, Class 4 Claims, Class 5 Claims, Class 6 Claims and Class 7 Claims shall mean the Claims so classified in Article 4.
- 2.1.16 Class 8 Interests shall mean the Allowed Interests so classified in Article 4.
- 2.1.17 Confirmation Date shall mean the date upon which the Confirmation Order is entered by the Clerk of the Bankruptcy Court.

- 2.1.18 Confirmation Hearing shall mean the hearing held by the Bankruptcy Court to consider confirmation of the Plan.
- 2.1.19 Confirmation Order shall mean the order entered by the Bankruptcy Court confirming this Plan in accordance with the provisions of Chapter 11 of the Bankruptcy Code.
- 2.1.20 Creditor shall mean any entity holding a Claim.
- 2.1.21 Debtor shall mean Mansions At Hastings Green Senior, LP.
- 2.1.22 Disbursing Agent shall mean the Reorganized Debtor.
- 2.1.23 Disclosure Statement shall mean the written document filed by the Debtor in accordance with Section 1125(b) of the Bankruptcy Code containing information sufficient to enable a hypothetical reasonable investor typical of Holders of Claims or Interests of the relevant Class to make an informed judgment about this Plan.
- 2.1.24 Disallowed Claim shall mean any Claim or portion thereof which has been disallowed by a Final Order and includes any Claim which is not an Allowed Claim for any other reason.
- 2.1.25 Disputed Claim shall mean that portion (including, where appropriate, the whole) of any Claim that (a) is listed in the Debtor's schedules of liabilities as disputed, contingent, or unliquidated; (b) is listed in the Debtor's schedules of liabilities and as to which a proof of claim has been filed with the Bankruptcy Court, to the extent the proof of claim exceeds the scheduled amount; (c) is not listed in a Debtor's schedules of liabilities, but as to which a proof of claim has been filed with the Bankruptcy Court; or (d) as to which an objection to a proof of claim has been filed and has not become an Allowed Claim.
- 2.1.26 Disputed Claim Reserve shall have the meaning set forth in Section 7.3 below.
- 2.1.27 Effective Date shall mean the date selected by the Debtor, following the date upon which the Confirmation Order becomes a Final Order, upon which the closing of the transactions contemplated by the Plan occur and all funding is provided under the Plan. The Debtor shall file with the Court as soon as reasonably practicable a notice that identifies the date of the occurrence of the Effective Date of the Plan.
- 2.1.28 Equity Infusion shall mean the \$1,201,155.50 contributed by the Class 8 Investor Limited Partner of the Reorganized Debtor by the Effective Date.
- 2.1.29 Equity Interest shall mean the interests represented by an "equity security" as defined in Section 101 of the Bankruptcy Code.

- 2.1.30 Executory Contract(s) shall mean any Pre-petition Unexpired lease(s) or executory contract(s) of the Debtor within the meaning of Section 365 of the Bankruptcy Code.
- 2.1.31 Filing Date shall mean October 22, 2010, the date the Debtor filed its voluntary petition under Chapter 11 of the Bankruptcy Code.
- 2.1.32 Final Order shall mean an order or judgment of a Court which has become final in accordance with law, and which has not been stayed pending appeal.
- 2.1.33 General Unsecured Claim shall mean either (i) a Claim that is not secured by a lien, security interest or other charge against or interest in property in which Debtor has an interest or which is not subject to setoff under Section 553 of the Bankruptcy Code; (ii) a Claim that is not a Secured Claim, but would include any deficiency amount under Section 506 of the Bankruptcy Code; (iii) a Claim that is not an Administrative Claim; (iv) a Claim that is not a Priority Claim; or (v) a Claim that is not otherwise entitled to priority under Bankruptcy Code Sections 503 or 507.
- 2.1.34 Holder shall mean the owner or Holder of any Claim or Interest.
- 2.1.35 Interest shall mean an Interest (a) in respect to which a proof of interest has been filed with the Bankruptcy Court within the applicable period of limitation fixed by Bankruptcy Rule 3001 or (b) scheduled in the list of Equity Security Holders prepared and filed with the Bankruptcy Court pursuant to Bankruptcy Rule 1007(b).
- 2.1.36 Insider has the definition ascribed to it under the Bankruptcy Code.
- 2.1.37 Investor Limited Partner shall mean Red Capital Tax Credit Fund XXIV, LLC.
- 2.1.38 Lien shall mean a "lien" as defined in Section 101(37) of the Bankruptcy Code.
- 2.1.39 Loan Documents shall have the meaning described in the Disclosure Statement.
- 2.1.40 Nations shall mean Nations Construction Management.
- 2.1.41 Non-Tax Priority Claims shall mean any Claim that is defined in Section 507(a)(2)-(7) of the Bankruptcy Code.
- 2.1.42 Mansions Senior shall mean the Debtor, Mansions At Hastings Green Senior, LP, in Bankruptcy Case No 10-39476-H3-11, jointly administered under Case No. 10-39474.
- 2.1.43 Person shall mean an individual, corporation, partnership, joint venture, trust, estate, unincorporated organization, or a government or any agency or political subdivision thereof.

- 2.1.44 Plan shall mean this Chapter 11 Plan, as altered, modified or amended in accordance with the terms hereof in accordance with the Bankruptcy Code, the Bankruptcy Rules and this Plan.
- 2.1.45 Pre-Petition Loan Documents shall mean all of the documents evidencing the Debtor's pre-petition secured debt and liens granted to Citi.
- 2.1.46 Priority Tax Claims shall mean any Claim that is defined in Section 507(a)(8) of the Bankruptcy Code.
- 2.1.47 Property shall mean that certain approximately 10 acre tract of land and apartment community located at 11707 Fallbrook Drive, Houston, TX.
- 2.1.48 Professionals shall mean all professionals employed in this case pursuant to Section 327 or 1103 of the Bankruptcy Code.
- 2.1.49 Pro-Rata shall mean the proportion that the Allowed amount of such Claim bears to the aggregate amount of Claims in each respective Class.
- 2.1.50 Representatives shall mean, with respect to any specified Person, the officers and directors, employees, agents, attorneys, accountants, financial advisors, or other representatives.
- 2.1.51 Reorganized Debtor shall mean Mansions At Hastings Green Senior, LP, immediately after the Effective Date.
- 2.1.52 Secured Claim shall mean a Claim secured by a lien, security interest or other charge against or interest in property in which the Debtor has an interest, or which is subject to setoff under Section 553 of the Bankruptcy Code, to the extent of the value (determined in accordance with Section 506(a) of the Bankruptcy Code) of the interest of the Holder of such Claim in the Debtor's interest in such property or to the extent of the amount subject to such setoff, as the case may be.
- 2.1.53 Special Limited Partner shall mean SCDC, LLC
- 2.1.54 Substantial Consummation shall occur on the Effective Date.

2.2 Interpretation. Unless otherwise specified, all section, article and exhibit references in the Plan are to the respective sections, articles of or exhibits to the Plan, as the same may be amended, waived or modified from time to time. The headings and table of contents in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions of the Plan. Words denoting the singular number shall include the plural number and vice versa and words denoting one gender shall include the other gender. All exhibits and schedules attached to the Plan are incorporated herein by such attachment.

