UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK
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In Re: Chapter 11

Northside Tower Realty, LLC, Case No. 110-42080-608

Debtor.

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AMENDED DISCLOSURE STATEMENT

Northside Tower Realty, LLC ("Northside"), Debtor and Debtor-in-Possession submits this Amended Disclosure Statement ("Disclosure Statement") to all creditors and parties in interest pursuant to Section 1125 of Title 11, United States Code ("Bankruptcy Code"), in order to disclose information important and necessary for a reasonably informed decision for each party in interest respecting their right to vote on, or otherwise participate in, confirmation proceedings concerning the Debtor's Plan of Reorganization dated August 3, 2010 (the "Plan"), filed with the United States Bankruptcy Court for the Eastern District of New York. (A copy of the Plan is attached to this Disclosure Statement as Exhibit "A," and the terms and definitions contained in the Plan are incorporated herein by reference.)

The purpose of this Disclosure Statement is to set forth sufficient information regarding (i) the history of the Debtor in its business, (ii) the filing of the Chapter 11 case, (iii) the Plan and the alternatives to the Plan, (iv) the claims of claimants and to assist them in making an informed decision with respect to the Plan, and (v) to assist the Court in making an informed decision as to whether the Plan complies with the requirements of the Bankruptcy Code.

Information contained in this Disclosure Statement summarizes the Plan and should not be relied upon solely for voting purposes. Parties in interest are urged to read the Plan

carefully, and are further urged to consult with counsel in order to understand the Plan fully. The Plan, if confirmed, is a legally binding document.

NO STATEMENTS, INFORMATION OR REPRESENTATIONS CONCERNING THE DEBTOR (PARTICULARLY AS TO ITS FUTURE BUSINESS OPERATIONS, PROFITS OR FINANCIAL CONDITIONS), ARE AUTHORIZED BY THE DEBTOR OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE WHICH ARE OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION AND SUCH ADDITIONAL REPRESENTATIONS AND INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR WHO IN TURN SHALL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR SUCH ACTION AS THE COURT MAY DEEM APPROPRIATE. THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. THIS DISCLOSURE STATEMENT WAS COMPILED FROM INFORMATION OBTAINED FROM THE BOOKS AND RECORDS OF THE DEBTOR MAINTAINED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND GREAT EFFORT WAS MADE TO INSURE ITS ACCURACY.

THE ADEQUACY OF THIS DISCLOSURE STATEMENT WILL BE SUBJECT TO A HEARING IN THE BANKRUPTCY COURT ON _____ ___, 2010. PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE, THE BANKRUPTCY COURT HAS CONDITIONALLY DETERMINED THAT THE INFORMATION CONTAINED HEREIN IS OF THE KIND, AND SUFFICIENTLY DETAILED, TO ENABLE A HYPOTHETICAL, REASONABLE TYPICAL INVESTOR TO MAKE AN INFORMED JUDGMENT WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. HOWEVER, THE BANKRUPTCY COURT'S DETERMINATION ON THE ADEQUACY OF THIS DISCLOSURE STATEMENT SHOULD NOT BE CONSTRUED AS APPROVAL OR ENDORSEMENT AS TO THE FAIRNESS OR MERITS OF THE PLAN BY THE BANKRUPTCY COURT.

Claimants in classes 1, 2, 3, 4 and 5 are impaired. Only claimants in Classes 1, 2 and 3 are entitled to vote on the Plan.

Except as described below, the Plan may be confirmed only if accepted by each impaired class of claimants entitled to vote thereon. The Bankruptcy Code defines "acceptance" as acceptance by holders of a majority in number and two-thirds (2/3) of the total dollar amount of the claims in each class actually voting in the class. Any voting class of claimants that fails to accept the Plan will be deemed to have rejected the Plan.

