

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)
) Case No. 14-05349
OHCMC-OSWEGO, LLC,¹) Chapter 11
)
Debtor.) Hon. Carol A. Doyle
)
)
)

**DISCLOSURE STATEMENT WITH RESPECT TO DEBTOR'S
MODIFIED PLAN OF LIQUIDATION DATED JUNE 30, 2014**

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¹ The last four digits of the Debtor's federal tax identification number are 8084.

I. INTRODUCTION

OHCMC-Oswego, LLC (the “*Debtor*”), debtor and debtor-in-possession, in the above-captioned chapter 11 bankruptcy case, hereby submits this disclosure statement (the “*Disclosure Statement*”) to holders of Claims against and interests in the Debtor in connection with the solicitation of acceptances of the Modified Plan of Liquidation Dated June 30, 2014, as the same may be amended (the “*Plan*”). Unless otherwise defined herein, all capitalized terms contained herein have the respective meanings assigned to them in the Plan.

This Disclosure Statement describes certain aspects of the Plan, the Debtor’s chapter 11 case (the “*Case*”), and the Debtor’s liquidation and wind-down. Under the Plan, (a) holders of Allowed Professional Fee Claims, Allowed Other Administrative Expense Claims, Allowed Secured Claims, and Allowed Priority Tax Claims will be paid in full, (b) the holders of Allowed General Unsecured Claims, Allowed Deficiency Claims, and Allowed Insider Claims will receive a Pro Rata Share of the Oswego Escrow. For a complete understanding of the Plan, you should read the Disclosure Statement, the Plan and the exhibits and schedules thereto, in their entireties.

The Debtor believes that confirmation of the Plan is in the best interests of all parties, including the Debtor’s Creditors and Estate. Accordingly, the Debtor urges each Creditor that is Impaired hereunder, and entitled to vote with respect to the Plan, to vote to accept the Plan. Detailed voting instructions are set forth in Section IV.A of this Disclosure Statement. To be counted, a ballot containing your vote to accept or to reject the Plan must be received by the Clerk of the Bankruptcy Court (the “*Clerk*”) by no later than 5:00 p.m. (Central Time) on July 30, 2014.

NO REPRESENTATIONS CONCERNING THE DEBTOR ARE AUTHORIZED BY THE DEBTOR OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE THAT ARE OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION. ANY NON-DEBTOR REPRESENTATIONS AND INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR, WHO IN TURN SHALL DELIVER SUCH INFORMATION TO THE COURT FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE.

THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECTED TO A CERTIFIED AUDIT. HOWEVER, THE DATA IN THE DEBTOR’S POSSESSION IS BASED ON THE RECORDS OF THE DEBTOR. THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS WITHOUT ANY INACCURACY, ALTHOUGH GREAT EFFORT HAS BEEN TAKEN TO MAKE SURE IT FAIRLY REPRESENTS THE CURRENT POSITION OF THE DEBTOR.

FOR THE CONVENIENCE OF HOLDERS OF CLAIMS AND INTERESTS, THIS DISCLOSURE STATEMENT SUMMARIZES THE TERMS OF THE PLAN, BUT THE PLAN ITSELF QUALIFIES ALL SUMMARIES. IF ANY INCONSISTENCY EXISTS BETWEEN THE PLAN AND THE DISCLOSURE STATEMENT, THE TERMS

OF THE PLAN ARE CONTROLLING. SUMMARIES OF CERTAIN PROVISIONS OF AGREEMENTS REFERRED TO IN THIS DISCLOSURE STATEMENT DO NOT PURPORT TO BE COMPLETE, AND ARE SUBJECT TO AND QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO, THE FULL TEXT OF THE APPLICABLE AGREEMENTS.

SECTION 1125 OF THE BANKRUPTCY CODE REQUIRES THAT THERE BE A POST-PETITION DISCLOSURE IN THE FORM OF A DISCLOSURE STATEMENT THAT PROVIDES "ADEQUATE INFORMATION" TO CREDITORS BEFORE ANYONE MAY SOLICIT ACCEPTANCES OF A CHAPTER 11 PLAN. THIS DISCLOSURE STATEMENT IS PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE SO AS TO PROVIDE "ADEQUATE INFORMATION" TO THE CREDITORS IN THIS PROCEEDING. CREDITORS ARE URGED TO CONSULT WITH THEIR OWN INDIVIDUAL COUNSEL OR EACH OTHER AND TO REVIEW ALL OF THE RECORDS HEREIN IN ORDER TO FULLY UNDERSTAND THE DISCLOSURES MADE, ANY PLANS FILED HEREIN AND ANY OTHER PERTINENT INFORMATION IN THIS PROCEEDING. ANY PLAN WILL BE COMPLEX, ESPECIALLY SINCE IT REPRESENTS A PROPOSED LEGALLY BINDING AGREEMENT, AND ANY INTELLIGENT JUDGMENT CONCERNING ANY PROPOSED PLAN CANNOT BE MADE WITHOUT FULLY UNDERSTANDING THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AND THE FULL COMPLEXITIES OF ANY PLAN PROPOSED HEREIN. THIS DISCLOSURE STATEMENT IS NOT INTENDED TO TAKE THE PLACE OF THE PLAN. EACH CREDITOR IS URGED TO STUDY THE PLAN IN FULL AND TO CONSULT ITS COUNSEL WITH RESPECT TO THE PLAN, ITS TAX IMPLICATION(S) AND ITS EFFECT ON HIS, HER OR ITS RIGHTS.

Any Creditor having questions regarding the Plan or the Disclosure Statement may contact counsel for the Debtor as follows:

Richard S. Lauter
Devon J. Eggert
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311 South Wacker Drive, Suite 3000
Chicago, Illinois 60606-6677
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deggert@freeborn.com

The cost of distributing the Plan and Disclosure Statement as well as the costs, if any, of soliciting acceptances, will be paid from property of the Estate, as defined in the Plan and as allowed by the Bankruptcy Court. The Professional Fees of the Debtor's counsel are not contingent upon the acceptance of the Plan, and are payable as a cost of administration, upon Bankruptcy Court approval.

II. HISTORY OF THE DEBTOR AND EVENTS LEADING TO THE FILING

A. General Background of Debtor and Business Operations

The Debtor is an Illinois limited liability company that was formed on July 12, 2005 to acquire, develop and sell a series of real estate developments. The Debtor is wholly owned by Oliver-Hoffmann Corporation. The Debtor's principal place of business is located at 3108 S. Rt. 59, Ste. 124-373, Naperville, IL 60564.

As part of its business, the Debtor purchased real estate commonly referred to as a vacant parcel west of Douglas Road, south of Wolf's Crossing and north and south of Wooley Road, Oswego, IL (the "*PNC Property*") in 2005. The PNC Property is subject to the security interests of PNC Bank, N.A. ("*PNC*").

The Debtor purchased the properties commonly known as 139.621 acres of land north of Wooley Road, Oswego, Illinois 60543, and two parcels of land located on the north side (20 acres) and south side (90 acres) of Wooley Road just west of Douglas Road, Oswego, Illinois 60543 (collectively, the "*BMO Properties*" together with the PNC Property, the "*Properties*") in 2006. The BMO Properties are subject to the security interests of BMO Harris Bank, N.A. ("*BMO*").

As a result of the economic downturn, the Debtor was unable to develop the Properties. Although the Debtor has been able to lease the Properties as farming operations, that income has been insufficient to meet the Debtor's secured obligations to PNC and BMO.