2.3 Application of Definitions and Rules of Construction Contained in the Bankruptcy Code. Words and terms defined in Section 101 of the Bankruptcy Code shall have the same meaning when used in the Plan, unless a different definition is given in the Plan. The



rules of construction contained in Section 102 of the Bankruptcy Code shall apply to the construction of the Plan.

**ARTICLE 3**  
**ADMINISTRATIVE AND PRIORITY CLAIMS**

In accordance with Section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Claims have not been classified and are treated and described in this section.

3.1 Administrative Claims Bar Date. Any Holder of an Administrative Claim (including any cure Claims for executory contracts or leases that are assumed pursuant to this Plan) against the Debtor, except for administrative expenses incurred in the ordinary course of operating the Debtor's business, must file an application for payment of such Administrative Claim on or within sixty (60) days after entry of the Confirmation Order with actual service upon counsel for the Debtor, otherwise such Holder's Administrative Claim will be forever barred and extinguished and such Holder shall, with respect to any such Administrative Claim, be entitled to no distribution and no further notices. The Debtor shall pay pre-confirmation quarterly U.S. Trustee fees in full in Cash within thirty (30) days after the Effective Date. U.S. Trustee fees which accrue after confirmation shall be paid by the Reorganized Debtor until the case is closed or converted. The Debtor shall file with the Court and serve on the United States Trustee a monthly financial report for each quarter (or portion thereof) that the case remains open in a format prescribed by the United States Trustee. It is not necessary for the U.S. Trustee to file a proof of claim.

3.2 Payment of Administrative Claims. Each Holder of an unpaid Allowed Administrative Claim shall be paid in Cash in full on the later of thirty (30) days after the Effective Date or the date such Claim becomes an Allowed Administrative Claim, unless the Holder of such Claim agrees to a different treatment.

3.3 Payment of Non-Tax Priority Claims. Each Holder of an unpaid Allowed Non-Tax Priority Claim, if any, shall be paid in Cash in full on the later of thirty (30) days after the Effective Date or the date such Claim becomes an Allowed Non-Tax Priority Claim, unless the Holder of such Claim agrees to a different treatment.

3.4 Payment of Unsecured Priority Tax Claims. Allowed Priority Tax Claims, if any, shall be paid in full within 30 days following the Effective Date. In computing the present value of such Claims, the interest rate applied shall be the interest rate, which is currently 4.25%, as determined by Texas Tax Code Section 111.060(b) from the Effective Date until paid.

3.5 Payment to Professionals. All payments to professionals for actual, necessary services and costs advanced in behalf of the bankruptcy cases up until the Confirmation Date shall be pursuant to Bankruptcy Court order and subject to the restrictions of 11 U.S.C. §330. Professional fees incurred for services rendered and costs advanced subsequent to the Effective Date shall be the liability of the Reorganized Debtor.

## ARTICLE 4

### CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

Subject to all other applicable provisions of the Plan (including its distribution provisions), classified Claims and Interests shall receive the treatment set forth below. The Plan will not provide any distributions on account of a Claim or Interest to the extent that such Claim or Interest has been disallowed, released, withdrawn, waived, settled, or otherwise satisfied or paid as of the Effective Date, including, without limitation, payments by third party guarantors, sureties, or insurers, whether governmental or nongovernmental. The Plan will not provide any distributions on account of a Claim or Interest, the payment of which has been assumed by a third party.

#### 4.1 Class 1. Allowed Secured Claim of Taxing Authorities.

4.1.1 Classification: Class 1 consists of the Allowed Secured Claims of Ad Valorem taxing authorities for the year 2010 and any prior years secured by a lien on all of the Debtor's assets.

4.1.2 Treatment: Allowed Secured Class 1 Claims shall be paid in cash in full with interest at the statutory rate within 30 days of the Effective Date, without penalty. The Allowed Secured Class 1 Claims Holders shall retain their liens until such time as they are paid in full. Harris County shall retain all liens it currently holds for the 2011 tax year on any property of the Debtor until it receives payment in full of all taxes. Ad valorem taxes for the 2011 tax year are to be timely paid in the ordinary course without the necessity of the filing of administrative expense claims or requests for payment, and if not so timely paid, will be subject to state court collection procedures without the necessity of further recourse to the Bankruptcy Court.

4.1.3 The Class 1 Claim is not unimpaired.

#### 4.2 Class 2. Allowed Secured Claim of Wells Fargo Bank, N.A. (through Citi).

4.2.1 Classification: Class 2 consists of the Allowed Secured Claim of Wells Fargo, by and through Citicorp USA, Inc. as servicer, secured by liens on substantially all of the Debtor's assets. The sum of all amounts to be paid to Citi pursuant to this section 4.2.1 shall be referred to as the "Citi Allowed Claim."

Treatment: The Holder of the Secured Class 2 Claim shall receive, on the Effective Date, cash sufficient to reduce its claims against the Debtor to the sum of \$13.2 million. The payment by the Debtor shall include all principal and past due interest up to the Effective Date.

Citi's Legal Fees and Other Fees: The Debtor and Citi agree that the Debtor shall pay \$75,000 of the legal fees charged by the firm DLA Piper in full satisfaction of

the DLA Piper fees.<sup>1</sup> The Debtor agrees to pay one-half of all post-petition legal fees of King & Spalding LLP through the Effective Date (the “King & Spalding Legal Fees”), the current aggregate balance of such fees being approximately \$190,000.<sup>2</sup> On the Effective Date, the Debtor will pay \$150,000 in cash towards the satisfaction of Citi’s legal fees.<sup>3</sup> The balance of the legal fees will be paid over time pursuant to a promissory note that is acceptable to Citi. All other outstanding fees including but not limited to late fees, transfer fees, any default interest charges for amounts in excess of the applicable contractual rate of interest under the existing note and other penalties shall be waived as part of the Class 2 Claim treatment.

Amended Loan Documents: The Reorganized Debtor shall on the Effective Date execute either a promissory note or an amendment to the existing promissory note in substantially similar form to the permanent note contemplated in the Pre-Petition Loan Documents. The terms of the promissory note shall include interest at a rate of 5.8%, equal monthly payments of principal and interest based upon a 40 year amortization, with a 30 year maturity date. An amendment to the Loan Documents will be executed at closing, including a covenant that the Debtor shall use its best efforts to obtain the 8609 certificates within 12 months from the Effective Date. To the extent requested, the Reorganized Debtor shall execute or cause to be executed all appropriate documents (i) to confirm Citi’s continuing security interest in all assets of the Debtor following the Effective Date and (ii) requested by Citi to preserve the existing tax exempt structure created by the Pre-Petition Loan Documents. The Debtor shall be obligated under the new promissory note to begin principal and interest payments no later than 30 days after the Effective Date, as provided in the promissory note. The Holder(s) of the Secured Class 2 Claim shall retain its liens as provided in the Pre-Petition Loan Documents.

4.2.2

4.2.3 The Class 2 Claim is impaired.

#### 4.3 Class 3. Allowed Vendor Unsecured Claims

4.3.1 Classification: Class 3 consists of the Allowed Vendor Unsecured Claims.

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<sup>1</sup> The DLA Piper Legal Fees were incurred in connection with both of the above captioned jointly administered cases. The Debtor and Mansions at Hastings Green, LP (“Mansions Family”) will each pay one-half of the DLA Piper Legal Fees (for a total payment of \$150,000) in full satisfaction of the DLA Piper Legal Fees.