Annexed hereto and accompanying this Disclosure Statement are copies of the following:

i. The Plan (Exhibit "A");

ii. An income statement reflecting results of operations from 3/15/10 through 6/30/10 (Exhibit "B");

iii. A balance sheet of the Debtor as of 6/30/10 (Exhibit "C"); and

iv. A liquidation Analysis of the Debtor as of 6/30/10, including comments respecting preferences and fraudulent conveyances (Exhibit "D").

The financial information contained in this Disclosure Statement and its annexed Schedules were prepared by the Debtor from the Debtor's books and records and in accordance with generally accepted accounting principles. The Debtor's Schedules were prepared in accordance with generally accepted accounting principles. All efforts have been made to assure that the information contained is accurate.

The Bankruptcy Court will set a date by which the ballots for the acceptance or rejection of the Plan are required to be submitted in writing by the holders of all classes of claims that are impaired under the Plan. Creditors may vote on the Plan by completing and mailing the ballot to Weinberg, Gross & Pergament LLP, 400 Garden City Plaza, Suite 403, Garden City, New York 11530, (516) 877-2424, Attention: Marc A. Pergament, Esq.

1. Explanation of Chapter 11

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Under Chapter 11, a debtor seeks to reorganize its business and financial affairs. A debtor may also liquidate its assets and wind up its affairs in Chapter 11.

On March 15, 2010 ("Petition Date"), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. From the Petition date through this date, the Debtor operated its business and managed its affairs as a debtor-in-possession under Sections 1107 and 1108 of the Bankruptcy Code. These sections of the Bankruptcy Code permit existing management of a Chapter 11 debtor to continue to operate as a debtor within the structure of Chapter 11.

2. Formulation and Confirmation of a Plan of Reorganization

The formulation and confirmation of a plan of reorganization is the principal purpose of a Chapter 11 case. A Plan sets forth the means of satisfying or discharging the holders of claims against and interests in a Chapter 11 Debtor. Chapter 11 does not require that each holder of a claim against the Debtor vote in favor of a Plan in order for a Bankruptcy Court to approve a Plan. If any class of claimants is impaired by a Plan, the Plan must be accepted by at least one "impaired" class of claims. A claim that will not be repaid in full or as to which legal

rights are altered, or an interest that is adversely affected, is deemed impaired. The holder of an impaired claim or interest is entitled to vote to accept or reject a claim if the claim or interest has been allowed under Section 502 of the Bankruptcy Code, or temporarily allowed for voting purposes under Rule 3018 of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules"). Acceptance by a class must be by a majority in number and two-thirds of the dollar amounts of the total claims or interest actually voting in the class.

Under the Debtor's Plan, the general unsecured creditors are receiving in the aggregate the sum generated from the sale of the Debtor's real property after satisfaction of the claims in Classes 1 and 2, and the prosecution of the Debtor's litigation claims, after payment of necessary legal fees and costs. The general unsecured creditors have the right to reject the Plan, and if the Debtor attempts a "cram down," under In re Coltex, the Debtor's shareholders would be required to provide new value to the Debtor in order to retain their interest. The new value must be necessary for an effective reorganization, "substantial," monies or monies worth (not future labor, good will, etc.) and reasonably equivalent to the value of the property to be retained. Upon consideration of these factors, the Court will decide whether to:

(a) deny confirmation of the Plan;

(b) permit the Debtor to submit a new plan;

(c) order the liquidation of the Debtor; or

(d) order the sale of the ownership interest in the Debtor.

3. Overview

The following is a brief overview of (a) the Debtor's business and its history, (b) the events leading to the filing of Chapter 11; and (c) the Debtor's relationship with its secured and unsecured creditors.

a) Debtor's Business and Its History.

In or about 2006, the Debtor was formed for the purpose of the purchase and development of a condominium project in the Williamsburg section of Brooklyn, New York.

4. Debtor-in-Possession Management.

Following the filing of its Bankruptcy Petition, the Debtor has continued in the operation and management of its business.