B. Reasons for Chapter 11 Filing

Given the Debtor's inability to develop the Properties and lack of other significant income relating to the Properties, PNC and BMO filed actions against the Debtor to recover upon their debts and foreclose upon their respective properties.

Prior to filing the chapter 11 case, the Debtor received an offer to purchase the Debtor's Properties for what the Debtor believed to represent fair market value. The Debtor approached both PNC and BMO to explore whether the parties could work together to effectuate a sale of the Debtor's Properties. The Debtor believes BMO has also received offers for the BMO Properties, but BMO has not disclosed the details of those offers. The Debtor also approached PNC about potentially selling the PNC Property, but PNC responded by filing litigation seeking to foreclose on the PNC Property. The Debtor commenced the chapter 11 case to maximize the value of the Debtor's assets through a sale process.

C. The Bankruptcy Case

The Debtor commenced this Case by filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) on February 19, 2014 (the “*Petition Date*”) in the United States Bankruptcy Court for the Northern District of Illinois (the “*Bankruptcy Court*” or the “*Court*”). As a consequence of the Debtor’s commencement of the Case, all actions and proceedings against the Debtor and all acts to obtain property from the Debtor have been stayed under section 362 of the Bankruptcy Code.

1. *Relevant Chapter 11 Filings.*

a. Retention of Professionals

The Debtor filed applications requesting approval by the Bankruptcy Court of the Debtor’s retention of (i) its bankruptcy counsel, Freeborn & Peters, LLP; Howard Samuels of Rally Capital Services, LLC as a sale agent (the “*Sale Agent*”); and (iii) CBRE, Inc. (“*CBRE*”) as the real estate broker to market and sell the Properties. The Debtor withdrew the application to retain a Sale Agent. The Bankruptcy Court entered orders approving the retention of Freeborn & Peters and CBRE on May 15, 2014 and May 29, 2014, respectively [ECF Nos. 63 and 70, respectively].

b. Schedules and Statements

The Debtor filed its Schedules of Assets and Liabilities and Statement of Financial Affairs (the “*Schedules and Statements*”) on March 10, 2014. [ECF No. 21]. The meeting of creditors under section 341(a) of the Bankruptcy Code was held on May 5, 2014. At the meeting, a representative of the Debtor was questioned by creditors’ representatives and a representative from the Office of the United States Trustee regarding the information set forth in the Schedules and Statements, among other things. Creditors are expressly referred to the Debtor’s Schedules and Statements, as amended from time to time as necessary, on file in this proceeding for the purpose of becoming fully informed as to the assets, liabilities and financial affairs of the Debtor as of the Petition Date.

c. Receiver Issues

Prior to the Petition Date, on February 21, 2012, the Circuit Court of the Sixteenth Judicial Circuit for Kendall County, Illinois entered an order appointing Edward Reagan as Receiver for the BMO Properties. Immediately upon filing the Case, the Debtor demanded that the Receiver turnover possession and control of the BMO Properties and its related rents and proceeds pursuant to section 543(b) of the Bankruptcy Code. BMO subsequently filed a motion to excuse compliance with section 543(b) [ECF No. 10] to which the Debtor objected [ECF No. 13]. The parties resolved this motion via agreed order [ECF No. 69] which authorized the Receiver to pay from the rents all ad valorem taxes on the BMO Properties, and the quarterly fees of the U.S. Trustee. The order further authorized the Receiver to pay the remainder to BMO as adequate protection.

d. Bar Date for Proofs of Claim

On April 18, 2014, the Debtor filed a motion to set a bar date for the filing of proofs of claim against the Debtor’s Estate [ECF No. 35]. On May 15, 2014, the Court entered an order (the “*Bar Date Order*”) [ECF No. 64] granting the motion and setting a general claims bar date for June 30, 2014 and a governmental claims bar date for August 20, 2014. The Debtor sent notice of the bar date along with copies of proof of claim forms to Creditors. The Bar Date Order provides that any creditor failing to file a proof of claim by the applicable bar date may be forever barred from asserting such claim against the Debtor or its estate, and will further be barred from voting on a plan or otherwise enjoying the rights of a creditor, as defined in section 101(1) of the Bankruptcy Code, in this bankruptcy case.

2. *Status of Pending Litigation*

As of the Petition Date, two lawsuits were pending against the Debtor. First, BMO filed a foreclosure action against the Debtor in the Circuit Court of the Sixteenth Judicial Circuit for Kendall County, Illinois (Case No. 2011 CH 1325) in 2011. Second, PNC filed a foreclosure action against the Debtor in the District Court for the Northern District of Illinois (Case No. 1:13-cv-07952) in 2013. Both of these cases were stayed, as to actions against the Debtor, upon the filing of the Case.

III. SUMMARY OF THE PLAN

This summary sets forth the nature of the Plan and provides a description of the proposed treatment of each class, showing total dollar amounts and approximate timing of payments to be made under the Plan and all sources and amounts of funding thereof. The summary also plainly identifies all classes, the composition of each class (as to approximate number and type of creditors), the amount of claims (specifying any that are known to be disputed and how they will be treated under the Plan) and the amount (dollar and/or percentages) to go to each class. The Debtor therefore submits the following summary.

<u>General Overview of the Plan</u>	
Plan	Modified Plan of Liquidation Dated June 30, 2014
Plan Proponent	The Debtor
General Purpose	The Debtor’s Assets will be sold pursuant to the Sale Procedures attached to the Plan as <u>Exhibit 1</u> . The Debtor anticipates a sale process that will allow its real estate broker adequate time to market the Properties to ensure the Debtor receives the highest and best offer for the Properties. The proceeds of the sale of the Properties will be used to satisfy the secured claims of BMO and PNC. The Debtor currently has an offer to purchase the Properties for \$11,750,000.00

	<p>Further, the Debtor will distribute a set sum of money that is currently held in an escrow account with the Village of Oswego and totaling \$29,407.70 (the “<i>Oswego Escrow</i>”) to Unsecured Creditors in accordance with the Bankruptcy Code’s priority scheme.</p>
<p><u>Summary of Claims</u></p>	
<p>Administrative Claims</p>	<p>Administrative Claims consist of two subcategories: (i) Allowed Professional Fee Claims; and (ii) Allowed Other Administrative Expense Claims.</p> <p>Allowed Professional Fee Claims consist of the Allowed Administrative Claims of Professional Persons, including the Debtor’s attorneys, or others to be compensated under to sections 327, 328, 330, 331, 363, 503 or 1103 of the Bankruptcy Code.</p> <p>The Debtor will pay Allowed Professional Fee Claims within ten (10) days of such Claims becoming Allowed Professional Fee Claims.</p> <p>The Debtor estimates that unpaid Allowed Professional Fee Claims will not exceed \$120,000 for the Professionals of the Debtor as of the Confirmation Date. This does not include the Allowed Professional Fee Claims of CBRE as the Debtor’s real estate broker, which will be paid as a commission equaling 4% of the ultimate purchase price for the Properties.</p> <p>The estimated percentage recovery of the Allowed Professional Fee Claims is 100%.</p> <p>Allowed Other Administrative Expense Claims consist of expenses which are or become allowed under section 503(b) of the Bankruptcy Code, other than Allowed Professional Fee Claims, which are entitled to priority under section 507(a)(2) of the Bankruptcy Code, and include: (i) any actual and necessary costs and expenses incurred by the Debtor after the Petition Date with respect to preserving the Estate and operating the Debtor’s business; and (ii) all fees and charges properly assessed</p>