<sup>2</sup> The King & Spalding LLP Legal Fees have been incurred in connection with both of the above-captioned jointly administered cases. The Debtor and Mansions Family will each pay one-half of the reasonable King & Spalding Legal Fees incurred through the Effective Date.

<sup>3</sup> Pursuant to the terms of its own First Amended Chapter 11 Plan of Reorganization, Mansions Family will also be required to pay \$150,000 in cash towards the satisfaction of Citi’s legal fees. The combined cash payment on the Effective Date towards legal fees by both the Debtor and Mansions Family will be \$300,000.

4.3.2 Treatment: The Holders of Allowed Vendor Unsecured Class 3 Claims shall be paid in full without interest on the later of thirty (30) days after the Effective Date or the date such Claims become Allowed Claims.

4.3.3 The Class 3 Claims are impaired.

4.4 Nations Class 4. Allowed Claims of Mechanics and Materialmen/Subcontractors of

4.4.1 Classification: Class 4 consists of the Allowed Claims of mechanics and materialmen/subcontractors of Nations whose liens are determined to be valid and existing lien claims. Most, if not all, of the Class 4 Claims are Disputed Claims.

4.4.2 Treatment: The Holders of Allowed Class 4 Claims shall be paid in full without interest within 30 days after the Claim becomes an Allowed Claim. Any payment to Class 4 Claimants will offset the Claim of Nations.

4.4.3 The Class 4 Claims are impaired.

4.5 Class 5. Claim of Nations Construction Management

4.5.1 Classification: Class 5 consists of the Allowed Claim of Nations Construction Management. The Class 5 Claim is a Disputed Claim.

4.5.2 Treatment: The Allowed Class 5 Claim shall be paid in full without interest within 30 days from the date the Claim becomes an Allowed Claim.

4.5.3 The Class 5 Claim is impaired.

4.6 Class 6. Claim of Robert Burchfield/Burchfield Development.

4.6.1 Classification: Class 6 consists of the Allowed insider Claim of Robert Burchfield d/b/a Burchfield Development. The Class 6 Claim is a Disputed Claim. The claim is subject to counter-claims, offsets, contractual guarantees and a subordination agreement, among other things.

4.6.2 Treatment: Pursuant to the Exceptions to Non-Recourse Guaranty between Burchfield and the Beneficiary Parties, the Class 6 Claim is fully subordinated to the Class 2 Claim. Therefore, the Class 6 Claim shall not receive any payments until the Class 2 Claim is paid in full. Thereafter, the allowed amount of the Class 6 Claim shall be paid in full.

4.6.3 The Class 6 claim is impaired.

4.7 Class 7. Allowed Claims of Red Capital.

4.7.1 Classification: Class 7 consists of the Allowed Claim of Red Capital.

4.7.2 Treatment: The Allowed Class 7 Claim shall, following the payment of all obligations owed as of the Effective Date pursuant to Section 4.2.2 of the Plan, be paid in full without interest after payment in full of the Allowed Claims in Classes 1, 3, 4 and 5. For the avoidance of doubt, the Allowed Class 7 Claims shall exceed the amounts claimed by Red Capital in its proofs of claim and shall not include any claim asserted by Red Capital for ownership interests in any tax credits or ownership of partnership and/or other equity interests.

4.7.3 The Class 7 Claim is impaired.

4.8 Class 8. Allowed Interests of Equity Holders.

4.8.1 Classification: Class 8 consists of the Allowed Equity Interests in the Debtor.

4.8.2 Treatment: In exchange for \$1,201,155.50 of additional cash to be paid by the Effective Date, the existing Investor Limited Partner in the Debtor shall be retain its 99.999% equity interest in the Reorganized Debtor, and any ownership interest in the available tax credits. SCDC, LLC, the Special Limited Partner of the Debtor shall continue as the Special Limited Partner of the Reorganized Debtor and shall retain its .001 % limited partnership interest. The general partnership interest of Mansions At Hastings Green Senior I, LLC, in the Debtor shall be assigned to a new general partner.

4.8.3 With the exception of the Asset Management Fees and Expenses that may be due the Special Limited Partner, the Holder of the Allowed Equity Interests shall not receive any distributions nor any distributions be made to the Holder during the occurrence of any default of the obligations owed to Citi, or any successor thereto, under the amended promissory note and the Pre-Petition Loan Documents, as may be amended, including the failure to satisfy any covenant or other non-payment obligations under the applicable loan documentation.

4.8.4 The Class 8 Interests are impaired.

**ARTICLE 5**  
**VOTING OF CLAIMS AND INTERESTS**

Classes 2, 3, 4, 5, 6 and 7 of Claims and the Class 8 Equity Interests are impaired and therefore are entitled to vote on this Plan. Accordingly, the acceptances of Classes 2, 3, 4, 5, 6 and 7 Claims and Class 8 Equity Interests must be solicited. Class 1 is not impaired under the Plan and is therefore not entitled to vote on the Plan.

**ARTICLE 6**  
**MEANS FOR EXECUTION OF PLAN**

6.1 Vesting of Property of the Estate in Reorganized Debtor. On the Effective Date of the Plan, all property of the Debtor and of its Estate shall vest in each of the Reorganized

Debtor free and clear of liens, claims and encumbrances, except as otherwise provided by the terms of this Plan, including but not limited to Citi's retention of its liens as provided by Section 4.2.1.

6.2 Continuation of Business Operations. From and after the Effective Date of the Plan, the Reorganized Debtor shall be authorized to continue its normal business operations and enter into such transactions as it deems advisable, free of any restriction or limitation imposed under any provision of the Bankruptcy Code, except to the extent otherwise provided in the Plan. The funds from the Equity Infusion, along with cash flow of the operations, shall be used to fund payments required by the Plan.

6.3 Equity Infusion: The Investor Limited Partner of the Debtor shall contribute \$1,201,155.50 to the Reorganized Debtor in exchange for retention of its limited partnership interest in the Reorganized Debtor as provided for in Section 4.8.2 herein.

6.4 Directors and Officers of Reorganized Debtor. The Directors and Officers of the Debtor shall be replaced as of the Effective Date. The Reorganized Debtor shall be managed by a new general partner who shall be appointed in accordance with the terms of the Plan. The new general partner is authorized to elect Directors and Officers of the Reorganized Debtor from and after the Effective Date of the Plan.

6.5 Source of funds for Payments due on the Effective Date. The current operational revenues, collection of receivables and the Equity Infusion will be used to pay Administrative and Non-Tax Priority Claims, as well as any additional claims required by the Plan that are due on the Effective Date.

6.6 New Partnership Interests. The general partnership interest of Mansions At Hastings Green Senior I, LLC, shall be assigned to the new general partner on or before the Effective Date.

6.7 Disbursing Agent. Reorganized Debtor shall act as the Disbursing Agent. If Reorganized Debtor chooses not to act as the Disbursing Agent, then it shall designate a substitute.