As a Debtor-in-Possession, from March 15, 2010 through June 30, 2010, the Debtor has not generated any funds, but has incurred the expenses of maintaining and preserving its real property located at 142 North 6th Street, Brooklyn, New York (the "Real Property").

The Debtor has entered into a contract of sale for the Real Property with Nobed 6 LLC for $15,000,000.00, and after notice and seeking higher offers, no higher bid was received. A hearing was held in the Bankruptcy Court on August 18, 2010 and there were no objections to the sale to Nobed 6 LLC and the Bankruptcy Court approved the sale, free and clear of all liens, claims and encumbrances and subject to the confirmation of the Plan. Under the Contract of Sale, following the confirmation of the Plan, Nobed 6 LLC shall pay $250,000.00 to the Debtor for administrative expenses and Class 3 claimants and assume $1,500,000.00 of the first mortgage of North 6 Equity LLC. Nobed 6 LLC is an affiliate of North 6 Equity LLC, which

purchased the note and the first mortgage of Capital One. The Debtor's members and their family are not and were not members of Nobed 6 LLC nor North 6 Equity LLC.

Thus, upon confirmation of the Plan, North 6 Equity LLC (Class 1) and the New York City Department of Finance (Class 2) will be satisfied and the proceeds of the litigation will hopefully generate a distribution to general unsecured creditors and that is in addition to the $250,000.00 to be paid at closing by Nobed 6 LLC. By the sale to Nobed 6 LLC, the Debtor will eliminate paying on a Class 3 claim of North 6 Equity LLC of $3,500,000.00 which will result in a distribution to Class 3 claimants. Nobed 6 LLC has agreed to waive a distribution on its general unsecured claim but retains its right to vote as a Class 3 claimant.

The Debtor asserts that the mechanics lienors have no valid claims against the Debtor and motions to disallow those claims will be filed by October 25, 2010.

5. Post Confirmation Operation of the Debtor.

The Debtor presently intends to continue to operate under the supervision of its two (2) members, Paul Vallario and Anthony Ciuffo and they will not be paid for their services. Their duties shall be to supervise and participate in the pending lawsuits and claims disputes.

1. Northside Tower Realty LLC v. Scorcia & Diana Associates, *et al.*, Index No.: 37079/2007 (Supreme Court, Kings County).

This is an action against, among others, Scorcia and Diana Associates, the general contractor retained by Northside in connection with the construction project at 142 North 6th Street, Brooklyn, New York ("Project"), and Versa Contracting Company, Inc. and Quest Contracting, Inc., the subcontractors retained by Scorcia and Diana Associates to perform the excavation and

foundation work at the Project. Northside seeks damages resulting from alleged negligence, gross negligence and breach of contract in connection with the performance and supervision of the excavation and foundation work. Northside estimates its damages to be in the sum of $5,000,000.00. The defendants have denied liability. The action is pending before the Honorable David Schmidt.

2. Northside Tower Realty LLC v. CFS Engineering, P.C. and Stephen J. Carnavalla, P.E., Index No.: 14137/2009 (Supreme Court, Kings County).

This is an action against CFS Engineering, P.C. and its principal, Stephen J. Carnavalla, P.E., the mechanical system engineer and electrical system engineer retained by Northside's architect at the Project. Northside seeks damages resulting from the defendants' alleged malpractice, gross negligence and breach of contract in connection with the defendants' alleged failure to provide and/or providing faulty and unworkable plans, diagrams, details, schedules and specifications for various systems at the Project. Northside estimates its damages to be in the sum of $1,800,000.00. The defendants have denied liability and alternatively, have asserted that Northside's damages are limited by contract to the amount of professional liability insurance maintained by CFS applicable to Northside's claim. This action is pending before the Honorable Wayne P. Saitta.

3. Northside Tower Realty LLC v. Frederick Goldberg Architect P.C. and Frederick Goldberg, P.E., Index No.: 16886/2008 (Supreme Court, Nassau County).