	<p>against the Estate pursuant to 28 U.S.C. § 1930.</p> <p>The Debtor will pay Allowed Other Administrative Expense Claims on the latest of: (i) as soon as practicable following the Effective Date; (ii) thirty (30) days after such Claims become Allowed Other Administrative Expense Claims; (iii) the date upon which such Allowed Other Administrative Expense Claims become due in the ordinary course of business; and (iv) such other time as may be agreed to in writing by the Debtor and the holder of the Allowed Other Administrative Expense Claim.</p> <p>The Debtor estimates that unpaid Allowed Other Administrative Expense Claims will not exceed \$0 as of the Confirmation Date.</p> <p>The estimated percentage recovery of the Allowed Other Administrative Expense Claims is 100%.</p>
<p>Secured Claims</p>	<p>Class 1 consists of all Allowed Secured Claims of BMO and PNC which are secured by the BMO Collateral and the PNC Collateral, respectively.</p> <p>Class 1 Secured Claims are unimpaired under the Plan. The holders of Class 1 Secured Claims shall be paid in full and in Cash on the later of: (i) as soon as practicable following the Effective Date; (ii) thirty (30) days after such Claims become Allowed Secured Claims; and (iii) such other time as may be agreed in writing between the Debtor and the holder of the Allowed Secured Claim.</p> <p>The estimated percentage of recovery of the Allowed Secured Claims is 100%.</p> <p>The Remainder of the Claims of BMO and PNC consist of the Deficiency Claims, discussed below.</p>
<p>Priority Tax Claims</p>	<p>Class 2 consists of all Allowed Priority Tax Claims of a governmental unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.</p> <p>Class 2 Priority Tax Claims are unimpaired under the Plan. The Debtor shall pay Allowed Class 2 Priority Tax Claims in full and in Cash on the later of: (i) as soon as practicable</p>

	<p>following the Effective Date; (ii) thirty (30) days after such Claims become Allowed Priority Tax Claims; and (iii) such other time as may be agreed to in writing between the Debtor and the holder of the Allowed Priority Tax Claim.</p> <p>The Debtor estimates that unpaid Allowed Priority Tax Claims will not exceed \$49,319.27 as of the Effective Date.</p> <p>The estimated percentage of recovery of the Allowed Priority Tax Claims is 100%.</p>
Unsecured Claims	<p>Class 3a consists of the Allowed General Unsecured Claims.</p> <p>Class 3a General Unsecured Claims are impaired under the Plan. Allowed Class 3a Claims will be paid Pro Rata from the Oswego Escrow on the first Business Day of the month following the month in which the Effective Date occurs.</p> <p>The Debtor estimates Allowed General Unsecured Claims will not exceed \$14,302.62 as of the Confirmation Date.</p> <p>The estimated percentage of recovery of the Allowed General Unsecured Claims is 0.20%.</p> <p>Class 3b consists of the Allowed Deficiency Claims.</p> <p>Class 3b Deficiency Claims are impaired under the Plan. Allowed Class 3b Claims will be paid Pro Rata from the Oswego Escrow on the first Business Day of the month following the month in which the Effective Date occurs.</p> <p>The Debtor estimates Allowed Deficiency Claims will not exceed \$11,694,448.24 as of the Effective Date.</p> <p>The estimated percentage of recovery of the Allowed Deficiency Claims is 0.20%.</p>

	<p>Class 3c consists of the Allowed Insider Claim.</p> <p>The Class 3c Insider Claim is impaired under the Plan. The Allowed Class 3c Claim will be paid Pro Rata from the Oswego Escrow on the first Business Day of the month following the month in which the Effective Date occurs.</p> <p>The Debtor estimates that the Allowed Insider Claim will not exceed \$2,905,311.66 as of the Confirmation Date.</p> <p>The estimated percentage of recovery of the Allowed Insider Claim is 0.20%.</p>
<p>Subordinated Claim</p>	<p>Class 4 consists of the Allowed Subordinated Claim.</p> <p>The Class 4 Subordinated Claim is impaired under the Plan. The Allowed Class 4 Claim will not receive a distribution under the Plan.</p> <p>The Debtor estimates Allowed Unsecured PI Claims will not exceed \$30,905,594.13 as of the Confirmation Date.</p> <p>The estimated percentage of recovery of the Allowed Subordinated Claim is 0%.</p>
<p>Equity Securities</p>	<p>Class 5 consists of the Equity Securities. The holders of the Equity Securities will not receive a distribution under the Plan and all Equity Securities will be cancelled and terminated.</p> <p>The estimated percentage recovery with respect to the Equity Securities is 0%.</p>
<p><u>Implementation of Plan</u></p>	
<p>Sale of the Debtor's Assets</p>	<p>The Plan contemplates the sale of substantially all of the Debtor's assets to the Winning Bidder. Pursuant to the Sale Procedures, the Debtor shall solicit written bids from potential bidders with all such bids to be received no later than September 12, 2014 by 4:00 p.m. Central Time. Bids shall be submitted on the form of the APA attached to the</p>

	<p>Plan as <u>Exhibit 2</u> in connection with the terms of the Sale Procedures. No due diligence, financing or other material contingencies will be permitted in the APA. Bidders will be permitted to submit redlined forms of the APA but are discouraged from doing so or making material changes. Proposed material changes to the form of the APA will require approval by the Debtor, which will be granted in its reasonable discretion.</p> <p>Written bids will be submitted to the Debtor. Bidders will be required to meet certain conditions and to sign other documents. After the Auction, the Debtor will then determine the Winning Bid in its reasonable discretion. It shall also select the Back-Up Bid to be utilized in the event that the Winning Bidder is unable to timely close.</p> <p>The proceeds from the sale of the Properties will be used to satisfy the secured claims of BMO and PNC.</p> <p>The Oswego Escrow will be distributed <i>pro rata</i> on account of the Unsecured Claims in Class 3a, Class 3b and Class 3c.</p>
<p>Effective Date</p>	<p>The Effective Date will be a date after the occurrence of: (i) the Court entering the Confirmation Order and the order has not been vacated, reversed, stayed, enjoined or restrained by order of a court of competent jurisdiction, and (ii) the Closing of the Sale.</p>

IV. VOTING AND CONFIRMATION PROCEDURES

Under the Bankruptcy Code, classes of claims that are unimpaired under a chapter 11 plan are deemed to have accepted the plan and are not entitled to vote to accept or reject the plan. Classes of claims and interests that are not entitled to receive any distribution on account of their claims or interests are deemed to have rejected the plan and are not entitled to vote to accept or reject the plan.

Under the terms of the Plan, the holders of Allowed Claims in Class 3a, Class 3b, and Class 3c, are Impaired and are entitled to vote to accept or reject the Plan.

Votes on the Plan are not being solicited from holders Claims in Class 1 and Class 2, which are unimpaired and deemed to have accepted the Plan. Votes on the Plan are also not being solicited from holders of Claims in Class 4, and Equity Securities in Class 5. The holder of the Subordinated Claim in Class 4 and the holder of Equity Securities in Class 5 will receive

no distribution under the Plan and, therefore, are deemed to have rejected the Plan and are not entitled to vote to accept or reject the Plan.