6.8 Exclusive Rights and Duties of the Disbursing Agent. The duties of the Disbursing Agent shall be as follows:

6.8.1 Distribution to Creditors with Administrative Claims. In accordance with Article 3 of the Plan the Disbursing Agent shall pay the Administrative and Priority Claims first out of Cash on hand generated from operations.

6.8.2 Distributions to Creditors with Allowed Claims. The Disbursing Agent shall have the sole right and duty to make the distributions provided for hereunder as set forth in Article 4 of the Plan.

6.8.3 Distribution to Creditors with Disputed Claims that Subsequently Become Allowed Claims. Payment to each holder of a Disputed Claim, to the extent it ultimately becomes an Allowed Claim, shall be made in accordance with



the provisions of the Plan governing the class of claims to which the disputed claim belongs. Payments shall be made ten days after the Disputed Claims become Allowed Claims.

6.9 Powers of the Disbursing Agent. The Disbursing Agent shall have full power and authority to do the following:

6.9.1 Make disbursements to Administrative and Priority Creditors in accordance with Article 3 and other Creditors in accordance with Article 4 of the Plan.

6.9.2 File all reports required under law, including state and federal tax returns, and to pay all taxes incurred by the Bankruptcy Estate.

6.9.3 Take any and all actions, including the filing or defense of any civil actions or Claim objections necessary to accomplish the above.

6.9.4 Employ and pay reasonable fees and expenses of such attorneys, accountants, and other professionals, as may be deemed necessary to accomplish the above and shall be entitled to reserve sufficient Cash to pay the projected fees and costs to such Professionals on a post-confirmation basis, and shall be authorized to purchase insurance with such coverage and limits as are reasonably necessary, including covering liabilities incurred in connection with its service as Disbursing Agent.

6.9.5 Suspend distribution to any Creditor that has not provided the Disbursing Agent with its Federal Tax Identification number or social security number, as the case may be.

6.10 Presumption of Disbursing Agent's Authority. In no case shall any party dealing with the Disbursing Agent in any manner whatsoever be obligated to see that the terms of its engagement have been complied with, or be obligated or privileged to inquire into the necessity or expediency of any act of the Disbursing Agent, or to inquire into any other limitation or restriction of the power and authority of the Disbursing Agent, but as to any party dealing with the Disbursing Agent in any manner whatsoever in relation to the assets, the power of the Disbursing Agent to act or otherwise deal with said property shall be absolute except as provided under the terms of the Plan.

6.11 Limitation on Disbursing Agent's Liability.

6.11.1 Except gross negligence or willful misconduct, no recourse shall ever be had directly or indirectly against the Disbursing Agent personally or against any employee of the Disbursing Agent by legal or equitable proceedings or by virtue of any statute or otherwise, nor upon any promise, contract, instrument, undertaking, obligation, covenant or agreement whatsoever executed by the Disbursing Agent pursuant to this Plan, or by reason of the creation of any indebtedness by the Disbursing Agent for any purpose authorized by the Plan, it being expressly understood and agreed that all such liabilities, covenants and

agreements of the Disbursing Agent or any such employee, whether in writing or otherwise shall be enforceable only against and be satisfied only out of the assets of the Bankruptcy Estate and every undertaking, contract, covenant or agreement entered into in writing by the Disbursing Agent shall provide expressly against the personal liability of the Disbursing Agent.

6.11.2 The Disbursing Agent shall not be liable for any act the Disbursing Agent may do or omit to do as Disbursing Agent hereunder while acting in good faith and in the exercise of the best judgment of the Disbursing Agent and the fact that such act or omission was advised, directed or approved by an attorney acting as attorney for the Disbursing Agent, shall be evidence of such good faith and best judgment; nor shall the Disbursing Agent be liable in any event except for gross negligence or willful default or misconduct of the Disbursing Agent.

6.12 Delivery of Distributions. Subject to Bankruptcy Rule 9010 and the provisions of the Plan, distributions to Holders of Allowed Claims shall be made at the address of each such Holder as set forth on the proofs of Claim filed by such Holders (or at the last known addresses of such a Holder if no proof of Claim or proof of Equity Interest is filed or if the Disbursing Agent has been notified in writing of a change of address), except as provided below. If any Holder's distribution is returned as undeliverable, no further distributions to such Holder shall be made unless and until the Disbursing Agent is notified of such Holder's then current address, at which time all missed distributions shall be made to such Holder without interest. Amounts in respect of undeliverable distributions shall be returned to the Disbursing Agent until such distributions are claimed.

6.13 Time Bar for Cash Payments. Checks issued by the Disbursing Agent in respect of Allowed Claims shall be null and void if not negotiated within six months after the date of issuance thereof. Requests for reissuance of any check shall be made directly to the Disbursing Agent by the Holder of the Allowed Claim with respect to which such check originally was issued. Any Claim in respect of such a voided check shall be made on or before the later of (a) the first anniversary of the Effective Date or (b) ninety (90) days after the date of reissuance of such check. After such date, all Claims in respect of void checks shall be discharged and forever barred.

6.14 Unclaimed Property. If any Person entitled to receive distributions under the Plan cannot be located within a reasonable period of time after the Effective Date, the distributions such Person would be entitled to receive shall be held by the Disbursing Agent in a segregated interest-bearing account. If the Person entitled to any such distributions is located within six months after the Effective Date, such distributions, together with any dividends and interest earned thereon, shall be paid and distributed to such Person. If such Person cannot be located within such period, such distributions and any dividends and interest thereof shall be returned to the Reorganized Debtor and such Person shall have waived and forfeited its right to such distributions. Nothing contained in this Plan shall require the Disbursing Agent to attempt to locate such Person. It is the obligation of each Person claiming rights under the Plan to keep the Disbursing Agent advised of current address by sending written notice of any changes to the Disbursing Agent.



6.15 Minimum Payment. The minimum amount of any distribution shall be \$25. If a payment anticipated by the Plan is due in an amount less than \$25, then such payments is hereby waived and the funds shall be retained by the Reorganized IRH.

6.16 Fractional Dollars. Except for the Allowed Class 2 Claim, any other provision of the Plan notwithstanding, no payments of fractional dollars will be made to any Holder of an Allowed Claim. Whenever any payment of a fraction of a dollar to any holder of an Allowed Claim would otherwise be called for, the actual payment made will reflect a rounding of such fraction to the nearest whole dollar (up or down).

6.17 Distribution Dates. Whenever any distribution to be made under the Plan is due on a day other than a Business Day, such distribution will instead be made, without penalty or interest, on the next Business Day. The Bankruptcy Court shall retain power, after the Confirmation Date, to extend distribution dates for cause, upon motion and after notice and a hearing (as defined in Bankruptcy Code Section 102) to affected parties.

6.18 Orders Respecting Claims Distribution. After confirmation of the Plan, the Bankruptcy Court shall retain jurisdiction to enter orders in aid of consummation of the Plan respecting distributions under the Plan and to resolve any disputes concerning distributions under the Plan.

6.19 Avoidance Actions. The Reorganized Debtor anticipates pursuing Avoidance Actions and other causes of action as described in the Disclosure Statement, before and after the Effective Date, as part of, and to the extent necessary, of the Claim resolution process.