This is an action against the garage design architect and its principal for malpractice, gross negligence and breach of contract based on the design of an

underground parking garage with a slope ratio that was too steep and that lacked a staging area in violation of the New York City Building Code and New York City Department of Transportation regulations. Northside estimates its damages to be in the sum of $575,000.00. The defendants have denied liability and alternatively, have asserted that Northside's damages are limited by contract to amount of the fees paid by Northside in the sum of approximately $30,000.00. The action is pending before the Honorable Timothy S. Driscoll.

4. Scorcia and Diana Associates, Inc. v. Northside Tower Realty, LLC, *et al.*, Index No.: 2131/2008 (Supreme Court, Kings County)

This is an action commenced by Scorcia & Diana Associates against Northside for non-payment of the work performed prior to termination and to foreclose on a mechanic's lien. Versa Contracting Company, Inc. and Quest Contracting, Inc. have asserted cross claims against Northside for similar relief. The total amount of damages being sought is in the sum of approximately $1,500,000.00. The mechanic's liens have been bonded by funds provided by Paul Vallario and Anthony Ciuffo. Northside denies liability. The action is pending before the Honorable David Schmidt.

a) Insider Transactions.

Since the filing of the Petition, there have been no loan transactions between the Debtor and any insider.

6. Preference and(1) Other Claims Under 11 U.S.C. Sections 544(b), 547, 548, 549 and 550 as Assets of the Estate.

After a review of the Debtor's books and records by the Debtor, pursuant to Section 547 of the Bankruptcy Code, there were no preferential payments within ninety (90) days of the commencement of this case greater than Five Thousand Dollars and 00/100 ($5,000.00) except for payments made contemporaneously for new value or in the ordinary course of business or as noted below.

Further, the Debtor did not uncover any claims against insiders or other entities under 11 U.S.C.§§544(b), 547, 548, 549 and 550, or applicable state law.

7. Summary of the Plan.

The following is a summary of certain provisions of the Plan. It is not a complete restatement of the Plan and it is qualified in its entirety by the provisions of the Plan. Because the Plan deals with legal concepts and incorporates the provisions and requirements of the Bankruptcy Code, you may wish to consult with your attorney in making a decision regarding your vote with respect to the Plan.

a) Classification of Claims and Interests.

A claim is in a particular class only to the extent that the claim qualifies within the description of that class and is in a different class to the extent that the remainder of the claim qualifies within the description of the different class.

All allowed Chapter 11 administrative claims will be paid in cash, in full, in such amounts as are incurred in the ordinary course of business by the Debtor or in such amounts as such administrative claims (such as professionals) are allowed by the Court:

(1) On the Effective Date; or

(2) Upon such terms as may exist due to the ordinary course of business of the Debtor; or

(3) As may be agreed to by the claimants and the Debtor; or

(4) As may be ordered by the Court.

The Debtor's counsel, Weinberg, Gross & Pergament LLP will seek the sum of approximately Seventy Five Thousand and 00/100 ($75,000.00) Dollars for representation of the Debtor.

There are no other administrative claims other than accrued but not due quarterly fees to the Office of the United States Trustee and expenses that are being paid in the normal course of the Debtor's business. These fees will continue to be incurred until the Bankruptcy Court's entry of a Final Decree.

i. Class 1. (North 6 Equity LLC). Class 1 consists of the secured claim of North 6 Equity LLC.

ii. Class 2. (New York City Department of Finance). Class 2 consists of the secured claim of the New York City Department of Finance in the sum of $23,950.00.

iii. Class 3. (General Unsecured Claims). Class 3 consists of all allowed general unsecured claims, including claims arising from the rejection of executory contracts and unexpired leases. Each claimant, including those disputed, with the amounts claimed are set forth in Exhibit "E." The funds to be paid to Class 3 claimants will be distributed at the conclusion of the pending lawsuits through Debtor's counsel. The claims of mechanic's lienors are disputed Class 3 claimants and the Debtor will be seeking the disallowance of the claims of the mechanic's lienors.

iv. Class 4. (Insider Claims). Class 4 consists of the claims of M&V Provisions, an affiliate of the Debtor, and Paul Vallario and Anthony Ciuffo. No distributions will be made to Class 4 claimants until all allowed Claim 3 claimants are paid in full. Each Class 4 claimant with the amounts claimed are set forth in Exhibit "F."

v. Class 5. (Stock Interests). Class 5 will consist of the holders of common stock of the Debtor. The stock will be canceled. The reorganized Northside will issue one hundred (100%) percent of the stock to Paul Vallario and Anthony Ciuffo.