A. Voting Procedures

If you are entitled to vote to accept or reject the Plan, a ballot is enclosed for the purpose of voting on the Plan. Please carefully follow the instructions set forth in the ballot and vote and return your ballot(s), by first class mail, hand or overnight courier, to:

Clerk of Bankruptcy Court
Everett McKinley Dirksen United States Courthouse
219 South Dearborn Street
Chicago, Illinois 60604

TO BE COUNTED, YOUR BALLOT INDICATING ACCEPTANCE OR REJECTION OF THE PLAN MUST BE RECEIVED NO LATER THAN 5:00 P.M. (CENTRAL TIME) ON JULY 30, 2014 (THE “VOTING DEADLINE”).

ANY BALLOT WHICH IS EXECUTED BUT DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN, OR WHICH BOTH THE ACCEPTANCE AND REJECTION BOX IS CHECKED, WILL BE DEEMED TO BE AN ACCEPTANCE OF THE PLAN. ANY BALLOT THAT IS EITHER UNRETURNED BY THE VOTING DEADLINE OR IS RETURNED BUT NOT EXECUTED WILL BE CONSIDERED NULL AND VOID AND WILL NOT BE COUNTED.

If you are a holder of a Claim entitled to vote on the Plan and did not receive a ballot, received a damaged ballot or lost your ballot, or if you have any questions concerning the Disclosure Statement, the Plan or the procedures for voting on the Plan, please call counsel for the Debtor, Freeborn & Peters LLP, Attention: Richard S. Lauter, Esq., (312) 360-6000.

B. Joint Hearing on Sufficiency of the Disclosure Statement and Plan Confirmation

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing to determine whether the Disclosure Statement meets the adequacy requirements of section 1125 of the Bankruptcy Code and whether the Plan meets the requirements for confirmation established by section 1129 of the Bankruptcy Code. Any party-in-interest may object to the adequacy of the Disclosure Statement or confirmation of the Plan. The Bankruptcy Court has scheduled a joint hearing with respect to the sufficiency of this Disclosure Statement and confirmation of the Plan for August 6, 2014 (the “*Joint Hearing*”). Notice (the

“Confirmation Notice”) of the Joint Hearing has been, or will be, provided to all holders of Claims and interests and other parties-in-interest.

Objections, if any, to the adequacy of the Disclosure Statement or confirmation of the Plan must: (i) be in writing; (ii) state the name and address of the objecting party and the nature of the Claim or interest of such party; (iii) state with particularity the basis and nature of any objection; and (iv) in accordance with Bankruptcy Rule 3020(b)(1), be filed, together with proof of service, with the Bankruptcy Court and served on the following parties so that they are received no later than 5:00 p.m. (Central Time) on July 30, 2014 (the “*Objection Deadline*”), or such other date established by the Debtor: (a) counsel to the Committee, FREEBORN & PETERS LLP, 311 South Wacker Drive, Suite 3000, Chicago, Illinois 60606-6677 (Attn: Richard S. Lauter, Esq.); and (b) Office of the United States Trustee, 219 South Dearborn Street, Suite 873, Chicago, Illinois 60604 (Attn: Kathryn M. Gleason, Esq.). UNLESS AN OBJECTION TO THE SUFFICIENCY OF THE DISCLOSURE STATEMENT AND/OR PLAN CONFIRMATION IS TIMELY SERVED AND FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

V. FINANCIAL INFORMATION

A. Assets

The Debtor believes that the following assets, each of which will either be used to fund payments to be made under the Plan on the Effective Date or on such other date as may be required by the Plan, will be available to fund distributions to Creditors in accordance with the Plan:

1. *Cash Held by the Debtor*

As of the date of this Disclosure Statement, the Debtor is currently holding Cash in the approximate amount of \$963.71. Cash will be used by the Debtor to pay Allowed Administrative Claims, Allowed Secured Claims, and Allowed Priority Tax Claims. The Debtor does not anticipate there being any remaining Cash to pay Allowed Unsecured Claims.

2. *Real Property*

As of the date of this Disclosure Statement, the Debtor currently owns the BMO Properties and the PNC Property. The value of these Properties is unknown, but the Debtor does have an offer from the Stalking Horse for \$11,750,000. These Properties will be sold pursuant to the terms of the Sale Procedures. The proceeds of the Sale will be used by the Debtor to pay Allowed Secured Claims and Allowed Priority Tax Claims.

3. *Oswego Escrow*

As of the date of this Disclosure Statement, the Oswego Escrow currently holds \$29,407.70. The Oswego Escrow will be used by the Debtor to pay Allowed Unsecured Claims.

B. Liabilities

The Debtor believes that, as of the Confirmation Date (or Effective Date as the case may be) of the Plan, the Debtor will have the following liabilities:

1. *Secured Claims*

As of the Petition Date, the Debtor estimates the claim of PNC totaled \$11,548,318.24, and the claim of BMO totaled \$11,376,810.73. PNC and BMO are entitled to secured claims up to the value of their collateral. As of the Effective Date, the Allowed Secured Claims of BMO and PNC will be satisfied in full pursuant to their receipt of the proceeds of their respective collateral resulting from the Auction. In addition, BMO and PNC will each have a Deficiency Claim for the remaining amount of their Claims. The Debtor does not believe there will be any other Allowed Secured Claims.

2. *Administrative Claims*

a. Debtor's Professionals. As of the anticipated Confirmation Date, the Debtor's bankruptcy counsel will be owed approximately \$120,000 with respect to accrued but unpaid Professional Fee Claims and the Debtor's real estate broker, CBRE. CBRE will be paid a commission of 4% of the purchase price for the Properties.

b. Other Administrative Expense Claims. The Debtor believes there will be no unpaid Other Administrative Expense Claims as of the Confirmation Date

3. *Priority Claims*

As of the Confirmation Date, the Debtor estimates that the Allowed Priority Tax Claims shall total no more than \$49,319.27. The Debtor bases its belief upon the Claims filed to date, scheduled by the Debtor and information available from taxing authorities. The estimate is subject to further reconciliation or other adjustment by the Debtor.

4. *Unsecured Claims*

a. General Unsecured Claims. General Unsecured Claims in Class 3a are estimated to be approximately \$14,302.62 based upon the schedules and statements and the proofs of claim filed in this Case. However, Allowed General Unsecured Claims may be less than that amount, based on resolution of Claims reconciliation by the Debtor.

b. Deficiency Claims. Deficiency Claims in Class 3b are estimated to be approximately \$11,694,448.24 based upon the offers the Debtor has received on the BMO Properties and PNC Property to date.

c. Insider Claim. The Insider Claim in Class 3c is estimated to be approximately \$2,905,311.66 based upon the schedules and statements and the proofs of claim filed in this Case.

5. *Insider Subordinated Claim.*

The Insider Subordinated Claim in Class 4 is estimated to be approximately \$30,905,594.13 based upon the schedules and statements and the proofs of claim filed in this Case.

VI. PLAN OF LIQUIDATION

A. Objectives of the Plan

The primary objectives of the Plan are to: (i) conduct a Sale of the Debtor's Assets for the benefit of the Estate and creditors; and (ii) distribute the proceeds of the Sale and any other remaining real or personal property of the Debtor value to all Creditor groups on a fair and equitable basis under the priorities established by the Bankruptcy Code and applicable law.

The Debtor believes that the Plan provides holders of Allowed Claims with a substantially greater recovery than the recovery they would receive without approval of the Plan, or upon conversion of this Case to a chapter 7 liquidation.