6.20 Agreements, Instruments and Documents. All agreements, instruments and documents required under the Plan to be executed or implemented, together with such others as may be necessary, useful, or appropriate in order to effectuate the Plan shall be executed on or before the Effective Date or as soon thereafter as is practicable. The Reorganized Debtor shall have a power of attorney, coupled with an interest, to execute and deliver any Plan Document to the extent that counterparty to such document fails to execute and deliver any document required to effectuate the Plan following 20 days written notice and request to such counterparty.

6.21 Further Authorization. The Reorganized Debtor shall be entitled to seek such orders, judgments, injunctions, and rulings from the Bankruptcy Court, in addition to those specifically listed in the Plan, as may be necessary to carry out the intentions and purposes, and to give full effect to the provisions, of the Plan. The Bankruptcy Court shall retain jurisdiction to enter such orders, judgments, injunctions and rulings.

## ARTICLE 7

### CRAMDOWN AND CLAIMS ALLOWANCE

7.1 Cramdown. In the event any Class rejects the Plan, the Debtor will seek to invoke the provisions of Section 1129(b) of the Bankruptcy Code and confirm the Plan notwithstanding the rejection of the Plan by any Class of Claims or Interests.

**IN THE EVENT ANY CLASS REJECTS THE PLAN THE DEBTOR WILL SEEK TO INVOKE THE PROVISIONS OF 11 U.S.C. §1129(b) AND CONFIRM THE PLAN OVER**

**THE REJECTION OF THE CLASS OR CLASSES. THE TREATMENT AFFORDED EACH CREDITOR IN EACH CLASS IN THE EVENT OF A CRAMDOWN WILL BE THE SAME AS THAT PROVIDED FOR IN THE PLAN AS THE CASE MAY BE.**

7.2 Allowance of Claims under the Plan. Allowance is a procedure whereby the Bankruptcy Court determines the amount and enforceability of Claims against the Debtor, if the parties cannot agree upon such allowance. It is expected that the Debtor and/or the Disbursing Agent will file objections to Claims of Creditors, if any are deemed necessary, before and after confirmation of the Plan. The Plan merely provides for payment of Allowed Claims, but does not attempt to pre-approve the allowance of any Claims, except for the Citi Allowed Claim, which shall be deemed Allowed Claim for all purposes hereunder.

7.3 Establishment and Maintenance of Disputed Claims Reserve:

- 7.3.1 Distributions made in respect of any Disputed Claims shall not be distributed, but shall instead be deposited by the Disbursing Agent into an interest-bearing account styled "Disputed Claims Reserve". The funds in this account shall be held in trust for the benefit of the Holders of all Disputed Claims.
- 7.3.2 Unless and until the Bankruptcy Court shall determine that a good and sufficient reserve for any Disputed Claim is less than the full amount thereof, the calculations required by the Plan to determine the amount of the distributions due to the Holders of Allowed Claims and to be reserved for Disputed Claims shall be made as if all Disputed Claims were Allowed Claims in the full amount claimed by the Holders thereof. No payment or distribution shall be made with respect to any Claim to the extent it is a Disputed Claim unless and until such Disputed Claim becomes an Allowed Claim.
- 7.3.3 At such time as a Disputed Claim becomes an Allowed Claim the distributions due on account of such Allowed Claim and accumulated by the Debtor (including the Pro Rata share of any dividends or interest earned in respect of such distributions) shall be released from the account and paid by the Reorganized Debtor to the Holder of such Allowed Claim.
- 7.3.4 At such time as any Disputed Claim is finally determined not to be an Allowed Claim, the amount on reserve in respect thereof shall be released from the account and returned to the Reorganized Debtor.
- 7.3.5 The Disbursing Agent shall not be required to withhold funds or consideration, designate reserves, or make other provisions for the payment of any Claims that have been Disallowed by a Final Order of the Bankruptcy Court as of any applicable time for

distribution under the Plan, unless the Bankruptcy Court orders otherwise or unless the Court's order of disallowance has been stayed.

7.4 Objection Deadline. As soon as practicable, but in no event later than one hundred twenty (120) days after the Effective Date, unless extended by order of the Bankruptcy Court for cause, objections to Claims shall be filed with the Bankruptcy Court and served upon the Holders of each of the Claims to which objections are made.

7.5 Prosecution of Objections. On and after the Effective Date, except as the Bankruptcy Court may otherwise order, the filing, litigation, settlement or withdrawal of all objections to Claim may be made by the Reorganized Debtor and/or Disbursing Agent.

## **ARTICLE 8** **DEFAULT**

8.1 If any of the following events occur, the Reorganized Debtor will be in breach of this Plan ("Default"):

8.1.1 Failure to pay any amount due under the Plan when due; or

8.1.2 Breach or violation of a material covenant or uncured default under the Plan, including failure to pay amounts due.

8.2 Should the Reorganized Debtor be in breach or violation under the foregoing paragraph, or Default has occurred and thereafter the Reorganized Debtor fails to remedy or resolve such breach within thirty (30) days from the date of receipt of written notice of such breach, violation or default, then any Creditor owed a distribution, which the Reorganized Debtor fails to make when due, at its option, may declare that the Reorganized Debtor is in default of this Plan. Upon default, a Creditor may either seek relief from the Bankruptcy Court (including seeking conversion of the case to Chapter 7) or pursue its state law remedies.

## **ARTICLE 9** **EXECUTORY CONTRACTS AND LEASES**

9.1 The Debtor hereby assumes the executory contracts and leases set forth in Exhibit "A" and any executory contracts and leases previously assumed pursuant to bankruptcy court order. The Debtor assumes all residential tenant leases for the Senior Property. All licenses issued to the Debtor by governmental authorities are assumed.

9.2 The Debtor hereby rejects all executory contracts and leases not otherwise assumed in this Plan or by prior Court order.

9.3 Any Claims arising from rejection of an executory contract or lease must be filed on or before 20 days from the Effective Date. Otherwise, such Claims are forever barred and

will not be entitled to share in any distribution under the Plan. Any Claims arising from rejection, if timely filed and allowed, will be treated as General Unsecured Claims.

9.4 Except as specifically provided for herein, the Debtor shall pay all cure claims in the amount listed on Exhibit "A" on or before 30 days after the Administrative Claims Bar Date set in paragraph 3.1, unless a Claim is filed before the Administrative Claims Bar Date in an amount different from that set forth on Exhibit "A", in which case the cure claim will be paid when and if allowed by Final Order of the Bankruptcy Court.

## **ARTICLE 10**

### **MODIFICATION OF THE PLAN**

10.1 The Debtor may propose amendments and modifications of this Plan prior to the Confirmation Date with leave of the Bankruptcy Court upon appropriate notice. After the Confirmation Date, the Debtor may, with approval of the Bankruptcy Court, so long as it does not materially or adversely affect the interests of the Creditors, remedy any defect or omission, or reconcile any inconsistencies in the Plan or in the Confirmation Order in such manner as may be necessary to carry out the intent of this Plan. After the Confirmation Date, the Reorganized Debtor may, with approval of the Bankruptcy Court, modify the Plan as to any Class, even though such modification materially affects the rights of the Creditors or Interest Holders in such Class; provided, however, that such modifications must be accepted as to Classes of Creditors by at least sixty-six and two-thirds percent (66-2/3%) in amount of Allowed Claims voting in each such Class and fifty-one percent (51%) in number of Allowed Claims voting in such Class, and as to Classes of Interest Holders by at least sixty-six and two-thirds percent (66-2/3%) in amount of Allowed Interests voting in each such Class; and provided, further, that additional disclosure material needed to support such modification shall be approved by the Bankruptcy Court in the manner consistent with Section 1125 of the Bankruptcy Code and Rule 3017 of the Federal Rules of Bankruptcy Procedure. With respect to all proposed modifications to the Plan both before and after confirmation, the Debtor shall comply with the requirements of Section 1127 of the Bankruptcy Code. Any amendments or modifications made by the Debtor to the Class 2 treatment must be pre-approved by Citi.