All shares of new Northside stock to be issued will be exempt from the registration requirements of the Securities Act of 1933 and the Securities Exchange Act of 1934 pursuant to the provisions of Section 1145 of the Bankruptcy Code, subject to limitations set forth in Section 1145 of the Bankruptcy Code.

With certain exceptions, one of the requirements for confirmation is that a plan not provide for any payments to a junior class unless all superior classes shall have been paid or

provided for in full. Since general unsecured creditors are superior to stockholders, stockholders may not retain their interests unless one of three situations occur:

1. The plan provides for full payment to general unsecured creditors; or
2. The stockholders seeking to retain their equity interests contribute "money or money's worth" in the form of needed capital to the reorganized debtor reasonably equivalent in value to that of the equity interest sought to be retained; or
3. The class of unsecured creditors waive their rights by consenting to the plan as proposed.

If the unsecured creditors vote as a class to accept a plan which provides for less than full payment to them, while permitting stockholders to retain their interests, their acceptance constitutes the waiver referred to in item 3 above. Acceptance by a class must be by a majority number and two-thirds of the dollars amounts of the total claims or interest actually voting in the class.

Claimants in classes 1, 2, and 3 may elect to reject the Plan. This may result in: (a) a cramdown; (b) the filing of an amended plan by the proponent which may treat such creditors better, or worse; or (c) may call for a liquidation of the debtor. Creditors may also be able to offer their own plan. New plans are subject to a new vote. Since that may result in a liquidation of the debtor, creditors should carefully review this Disclosure Statement in order to determine how to vote in their best interest.

In the event that any impaired Class of Claims with Claims against the Debtor's estate shall fail to accept the Plan in accordance with Section 1129(a) of the Bankruptcy Code,

the Debtor will request that the Court confirm the Plan in accordance with Section 1129(b) of the Bankruptcy Code which provides for "cram down."

8. Voting and Confirmation Procedures.

In order for a Plan to be confirmed, various statutory conditions must be satisfied, including (i) acceptance of a Plan by at least one impaired class entitled to vote on the Plan (ii) provision for payment of distribution to each claimant of money and/or property of equal value to what the claimant would have received in a Chapter 7 liquidation; and (iii) a finding by a Court that it is feasible.

a) Procedure for filing proofs of claim.

The Plan provides that claims will be paid by the Debtor only if evidenced by a timely proof of claim that is allowed by the Court pursuant to Section 502 of the Bankruptcy Code or found to be undisputed or otherwise listed in the Debtor's schedules as undisputed, non-contingent and liquidated. The Court has issued an Order directing all claimants whose claims are either not scheduled as due by the Debtor or are scheduled as disputed, contingent or liquidated, to file a proof of claim on or before June 15, 2010 (the "Bar Date").

b) Who May Vote.

Under the Bankruptcy Code, pursuant to Sections 502(a) and 1126(a), a claimant is entitled to vote on a Plan of Reorganization or file an objection only if either (i) its claim has been scheduled by a Debtor and is not scheduled as disputed, contingent or liquidated, or (ii) has filed the proof of claim on or before the last date set by Court. As earlier set forth, in this case, June 15, 2010 was the last date for filing proofs of claim.

A claimant's vote may be disregarded if the Court determines that the claimant's acceptance or rejection of a Plan was not solicited or procured in accordance with the provisions of the Bankruptcy Code.