The statements contained in this Disclosure Statement include summaries of the provisions contained in the Plan and in documents referred to therein. The statements contained in this Disclosure Statement do not purport to be precise or complete statements of all the terms and provisions of the Plan or documents referred to therein, and reference is made to the Plan and to such documents for the full and complete statements of such terms and provisions.

The Plan itself and the documents referred to therein control the actual treatment of Claims against and interests in the Debtor, and will be binding upon all holders of Claims against and interests in the Debtor upon the Confirmation Date. In the event of any conflict between this Disclosure Statement, on the one hand, and the Plan or any other operative document, on the other hand, the terms of the Plan and such other operative documents are controlling.

B. Overview of Chapter 11

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Under chapter 11, the debtor is authorized to reorganize its business for the benefit of itself, its creditors and its interest holders. Another goal of chapter 11 is to promote equality of treatment for similarly situated creditors and similarly situated interest holders with respect to the distribution of a debtor's assets.

In addition, chapter 11 may be used to effectuate an orderly liquidation of a debtor's business and assets. In contrast to a chapter 7 liquidation, in which a trustee is appointed to conduct the liquidation and wind down of the estate, in a chapter 11 liquidation, the debtor or its designee remains in possession of the estate.

The commencement of a chapter 11 case creates an estate that is comprised of all of the legal and equitable interests of the debtor as of the filing date. The Bankruptcy Code contemplates that a debtor, through its pre-bankruptcy management, will continue to operate its

business in the ordinary course and remain in possession of its property during the case and while it seeks to negotiate and implement a plan. Any activities that are not within the ordinary course of the debtor's business must be approved by the bankruptcy court before they are undertaken.

The consummation of a plan is the principal objective of a chapter 11 case. A plan sets forth the means for satisfying claims against and interests in a debtor. Confirmation of a plan by the bankruptcy court makes the plan binding upon the debtor, any person or entity acquiring property under the plan and any creditor of or equity security holder in the debtor, whether or not such creditor or equity security holder: (i) is impaired under or has accepted the plan; or (ii) receives or retains any property under the plan. Subject to certain limited exceptions and other than as provided in the plan itself or the confirmation order, the confirmation order discharges the debtor from any debt that arose prior to the date of confirmation of the plan and substitutes them for the obligations specified under the confirmed plan, and terminates all rights and interests of equity security holders.

C. Means of Implementation of the Plan

1. *Sale of the Debtor's Assets*

The Debtor's Plan contemplates the sale of substantially all of the Debtor's assets to the Winning Bidder. The Debtor currently has an offer for the Properties from the Stalking Horse for \$11,750,000.

Pursuant to the Sale Procedures attached to the Plan as Exhibit 1, the Debtor shall solicit written bids from other potential bidders with all such bids to be received no later than 4:00 p.m. on September 12, 2014.. Bids shall be submitted on the form of the APA attached to the Plan as Exhibit 2 in connection with the terms of the Sale Procedures. No due diligence, financing or other material contingencies will be permitted in the APA. Bidders will be permitted to submit redlined forms of the APA but are discouraged from doing so or making material changes. Proposed material changes to the form of the APA will require approval by the Debtor, which will be granted in its reasonable discretion.

Written bids will be submitted to the Debtor. Bidders will be required to meet certain conditions and to sign other documents. If the Debtor receives two or more Qualified Bids for the Assets, the Debtor will conduct an Auction. The Debtor will determine the Winning Bid in its reasonable discretion. It shall also select the Back-Up Bid, to be utilized, in the event that the best bid is unable to timely close.

For complete details regarding the process of the Sale, the Debtor refers parties-in-interest to the Sale Procedures attached to the Plan as Exhibit 1.

2. *Failure to Close Under APA*

If the APA of the Stalking Horse is terminated and the Debtor does not receive any Qualified Bids on or before September 30, 2014; or (ii) the Winning Bidder (including, without limitation, a Back-Up Bidder in the event the initial Winning Bidder fails to close) fails to timely close in

accordance with their respective APA, and the Debtor has not set for hearing a request to extend the time to close under said APA within fourteen (14) days of the deadline to timely close under said APA, then:

(a) BMO and PNC are granted relief from the automatic stay to pursue their rights and remedies against the Debtor and its assets without further order of the Court, in the event they choose not to exercise their credit bid rights pursuant to the Sale Procedures. The fourteen day stay imposed pursuant to Bankruptcy Rule 4001(a)(3) is waived in the event the automatic stay is lifted under the terms of this paragraph.

(b) To the extent that either or both of BMO and PNC credit bid for the Assets, and one or both is the successful bidder for the Debtor's assets against which it has valid and perfected liens and security interests, such successful bid(s) will be submitted to the Court for approval. If only one of BMO and PNC, or neither, credit bid for the Assets, then the lender(s) which has not made a credit bid shall be entitled to relief from the automatic stay set forth in paragraph 7.02(a) of this Plan without further order of the Court.

3. *Continued Corporate Existence Between the Confirmation Date and Effective Date.*

Between the Confirmation Date and the Effective Date, the Debtor shall continue in possession and control and continue to act in accordance with the Bankruptcy Code.

4. *Cancellation of Equity Securities.*

On the Effective Date, all of the Equity Securities will be and be deemed to be canceled and of no further force, whether surrendered or not.

5. *Dissolution of the Debtor*

Promptly following the Effective Date, the Debtor will be administratively dissolved by the Illinois Secretary of State.

6. *Conditions to Confirmation*

The following are the conditions precedent to confirmation of the Plan: (i) the Court approves the Disclosure Statement; and (ii) the Court enters the Confirmation Order in form and substance acceptable to the Debtor.

7. *Conditions to Effective Date*

The following are conditions precedent to the occurrence of the Effective Date: (i) the Confirmation Order has been entered and has not been vacated, reversed, stayed, enjoined or restrained by order of a court of competent jurisdiction; and (ii) the Sale has Closed.

8. *Administrative Claims Bar Date*

All Persons requesting payment of Administrative Claims (such as Professional Fee Claims or Other Administrative Expense Claims) shall file applications for payment no later than thirty (30) days after the Effective Date.

9. *Filing of Additional Documents*

On or before the Plan Supplement Filing Date, the Debtor will file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

10. *Injunction*

EXCEPT AS OTHERWISE PROVIDED IN THE PLAN OR THE CONFIRMATION ORDER, ON AND AFTER THE CONFIRMATION DATE, EXCEPT AS OTHERWISE SET FORTH IN THE PLAN, ALL PERSONS AND ENTITIES WHO HAVE HELD, HOLD OR MAY HOLD LIENS, CLAIMS OR INTERESTS IN OR AGAINST THE DEBTOR ARE, WITH RESPECT TO OR ON ACCOUNT OF ANY SUCH LIENS, CLAIMS OR INTERESTS, PERMANENTLY ENJOINED FROM: (I) COMMENCING, CONDUCTING OR CONTINUING IN ANY MANNER, DIRECTLY OR INDIRECTLY, ANY SUIT, ACTION OR OTHER PROCEEDING OF ANY KIND (INCLUDING, WITHOUT LIMITATION, ANY PROCEEDING IN A JUDICIAL, ARBITRAL, ADMINISTRATIVE OR OTHER FORUM) AGAINST OR AFFECTING THE DEBTOR, THE WINNING BIDDER, OR OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; (II) ENFORCING AGAINST, LEVYING UPON OR ATTACHING (INCLUDING, WITHOUT LIMITATION, ANY PRE-JUDGMENT ATTACHMENT) THE DEBTOR, THE WINNING BIDDER, OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; (III) ENFORCING, LEVYING, ATTACHING (INCLUDING, WITHOUT LIMITATION, ANY PRE-JUDGMENT ATTACHMENT), COLLECTING OR OTHERWISE RECOVERING BY ANY MANNER OR MEANS WHETHER DIRECTLY OR INDIRECTLY, OF ANY JUDGMENT, AWARD, DECREE, CLAIM OR ORDER AGAINST THE DEBTOR, THE WINNING BIDDER, OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; (IV) CREATING, PERFECTING OR OTHERWISE ENFORCING IN ANY MANNER, DIRECTLY OR INDIRECTLY, ANY LIENS, CLAIMS OR INTERESTS OF ANY KIND AGAINST OR IN THE DEBTOR, THE WINNING BIDDER, OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; (V) OTHER THAN AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN, ASSERTING ANY RIGHT OF SETOFF, SUBORDINATION OR RECOUPMENT OF ANY KIND, DIRECTLY OR INDIRECTLY, AGAINST ANY OBLIGATION DUE THE DEBTOR, THE WINNING BIDDER OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR

INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; AND (VI) TAKING ANY ACTIONS IN ANY PLACE AND IN ANY MANNER WHATSOEVER THAT DO NOT CONFORM TO OR COMPLY WITH THE PROVISIONS OF THE PLAN. FOR THE AVOIDANCE OF DOUBT, NOTHING IN THIS SECTION SHALL BE INTENDED TO, OR BE DEEMED TO, RELEASE, ENJOIN, DISCHARGE OR OTHERWISE IMPACT ANY CLAIMS, CAUSES OF ACTION, OR RIGHTS OF ANY CREDITOR AGAINST THIRD-PARTIES, INCLUDING, WITHOUT LIMITATION, ANY GUARANTIES OF THE CLAIMS OF PNC AND BMO.

11. *Term of Bankruptcy Injunction or Stays*

All injunctions or stays provided for in this Case under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, will remain in full force and effect through the imposition of the injunction set forth in Section 10.02 of the Plan.

12. *Exculpation and Limitation of Liability*

The Debtor nor any of its members, officers, directors, shareholders, employees, advisors, attorneys or agents or representatives acting in such capacity, will have or incur any liability to, or be subject to any right of action by, any Person or entity, for any act or omission in connection with, relating to or arising out of, the Case or the pursuit of confirmation of the Plan, except to the extent arising out of fraud, willful misconduct or gross negligence, and in all respects will be entitled to rely reasonably upon the advice of counsel with respect to their duties and responsibilities under the Plan.

13. *Governing Law*

EXCEPT TO THE EXTENT THAT THE BANKRUPTCY CODE OR BANKRUPTCY RULES OR OTHER FEDERAL LAWS ARE APPLICABLE, AND SUBJECT TO THE PROVISIONS OF ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT ENTERED INTO IN CONNECTION WITH THE PLAN INCLUDING, BUT NOT LIMITED TO APA, THE CONSTRUCTION, IMPLEMENTATION AND ENFORCEMENT OF THE PLAN AND ALL RIGHTS AND OBLIGATIONS ARISING UNDER THE PLAN SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS, WITHOUT GIVING EFFECT TO CONFLICTS-OF-LAW PRINCIPLES WHICH WOULD APPLY THE LAW OF A JURISDICTION OTHER THAN THE STATE OF ILLINOIS OR THE UNITED STATES OF AMERICA.

14. *U.S. Trustee Fees*

All statutory fee Claims of the United States Trustee, as determined, if necessary, by the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code, shall be paid by the Debtor on or before the Effective Date. Following the Effective Date, the Debtor will pay any and all fees to the U.S. Trustee that may become payable after the Effective Date, if applicable.

15. *Quarterly Reports*

Until the chapter 11 case is closed, the Debtor will prepare and file with the Bankruptcy Court a report within thirty (30) days after the conclusion of every calendar quarter setting forth: (i) all distributions to Creditors during the calendar quarter; (ii) a summary of the deposits and disbursements during the calendar quarter; and (iii) a summary of the remaining Cash in the Estate. As used in this section, "calendar quarter" means a three month period of time, and the first calendar quarter will commence on the first day of the first month immediately following the occurrence of the Effective Date.

16. *Documentation Necessary to Release Liens*

Each Creditor which is to receive a distribution under the Plan in full satisfaction of a Class 1 Claim shall not receive such distribution until such Creditor executes and delivers any documents necessary to release all Liens arising under any applicable security agreement or non-bankruptcy law (in recordable form if appropriate) in connection with such Class 1 Claim and such other documents as the Debtor or the Disbursing Agent may reasonably request.

17. *Distribution Record Date*

As of the close of business on the Distribution Record Date, all transfer ledgers, transfer books, registers and any other records maintained by the designated transfer agents with respect to ownership of any Claims will be closed and, for purposes of the Plan, there shall be no further changes in the record holders of such Claims.

VII. STATUS AND EXISTENCE OF EXECUTORY CONTRACTS AND OBJECTIONS TO CLAIMS

A. Executory Contracts

1. *Contracts Deemed Rejected*

All Executory Contracts of the Debtor that: (i) have not expired by their own terms; or (ii) have not otherwise been assumed prior to the Effective Date, will be deemed rejected under section 365 of the Bankruptcy Code on the Effective Date.

2. *Bar Date for Rejection Damages*

All proofs of claim with respect to Claims arising from the rejection of Executory Contracts pursuant to Section 6.01 of the Plan must, notwithstanding any other order of the Bankruptcy Court that may provide for a different date, be filed with the Bankruptcy Court no later than thirty (30) days after the Effective Date. The Claims of any Person arising from the rejection of executory contracts or unexpired leases pursuant to Section 6.01 of the Plan that fails to timely file a proof of claim will be discharged under section 1141(d) of the Bankruptcy Code and forever barred from assertion against the Debtor or its assets.

B. Objections to Claims

On or after the Effective Date, the Debtor will be authorized to file and pursue objections to claims. The deadline to file all objections to claims shall be no later than forty-five (45) days after the Effective Date.

VIII. CONFIRMATION AND CONSUMMATION PROCEDURE

The Court may confirm the Plan only if it determines that the Plan complies with the requirements of chapter 11, including, among other things, that: (i) the Plan has properly classified Claims and interests; (ii) the Plan complies with applicable provisions of the Bankruptcy Code; (iii) the Debtor has complied with applicable provisions of the Bankruptcy Code; (iv) the Debtor had proposed the Plan in good faith and not by any means forbidden by law; (v) the Plan has been accepted by the requisite votes of all Classes of Creditors (except to the extent that “cramdown” is available under section 1129(b) of the Bankruptcy Code); (vi) the Plan is in the “best interests” of all holders of Claims or interests in an Impaired Class; (vii) the Plan is “feasible” in that confirmation of the Plan is not likely to be followed by the liquidation or need for further restructuring of the Debtor, unless the Plan contemplates liquidation; and (viii) all fees and expenses payable under 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the Plan provides for the payment of such fees on the Confirmation Date.

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

A. Solicitation of Votes

Under the Bankruptcy Code, only classes of claims and interests that are impaired under the plan are entitled to vote to accept or reject a plan. A class is impaired if the legal, equitable or contractual rights to which the holders of claims or interests are entitled are modified, other than by curing defaults and reinstating the debt. Pursuant to sections 1126(f) and (g) of the Bankruptcy Code, classes of claims and interests that are not impaired are conclusively presumed to have accepted the plan and are not entitled to vote on a plan, and classes of claims and interests whose holders will receive or retain no property under the plan are deemed to have rejected a plan and are not entitled to vote on a plan. Creditors who hold disputed or disallowed claims are not entitled to vote to accept or reject the plan.