## **ARTICLE 11**

### **CONDITIONS PRECEDENT**

11.1 Conditions to Confirmation. Confirmation of the Plan shall not occur and the Bankruptcy Court shall not enter the Confirmation Order unless all of the requirements of the Bankruptcy Code for confirmation of the Plan with respect to the Debtor shall have been satisfied. In addition, confirmation shall not occur, the Plan shall be null and void and of no force and effect, and the Plan shall be deemed withdrawn unless the Court shall have entered all orders (which may be orders included within the Confirmation Order) required to implement the Plan.

11.2 Waiver and Nonfulfillment of Conditions to Confirmation. Nonfulfillment of any condition to confirmation of the Plan may be waived only by the Debtor. In the event the

Debtor determines that the conditions to the Plan's confirmation which they may waive cannot be satisfied and should not, in their discretion, be waived, the Debtor may propose a new plan, may modify this Plan as permitted by law, or may request other appropriate relief.

11.3 Confirmation Order Provisions for Pre-Effective Date Actions. 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 the provisions of the Plan and satisfy all other conditions precedent to the effectiveness of the Plan.

11.4 Conditions to the Effective Date. The following are conditions precedent to the effectiveness of the Plan: (i) the Plan is confirmed and the Bankruptcy Court shall have entered the Confirmation Order, which shall have become a Final Order; (ii) Debtor does not withdraw the Plan at any time prior to the Effective Date; (iii) the Debtor shall have sufficient Cash on hand, including the Equity Infusion to make the initial payments and distributions required under the Plan, and (iv) the documents contemplated by 4.2.1 shall have been executed, and all funds necessary to satisfy all obligations required to be paid to the Holder of the Class 2 Claim as of the Effective Date have been paid to Citi consistent with the terms of the Plan, including Section 4.2.2

11.5 Waiver and Nonfulfillment of Conditions to Effective Date. Nonfulfillment of any condition set forth in the immediately foregoing paragraph of the Plan may be waived only by the Debtor, after obtaining Citi's consent, which shall not be unreasonably withheld. In the event that the Debtor determines that the conditions to the Plan's Effective Date set forth in the immediately foregoing paragraph of this Plan cannot be satisfied and should not, in its sole discretion, be waived, the Debtor may propose a new plan, may modify this Plan as permitted by law, or may request other appropriate relief.

## ARTICLE 12 JURISDICTION OF THE BANKRUPTCY COURT

12.1 Notwithstanding entry of the Confirmation Order or the Effective Date having occurred, the Bankruptcy Court shall retain exclusive jurisdiction of this case after the Confirmation Date with respect to the following matters:

12.1.1 To allow, disallow, reconsider (subject to Bankruptcy Code Section 502(j) and the applicable Bankruptcy Rules) Claims and to hear and determine any controversies pertaining thereto;

12.1.2 To estimate, liquidate, classify or determine any Claim against the Debtor, including claims for compensation or reimbursement;

12.1.3 To resolve controversies and disputes regarding the interpretation and implementation of the Plan, including entering orders to aid, interpret or enforce the Plan and to protect the Debtor and any other entity having rights under the Plan as may be necessary to implement the Plan;

12.1.4 To hear and determine any and all applications, contested matters, or adversary proceedings arising out of or related to this Plan or this case or as otherwise might be maintainable under the applicable jurisdictional scheme of the Bankruptcy Code prior to or after confirmation and consummation of the Plan whether or not pending on the Confirmation Date;

12.1.5 To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked or vacated;

12.1.6 To liquidate or estimate damages or determine the manner and time for such liquidation or estimation in connection with any contingent or unliquidated Claim;

12.1.7 To adjudicate all Claims to any lien on any of the Debtor's assets;

12.1.8 To hear and determine matters concerning state, local and federal taxes pursuant to the Bankruptcy Code, including (but not limited to) sections 346, 505 and 1146 thereof and to enter any order pursuant to Bankruptcy Code Section 505 or otherwise to determine any tax of the Debtor, whether before or after confirmation, including to determine any and all tax effects of the Plan;

12.1.9 To correct any defect, cure any omission, or reconcile any inconsistency in the Plan or the Confirmation Order as may be necessary to carry out the purposes and intent of the Plan or to modify the Plan as provided by applicable law;

12.1.10 To determine all questions and disputes regarding title to assets and equity interests of the Debtor, Reorganized Debtor or of the Bankruptcy Estate, as may be necessary to implement the Plan;

12.1.11 To enforce and to determine actions and disputes concerning the releases contemplated by the Plan and to require persons holding Claims being released to release Claims in compliance with the Plan;

12.1.12 To fix the value of collateral in connection with determining Claims;

12.1.13 To enter a final decree closing the case and making such final administrative provisions for the case as may be necessary or appropriate; and

12.1.14 To, even after entry of a final decree, hear any cases enforcing Bankruptcy Code section 525.

12.2 Failure of the 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 in, arising under or related to the Chapter 11 case, including the matters set forth in Section 12.1 of the Plan, this Article 12 shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter. Notwithstanding anything herein to the contrary,



following the Effective Date, the Holder of the Class 2 Claims may assert any and all rights under the amended promissory note provided to it pursuant to the Plan in any Court of competent jurisdiction and shall not be subject to the exclusive jurisdiction of the Bankruptcy Court.

### ARTICLE 13 EFFECT OF CONFIRMATION

13.1 Binding Effect. As provided for in Section 1141(d) of the Bankruptcy Code, the provisions of the Plan shall bind the Debtor, any entity acquiring property under the Plan and any Creditor, Equity Holder of the Debtor, whether or not the Claim or Interest of such Creditor or Equity Holder is impaired under the Plan and whether or not such Creditor or Equity Holder has accepted the Plan, and the United States and any licensing authority. After confirmation, the property dealt with by the Plan shall be free and clear of all Claims and Interests of Creditors and Equity Holders, except to the extent as provided for in the Plan as the case may be. The Confirmation Order shall contain an appropriate provision to effectuate the terms of this paragraph 13.1.

13.2 Satisfaction of Claims and Interests. Holders of Claims and Interests shall receive the distributions provided for in this Plan, if any, in full settlement and satisfaction of all such Claims, and any interest accrued thereon, and all Interests.