Only holders of claims and interests that are impaired under a Plan are entitled to vote on acceptance or rejection of the Plan. Generally, Section 1124 of the Bankruptcy Code provides that a class of claims or interests is considered impaired unless a Plan does not alter the legal, equitable and contractual rights of the holder of each claim or interest in the Class.

In this case, claimants in Classes 1, 2 and 3 are entitled to vote and their votes will be solicited.

c) Voting Procedures.

The Debtor is seeking the acceptance of holders of claims in classes 1, 2 and 3. A ballot will be sent with this Disclosure Statement. Each holder of an allowed claim in classes 1, 2 and 3 may vote on the Plan by then completing, dating and signing the ballot and filing the ballot as set forth below.

i) Solicitation Period.

In order to be counted, a ballot must be received no later than the date set by the Court.

Allowed claim holders' ballots must be received on or prior to _____, 2010. Said ballots shall be sent to the following address: Weinberg, Gross & Pergament LLP, 400 Garden City Plaza, Garden City, New York 11530, Attention: Marc A. Pergament, Esq.

ii) A ballot will be enclosed for each holder of claims eligible to vote on the Plan which will serve as a ballot for indicating acceptance or rejection of the Plan pursuant to the requirements of Sections 502 and 1126 of the Bankruptcy Code and Bankruptcy Rule 3018(c). If you did not receive a ballot with this Disclosure Statement, you are not eligible to vote on the Plan. If you have any questions concerning voting procedures, contact Marc A. Pergament, Esq. at (516) 877-2424.

iii) Contested Claims.

The Debtor will not object to any claims except the claims of CMB Associates for Coastal Plumbing, Solco Plumbing Supply Co., T & T Industry Inc., JC Ryan EBCO, Rotavele Elevator Inc., A.P.E. Electric of NY, KLIN Construction Group, Inc., NYC Department of Finance, Sunshine of East Coast Inc., Mark Jonathan Rubin, Gail Vachon, Agnes Mullaney, Scorcia & Diana Associates Inc., Capital Interiors Construction Inc., Matthew K. Bendix, Versa Cret Contracting Co. and Scher Law Firm.

d) Confirmation of the Plan.

Under the Bankruptcy Code, the following steps must be taken to confirm the Plan:

i) Confirmation hearing.

Section 1128 of the Bankruptcy Code requires the Court after notice, to hold a hearing on the confirmation of a Plan. The Court scheduled _____, 2010 as the date for the confirmation hearing for this case. The hearing on confirmation of the Plan will be conducted at the United States Bankruptcy Court for the Eastern District of New York, 271 Cadman Plaza East, Brooklyn, New York. Section 1128(b) of the Bankruptcy Code provides

that any party in interest may object to the confirmation of the Plan, regardless of whether it is entitled to vote.

ii) Objections to Confirmation.

Pursuant to court order, a party in interest may serve written objections to the confirmation of the Plan and file said written objection with the Clerk of the Bankruptcy Court, 271 Cadman Plaza East, Brooklyn, New York 11201 and serve a copy both upon counsel for the Debtor and the Office of the United States Trustee located at 271 Cadman Plaza East, Brooklyn, New York 11201.

Objections to confirmation of the Plan are made pursuant to Bankruptcy Rule 3020(b) and are governed by Bankruptcy Rule 9014 and as set forth in the Order conditionally approving this Disclosure Statement. UNLESS AN OBJECTION TO CONFIRMATION SHALL BE FILED AND SERVED IN A TIMELY MANNER, IT MAY NOT BE CONSIDERED BY THE COURT.

iii) Requirements for the Confirmation of the Plan.

At the confirmation hearing, the Court will determine whether the requirements of Section 1129 of the Bankruptcy Code have been satisfied, in which event the Court will enter an order confirming the Plan. The requirements include:

(1) Best Interest Test. With respect to each impaired class of claims, each holder of an allowed claim in the class has either accepted the Plan or receives under a Plan, property of a value, as of the effective date, that is not less than the amount the holder would receive if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code.