Under the Plan, the holders of Claims in Class 3a, Class 3b, and Class 3c are entitled to vote to accept or reject the Plan. All other Classes of Claims or interests are deemed under the Bankruptcy Code to have accepted or rejected the Plan. This Disclosure Statement and an appropriate ballot are being distributed to all holders of Claims who are entitled to vote on the Plan.

Under the Bankruptcy Code, a class of claims accepts a plan if holders of at least two-thirds in dollar amount and more than one-half in number of the claims properly voted in that class, voted to accept.

A vote may be disregarded if the Court determines, after notice and a hearing, that acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

Any ballot that is properly completed, executed and timely returned to counsel for the Committee but does not indicate an acceptance or rejection of the Plan, or indicates both an acceptance and a rejection of the Plan, will be deemed to be a vote to accept the Plan. Whenever a Creditor casts more than one ballot voting the same Claim before the Voting Deadline, the last ballot received before the Voting Deadline is deemed to reflect the voter's intent and shall therefore supersede any prior ballots. Creditors must vote all of their Claims within a particular Class under the Plan either to accept or reject the Plan and may not split their vote, and thus a ballot that partially accepts and partially rejects the Plan will not be counted.

B. The Joint Hearing

The Joint Hearing is scheduled for August 6, 2014 at 10:30 a.m. before Bankruptcy Court at the Everett McKinley Dirksen United States Courthouse, Courtroom 742, 219 South Dearborn Street, Chicago, Illinois 60604. At the Joint Hearing, the Bankruptcy Court will consider whether the Disclosure Statement contains "adequate information" and the Plan satisfies the various requirements of section 1129 of the Bankruptcy Code. Prior to the Joint Hearing, the Debtor will submit a report to the Court reflecting the votes received with respect to the acceptance or rejection of the Plan by the parties entitled to vote thereon.

Section 1128(b) of the Bankruptcy Code provides that any party-in-interest may object to confirmation of the Plan. Any objection to confirmation of the Plan must be made in writing and filed with the Bankruptcy Court and served on all required parties on or before the Objection Deadline that has been set by the Bankruptcy Court. Unless an objection to confirmation is timely served and filed, it may not be considered by the Bankruptcy Court.

C. Confirmation

At the Joint Hearing, the Court will confirm the Plan only if all of the applicable requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation of a plan are that the plan: (i) has been accepted by all impaired classes of claims and equity interests or, if rejected by an impaired class, that the plan "does not discriminate unfairly" and is "fair and equitable" as to such class; (ii) is feasible; and (iii) is in the "best interests" of creditors and stockholders that are impaired under the plan and that vote, or are deemed, to reject the plan.

1. *Unfair Discrimination and Fair and Equitable Tests*

To obtain confirmation of a plan over the objection of a class of claims or interests that rejects such plan, it must be demonstrated that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to each such non-accepting class. In order for a plan to be found to be "fair and equitable" and thus subject to confirmation by "cramdown" under section 1129(b) of the Bankruptcy Code, the Debtor must demonstrate:

a. For a Class of Unsecured Creditors – that either: (i) each impaired unsecured creditor receives or retains, under the plan, property of a value equal to the amount of

its allowed claim; or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive any property under the plan.

As described above, the holder of the Class 4 Claim is presumed, under section 1126(g) of the Bankruptcy Code, to have rejected the Plan. The Debtor requests confirmation of the Plan under section 1129(b) of the Bankruptcy Code notwithstanding the deemed rejection of the Plan by Class 4. The Debtor believes that the Plan may be confirmed pursuant to the above-described “cramdown” provisions, over the dissent of Class 4 in view of the terms of the Plan. The Debtor believes that the treatment under the Plan of the holder of the Class 4 Claim satisfies the “fair and equitable” test because there are no Classes junior to such non-accepting Classes that will receive or retain any property under the Plan and since Class 3a, Class 3b, and Class 3c, whose Claims have priority over the Claim classified in Class 4 to the extent Allowed, are not being paid in full under the terms of the Plan and further will share Pro Rata in the Oswego Escrow. In addition, the Debtor does not believe that the Plan unfairly discriminates against Class 4.

b. For a Class of Interests – that either: (i) each holder of an interest will receive or retain, under the plan, property of a value equal to the greatest of the fixed liquidation preference to which such holder is entitled, the fixed redemption price to which such holder is entitled or the value of the interest; or (ii) the holder of an interest that is junior to the non-accepting class will not receive or retain any property under the plan.

As described above, holders of the interest in Class 5 is presumed, under section 1126(g) of the Bankruptcy Code, to have rejected the Plan. The Debtor requests confirmation of the Plan under section 1129(b) of the Bankruptcy Code notwithstanding the deemed rejection of the Plan by Class 5. The Debtor believes that the Plan may be confirmed pursuant to the above-described “cramdown” provisions, over the dissent of Class 5 in view of the terms of the Plan. The Debtor believes that the treatment under the Plan of the holder of interests in Class 5 satisfies the “fair and equitable” test because there are no Classes junior to such non-accepting Classes that will receive or retain any property under the Plan and since Class 3a, Class 3b, and Class 3c, whose Claims have priority over the interests classified in Class 5 to the extent Allowed, are not being paid in full under the terms of the Plan and further will share Pro Rata in the Oswego Escrow. In addition, the Debtor does not believe that the Plan unfairly discriminates against Class 5.

2. *Best Interests Test*

With respect to each impaired class of claims and interests, confirmation of a plan requires that each holder of a claim or interest either: (i) accept the plan; or (ii) receive or retain under the plan property of a value, as of the effective date, that is not less than the value such holder would receive or retain if the debtor was liquidated under chapter 7 of the Bankruptcy Code. The Debtor believes that holders of Impaired Claims and interests in each Impaired Class under the Plan would receive significantly less under a chapter 7 liquidation than under the Plan. This difference is represented in the liquidation analysis (the “*Liquidation Analysis*”) attached hereto as **Exhibit B**.

To calculate the probable distribution to holders of each impaired class of claims and interests if a debtor was liquidated under chapter 7, a bankruptcy court must first determine the aggregate dollar amount that would be generated from such debtor’s assets in a chapter 7 case

under the Bankruptcy Code. This “liquidation value” would consist primarily of the proceeds from a forced sale of the debtor’s assets by a chapter 7 trustee.

The amount of liquidation value available to unsecured creditors would be reduced by, first, the claims of secured creditors to the extent of the value of their collateral and, second, by the costs and expenses of liquidation, as well as by other administrative expenses and costs of the bankruptcy case and priority claims. Costs of liquidation under chapter 7 of the Bankruptcy Code would include the compensation of a trustee, as well as that of counsel and other professionals retained by the trustee, asset disposition expenses and all unpaid expenses incurred until the liquidation is completed.

The Debtor believes that the Plan meets the “best interests of creditors” test of section 1129(a)(7) of the Bankruptcy Code. The Debtor believes that the members of each Impaired Class will receive significantly greater value under the Plan than they would in a chapter 7 liquidation proceeding. The Debtor’s Liquidation Analysis, attached hereto as Exhibit B, demonstrates that in the event of liquidation as described therein, holders of Unsecured Claims would not receive a distribution on their Claims. The Plan will provide a greater recovery than under chapter 7 due to: (i) the value the Debtor believes can be generated through the sale process for the Properties, which could not be achieved in a chapter 7 based upon the ability of BMO and PNC to prevent any sale that does not pay their claims in full; and (ii) by avoiding the additional expenses associated with conversion to a chapter 7 case.