13.3 Vesting of Property. Except as otherwise expressly provided in the Plan or the Confirmation Order, pursuant to Section 1141(b) of the Bankruptcy Code, upon the Effective Date, all Property of the Bankruptcy Estate of Mansions at Hastings Green Senior, LP, shall vest in the Debtor free and clear of all Claims, liens, encumbrances, charges or other Interests of Creditors and Interest Holders. Except as otherwise expressly provided in the Plan or the Confirmation Order, all assets of the Debtor's Bankruptcy Estate shall vest in the Reorganized Debtor free and clear of all Claims, liens, and encumbrances. Moreover, all licenses and permits held by the Debtor shall continue to be held by the Reorganized Debtor. For the avoidance of doubt, all liens of the Holder of the Class 2 Claims shall be unaffected and retained under the terms of this Plan. To the extent the case is converted to a case under Chapter 7 pursuant to Section 1112(b)(4)(N) of the Bankruptcy Code, the property vested with the Reorganized Debtor or any subsequently acquired property will become property of the bankruptcy estate in the converted case.

13.4 Discharge. Pursuant to Section 1141(d) of the Bankruptcy Code, upon the Effective Date, the Debtor shall be discharged from any debt that arose before the date of such confirmation, and any debt of a kind specified in Section 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not a proof of the Claim based on such debt is filed or deemed filed under Section 501 of this title; such Claim is allowed under Section 502 of this title; or the Holder of such Claim has accepted the Plan. For the avoidance of doubt, all liens of the Holder of the Class 2 Claims shall be unaffected and retained under the terms of this Plan.

13.5 Injunction. **The Confirmation Order shall include a permanent injunction prohibiting the collection of Claims from the Debtor in any manner other than as provided for in the Plan. All Holders of Claims shall be prohibited from asserting against the**

**Debtor, Reorganized Debtor or any of their assets or properties, or against Citi or the Holder of the Class 2 Claims, any other or further Claim based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Confirmation Date, whether or not such Holder filed a proof of Claim. Such prohibition shall apply whether or not (a) a proof of Claim based upon such debt is filed or deemed filed under Section 501 of the Bankruptcy Code; (b) a Claim based upon such debt is allowed under Section 502 of the Bankruptcy Code; or (c) the Holder of a Claim based upon such debt has accepted the Plan. This injunction also permits the Reorganized Debtor to enforce 11 U.S.C. §525(a) upon improper revocation or restriction of licenses.**

13.6 **Preservation of Setoff Rights.** In the event that the Debtor has a Claim of any nature whatsoever against the Holders of Claims, the Debtor may, but is not required to setoff against the Claim (and any payments or other distributions to be made in respect of such Claim hereunder), subject to the provisions of Section 553 of the Bankruptcy Code. Neither the failure to setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtor of any Claim that the Debtor has against the Holder of Claims. Neither this provision nor the injunctive provision of the Confirmation Order shall impair the existence of any right of setoff or recoupment that may be held by a Creditor herein; provided that the exercise of such right, except as set forth herein with respect to Classes 5 and 6, shall not be permitted unless the Creditor provides the Debtor with written notice of the intent to affect such setoff or recoupment. If the Debtor or the Disbursing Agent, as applicable, objects in writing within twenty (20) business days following the receipt of such notice, such exercise shall only be allowed upon order of the Bankruptcy Court. In the absence of timely objection, the Creditor may implement the proposed setoff or recoupment against the Claim held by the Bankruptcy Estate.

13.7 **Releases.** On the Effective Date and pursuant to Section 1123(b)(3)(A) of the Bankruptcy Code, the Debtor, and to the maximum extent provided by law, its agents, release and forever discharge all claims, including acts taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, confirmation or consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into or any other act taken or entitled to be taken in connection with the Plan or this case against the following, whether known or unknown:

13.7.1 SCDC, LLC, Red Capital Tax Credit Fund XXIV, LLC, PNC Bank, N.A., DLE Investors, LP, JP Morgan Chase Bank, Wells Fargo Community Development Corporation, Hastings Green Senior, LLC, Red Capital Markets, LLC f/k/a Red Capital Markets, Inc., Red Capital Group, LLC, Red Capital Community Development Company, LLC, their employees, agents, attorneys and representatives, (“Insider Released Parties”), in connection with any and all claims and causes of action arising on or before the Confirmation Date that may be asserted by or on behalf of the Debtor or the Bankruptcy Estate and/or on account of the Debtor’s Case. The release of these Insider Released Parties shall be conditioned upon the occurrence of the Effective Date.



13.7.2 **The Debtor's Professionals will be released from any and all claims and liabilities other than willful misconduct or if the release is otherwise restricted by the Texas Disciplinary Rules of Professional Conduct.**

13.7.3 **Citi and the Holder of the Class 2 Claims, including their respective Representatives, in connection with any and all claims and causes of action arising on or before the Confirmation Date that may be asserted by or on behalf of the Debtor or the Bankruptcy Estate and/or on account of the Debtor's Case.**

13.8 Guarantors. Nothing herein shall be deemed to release the liability of any non-debtor guarantor to a Creditor, the Debtor, the Special Limited Partner, the Additional General Partner or Investor Limited Partner.

13.9 Lawsuits. On the Effective Date, all lawsuits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of Claims against the Debtor except proof of Claim and/or objections thereto pending in the Bankruptcy Court shall be dismissed as to the Debtor. Such dismissal shall be with prejudice to the assertion of such Claim in any manner other than as prescribed by the Plan. **All parties to any such action shall be enjoined by the Bankruptcy Court by the Confirmation Order from taking any action to impede the immediate and unconditional dismissal of such actions.** All lawsuits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of a claim(s) by the Debtor or any entity proceeding in the name of or for the benefit of the Debtor against a person shall remain in place only with respect to the claim(s) asserted by the Debtor or such other entity, and shall become property of the Post-Confirmation Reorganized Debtor to prosecute, settle or dismiss as it sees fit.

13.10 Insurance. Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtor or Reorganized Debtor in which the Debtor or any of the Debtor's representatives or agents is or was the insured party; the Reorganized Debtor shall become the insured party under any such policies without the need of further documentation other than the Plan and entry of the Confirmation Order. Each insurance company is prohibited from denying, refusing, altering or delaying coverage on any basis regarding or related to the Debtor's bankruptcy, the Plan or any provision within the Plan.

13.11 U.S. Trustee Fees. The Debtor 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 dismisses the 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 made by it for each month or portion thereof, which this Chapter 11 case remains open in a format prescribed by the United States Trustee.

13.12 Term of Stays. Except as otherwise provided in the Plan, the stay provided for in this case pursuant to Bankruptcy Code Section 362 shall remain in full force and effect until the Effective Date.

**ARTICLE 14**  
**MISCELLANEOUS PROVISIONS**

14.1 Corporate Authority. All actions and transactions contemplated under the Plan shall be authorized upon confirmation of the Plan without the need of further partnership, board or stockholder resolutions, approval, notice or meetings, other than the notice provided by serving this Plan on all known Creditors of the Debtor, all Interest Holders, and all current directors of the Debtor.

14.2 Documentation. The Debtor, all Creditors and other parties in interest required to execute releases, termination statements, deeds, bills of sale or other documents required by the Plan, shall be ordered and directed to execute such documents as are necessary in order to effectuate the terms of this Plan. The Bankruptcy Court may determine that the failure of any party to execute a required document shall constitute contempt of the Bankruptcy Court's Confirmation Order, which shall require such documents to be executed in accordance with the terms of the Plan and the Confirmation Order. On the Effective Date, all documents and instruments contemplated by the Plan not requiring execution and delivery prior to the Confirmation Date shall be executed and delivered by the Debtor, and Creditors, as the case may be. All Documents shall be consistent with the terms of the Plan and shall otherwise be subject to approval as to form by all respective counsel.