To determine if a Plan is in the best interest of each class, the probable results of a Chapter 7 liquidation must be compared with a result proposed under the Plan. Annexed as Exhibit "D" to this Disclosure Statement is a liquidation analysis of the Debtor as of June 30, 2010 which establishes that claimants are receiving, under the Plan, property of value, as of the effective date, greater than the amount the holders would receive if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code.

(2) Feasibility of the Plan. In order for a Plan to be confirmed, a Court must determine that a further reorganization or subsequent liquidation of Debtor is not likely to result following confirmation of a Plan.

(3) Acceptance or Rejection by Impaired Classes. Section 1129(a) of the Bankruptcy Code generally requires that each impaired class must accept the Plan by the requisite votes for confirmation to occur. A class of impaired claims will have accepted a Plan if, of the holders in the class actually voting, at least two-thirds in dollar amount and more than one-half in number of allowed claims, cast an affirmative vote. The vote of any person can be disqualified pursuant to Section 1126(e) of the Bankruptcy Code.

(4) Conclusion. The Debtor believes the Plan satisfies all statutory requirements of Chapter 11 of the Bankruptcy Code, including the "feasibility" requirement.

9. Tax Consequences.

The Debtor has not researched the Federal Income Tax consequences of the Plan for holders of claims and interest based upon the Internal Revenue Code of 1954, as amended, the Treasury Regulations promulgated thereunder, traditional authority, and current administrative rules and practice. The Debtor has not requested a ruling from the Internal

Revenue Service with respect to these matters. Accordingly, no assurance can be given to the interpretation by the Internal Revenue Service. Further, the Federal Income Tax consequences to any particular claimant or interest holder may be affected by matters not discussed herein. There also may be state, local or foreign tax considerations applicable to each claimant or holder of an interest. EACH CLAIMANT AND HOLDER OF AN INTEREST IS URGED TO CONSULT HIS OWN TAX ADVISOR AS TO THE CONSEQUENCES OF THE PLAN UNDER FEDERAL AND APPLICABLE STATE, LOCAL AND FOREIGN TAX LAWS.

10. Alternatives to the Plan.

The Debtor believes that the Plan affords holders of claims and interests the potential for the greatest realization of value for their claims and interests that is feasible under the circumstances.

The Debtor has considered alternatives to the Plan, including the liquidation of its assets and the closing of its business. A liquidation under Chapter 7 of the Bankruptcy Code would not maximize the return to claimants as being afforded by the Plan. Accordingly, the Debtor believes that this alternative does not afford a greater potential for the realization of value in the Estate's assets as does the Plan.

THE DEBTOR BELIEVES THAT CONFIRMATION AND IMPLEMENTATION OF THIS PLAN IS PREFERABLE TO ANY OF THE ALTERNATIVES EXPLORED BECAUSE IT WILL PROVIDE A GREATER RECOVERY TO ALL HOLDERS OF CLAIMS AND INTERESTS THAN THOSE AVAILABLE IF THE PLAN IS NOT CONFIRMED. IN ADDITION, OTHER ALTERNATIVES WOULD INVOLVE SIGNIFICANT DELAY, UNCERTAINTY AND SUBSTANTIAL ADDITIONAL COSTS OF ADMINISTRATION WITH NO CERTAINTY OF A BETTER RESULT. ACCORDINGLY, THE DEBTOR WILL URGE YOU TO VOTE IN FAVOR OF THE PLAN.

Dated: Ridgewood, New York
September 30, 2010

Northside Tower Realty, LLC

By: _____
Paul Vallario, Member

By: _____
Anthony Ciuffo, Member

Dated: Garden City, New York
September 30, 2010

Weinberg, Gross & Pergament LLP
Attorneys for Debtor

By: _____
Marc A. Pergament
400 Garden City Plaza, Suite 403
Garden City, New York 11530
(516) 877-2424