14.3 Integration Clause. This Plan is a complete, whole, and integrated statement of the binding agreement between the Debtor, Creditors, Equity Interests and the parties-in-interest upon the matters herein. Parol evidence shall not be admissible in an action regarding this Plan or any of its provisions.

14.4 Primacy of the Plan and Confirmation Order. To the extent of any conflict or inconsistency between the provisions of the Plan on the one hand, and the Confirmation Order on the other hand, the provisions of the Confirmation Order shall govern and control.

14.5 Severability. Should the Bankruptcy Court determine that any provision of the Plan is unenforceable either on its face or as applied to any Claim or Equity Interest or transaction, the proponent may modify the Plan in accordance with Article 12 hereof so that such provision shall not be applicable to the Holder of any Claim or Equity Interest. Such a determination of unenforceability shall not (a) limit or affect the enforceability and operative effect of any other provision of the Plan or (b) require the resolicitation of any acceptance or rejection of the Plan.

14.6 No Admission. Neither the filing of the Plan, nor Disclosure Statement, nor any statement or provision contained herein, nor the taking by the Debtor of any action with respect to the Plan shall (i) be or be deemed to be an admission against interest and (ii) until the Effective Date, be or be deemed to be a waiver of any rights which the Debtor may possess against any other party. In the event that the Effective Date does not occur, neither the Plan, Disclosure Statement nor any statement contained herein may be used or relied upon in any manner in any suit, action, proceeding or controversy within or outside of the Debtor's cases.

14.7 Bankruptcy Restrictions. From and after the Effective Date, the Debtor shall no longer be subject to the restrictions and controls provided by the Bankruptcy Code or Rules (e.g., section 363, section 364, rule 9019), the Bankruptcy Court, or the United States Trustee's guidelines. The Disbursing Agent may, on behalf of the Debtor, compromise Claims and/or controversies post-Effective Date without the need of notice or Bankruptcy Court approval. No monthly operating reports will be filed after the Effective Date; however, the Disbursing Agent shall provide the U.S. Trustee such financial reports as provided above and as the U.S. Trustee may reasonably request until the entry of a final decree.

14.8 Governing Law. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or the law of the jurisdiction of organization of any entity, the internal laws of the State of Texas shall govern the construction and implementation of the Plan and any agreements, documents and instruments executed in connection with the Plan or the Chapter 11 case, including the documents executed pursuant to the Plan.

14.9 Closing of Case. As soon as the Debtor has either obtained substantial consummation or otherwise performed their obligations under the Plan the Reorganized Debtor shall seek the entry of an Order of the Court closing this case.

14.10 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.

14.11 Notices. All notices or requests in connection with the Plan shall be in writing and given by mail addressed to:

Hastings Green Senior, LLC  
Attn: Gary L. McGlaughlin, President of SCDC, LLC, its sole member  
Two Miranova Place  
Columbus, Ohio 43215

with copies to:

Edward L. Rothberg  
Hoover Slovacek, LLP  
5847 San Felipe, Suite 2200  
Houston, Texas 77057

Mark W. Wege  
King & Spalding, LLP  
1100 Louisiana, Suite 4000  
Houston, Texas 77002

All notices and requests to Persons holding any Claim or Interest in any Class shall be sent to them at their last known address or to the last known address of their attorney of record in the case. Any such holder of Claim or Interest may designate in writing any other address for

purposes of this section, which designation will be effective upon receipt by the Debtor.

14.12 Validity and Enforceability. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms. Should any provision in this Plan be determined by the Court or any appellate court to be unenforceable following the Effective Date, such determination shall in no way limit the enforceability and operative effect of any and all other provisions of this Plan.

14.13 Plan Supplement. Any and all exhibits or schedules not filed with the Plan shall be contained in a Plan Supplement to be filed within ten (10) days of the Confirmation Hearing.

**[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]**

Respectfully submitted this 26<sup>th</sup> day of April, 2011.

**MANSIONS AT HASTINGS GREEN SENIOR, LP**

**By: HASTINGS GREEN SENIOR, LLC**

**By: SCDC, LLC**

*/s/ Gary L. McGlaughlin*

By: \_\_\_\_\_  
Gary L. McGlaughlin, President of SCDC, LLC

EDWARD L. ROTHBERG  
State Bar No. 17313990  
T. JOSH JUDD  
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5847 San Felipe, Suite 2200  
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Telephone: 713.977.8686  
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ATTORNEYS FOR DEBTORS

**EXHIBIT A**

<b><u>NAME OF PARTY</u></b>	<b><u>CURE AMOUNT</u></b>
Apartments.com	\$0.00
Coinmach Corporation	\$0.00
Eco Services	\$0.00
Empire Waste, Ltd.	\$0.00
For Rent Media Solutions	\$0.00
John Moore Pest Controls	\$0.00
Kings III Emergency Communications	\$0.00
PhoneJet Telecom, Inc.	\$0.00
Texas Environments Co., Inc.	\$2,374.83
ThyssenKrupp Elevator	\$3,824.42
Titan Systems	\$0.00
TLC Office Systems	\$709.86

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<b>IN RE:</b>  <b>MANSIONS AT HASTINGS GREEN, LP</b>  <b>MANSIONS AT HASTING GREEN SENIOR, LP</b>  <b>DEBTORS.</b>	§ § § § § § § § §	<b>CASE NO. 10-39474-H3-11</b>  <b>CASE NO. 10-39476-H3-11</b>  <b>(Chapter 11)</b> <b>Jointly Administered Under</b> <b>CASE NO. 10-39474-H3-11</b>
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**MANSIONS AT HASTINGS GREEN SENIOR, LP'S SUPPLEMENT TO FIRST  
AMENDED PLAN PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE**

TO THE UNITED STATES BANKRUPTCY COURT, CREDITORS AND PARTIES IN INTEREST:

Pursuant to Section 1127 of the Bankruptcy Code, Mansions At Hastings Green Senior, LP (the "Debtor"), hereby submits the following Modifications to the First Amended Chapter 11 Plan of Reorganization filed on April 26, 2011 ("Plan") (Doc. # 161).

**I. Modification to Article 6 – Means for Execution of the Plan**

1. Section 6.6 shall be modified by adding the following language to the end of the section:

The general partnership interest of Mansions At Hastings Senior, LP, is currently held by Hastings Green Senior, LLC. Subject to the prior written consent of Citi in accordance with its internal underwriting approval process, within nine (9) months of the Effective Date, the Debtor may transfer/assign the general partnership interest to a new general partner. By agreement with Citi, there will not be a transfer fee owed for such transfer/assignment of the general partnership interest provided that such transfer occurs within nine (9) months of the Effective Date. In any event, Citi shall be entitled to reimbursement of its reasonable costs in effectuating any transfer of the general partnership interest and is under no obligation to approve such transfer to any entity that is not otherwise acceptable to Citi, such consent not to be unreasonably withheld.

Dated: June 10, 2011

Respectfully submitted,

HOOVER SLOVACEK LLP

/s/ T. Josh Judd

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