With respect to (i), the plan calls for a sale of the Properties, but the proceeds of the sale will not be sufficient to pay the claims of BMO and PNC in full. The Debtor may sell the Properties over the objection of BMO and PNC pursuant to section 1129 of the Bankruptcy Code, which is a provision that does not apply in a chapter 7 liquidation. If a trustee would attempt to sell the Properties in a chapter 7 liquidation, he or she may only do so with the consent of BMO and PNC, or as otherwise allowable pursuant to section 363(f) of the Bankruptcy Code.

With respect to (ii), the Debtor submits that a significant distinction between the Plan and converting the Case to chapter 7 are the substantial chapter 7 administrative costs that will result from such conversion. Pursuant to section 326 of the Bankruptcy Code, the statutory chapter 7 trustee fee (the “*Chapter 7 Trustee Fee*”) shall not exceed 25% of the first \$5,000 disbursed, 10% on any amount disbursed in excess of \$5,000 but not in excess of \$50,000, 5% on any amount disbursed in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3% on any amounts in excess of \$1,000,000. These fees are estimated to exceed \$375,750.00. Any such Chapter 7 Trustee Fee will directly reduce any recovery for Creditors.

A chapter 7 trustee will likely also retain Professionals for purposes similar to those retained by the Debtor. The chapter 7 trustee and his or her Professionals, however, may be unfamiliar with the Debtor’s operations and this Case. Accordingly, the chapter 7 trustee and his or her Professionals may be required to devote considerable time reviewing the Debtor’s books and records and the events of this Case occurring prior to the conversion to chapter 7. Given this reality, the Debtor estimates that the fees of a chapter 7 trustee’s Professionals will exceed the fees of the Debtor’s Professionals.

The Debtor submits that the Plan will provide a recovery that is greater than the amount each Creditor would receive under a chapter 7 liquidation. The chapter 7 trustee, and his Professionals, are likely to charge greater fees and costs in liquidating the Debtor's assets than the Debtor and its Professionals will charge based on the Debtor's Professionals' greater familiarity with this Case. Accordingly, the Plan meets the "best interests" test.

3. *Conclusion*

For the foregoing reasons, the Debtor submits that the Plan, as proposed, meets each of the requirements for confirmation pursuant to section 1129 of the Bankruptcy Code.

IX. TAX CONSEQUENCES

The Debtor is not qualified to advise creditors of the specific respective tax impact on each of them as a result of treatment provided in the Plan and therefore make no representation as to that. The Debtor is not expected to suffer adverse tax consequences as a result of the Plan.

In accordance with the Plan, holders of general unsecured claims will receive a distribution on such claims. Any holder of a general unsecured claim will realize a loss in an amount equal to such claim, minus any recovery, on an adjusted tax basis.

The tax consequences to holders of general unsecured claims will differ and will depend on factors specific to such holder, including but not limited to: (i) whether the claim, or a portion thereof, constitutes a claim for interest or principal; (ii) the origin of the claim; (iii) the type of consideration received in exchange for the claim; (iv) whether the holder is a United States person or a foreign person for tax purposes; (v) whether the holder reports income on the accrual or cash basis method; and (vi) whether the holder has taken a bad debt deduction or otherwise recognized a loss with respect to the claim.

THERE ARE MANY FACTORS THAT WILL DETERMINE THE TAX CONSEQUENCE TO EACH HOLDER OF A GENERAL UNSECURED CLAIM. FURTHERMORE, THE TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN SOME CASES, UNCERTAIN. THEREFORE, IT IS IMPORTANT THAT EACH HOLDER OF A GENERAL UNSECURED CLAIM OBTAIN HIS, HER OR ITS OWN PROFESSIONAL TAX ADVICE REGARDING THE TAX CONSEQUENCES TO SUCH HOLDER OF A GENERAL UNSECURED CLAIM AS A RESULT OF THE PLAN.

X. RISK FACTORS

Holders of Claims and interests against the Debtor should read and consider carefully the information set forth below, as well as other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference), prior to voting to accept or reject the Plan. This information, however, should not be regarded as necessarily setting forth the only potential risks involved in connection with the Plan and its implementation.

A. Failure to Satisfy Vote Requirement

In the event that sufficient votes accepting the Plan are not received and, as a result, the Debtor is unable to confirm the Plan as proposed, the Debtor will assess the alternatives available to it, including: (i) amending the Plan; or (ii) converting this Case to a chapter 7 liquidation proceeding. There is substantial risk that either of these alternatives will result in less favorable treatment of Claims and interests than that provided in the Plan.

B. Non-Consensual Confirmation

In the event any Impaired Class of Claims does not accept the Plan, the Court may nevertheless confirm such Plan at the Debtor's request if at least one Impaired Class of Claims has accepted the Plan (with such acceptances being determined without including the vote of any "insider" in such Class), and, as to each Impaired Class that has not accepted the Plan, the Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to such dissenting Impaired Class(es). Because the Plan deems Class 4 and Class 5 to have rejected the Plan, these requirements must be satisfied with respect to such Class. The Debtor believes that the Plan satisfies these requirements, although there can be no assurances that the Court will make the findings necessary to reach this result.

C. Risk of Non-Occurrence of the Effective Date

Although the Debtor believes that if the Plan is confirmed, a sale of the Properties will occur, there can be no assurance that all conditions to the occurrence of the Effective Date will be met. In the event the Effective Date does not occur, the Debtor will assess the alternatives available to it at that time.

D. Risk of Inability to Pay All Allowed Priority Claims and Allowed Administrative Claims

While the Debtor believes that it currently holds or will be able to satisfy all Allowed Administrative Expense Claims and all Allowed Priority Tax Claims in full, the possibility exists that the Debtor will not have sufficient Cash pursuant to the terms of the Plan.

To the extent the Debtor is unable to pay in full all Allowed Professional Fee Claims, Allowed Other Administrative Claims and Allowed Priority Tax Claims, the Plan will not be feasible.

E. Classification and Treatment of Claims and Equity Securities

Section 1122 of the Bankruptcy Code requires that the Plan classify Claims against, and interests in, the Debtor. The Bankruptcy Code also provides that, except for certain Claims classified for administrative convenience, the Plan may place a Claim or interest in a particular Class only if such Claim or interest is substantially similar to the other Claims or interests of such Class. The Debtor believes that all Claims and interests have been appropriately classified in the Plan.

The Bankruptcy Code also requires that the Plan provide the same treatment for each Claim or interest of a particular Class unless the holder of a particular Claim or interest agrees to

a less favorable treatment of its Claim or interest. The Debtor believes that the Plan treats each Claim or interest in a given Class equally, thus satisfying this requirement.

To the extent that the Bankruptcy Court finds that the Plan does not satisfy these requirements, the Court could deny confirmation of the Plan. Issues or disputes relating to classification and/or treatment could result in a delay in the confirmation and consummation of the Plan and could increase the risk that the Plan will not be consummated.

F. Amount of Allowed Claims

The total amount of all Claims filed in the Case may materially exceed the estimated amounts of Allowed Claims assumed in the development of the Plan, in the valuation estimates provided above. The actual amount of all Allowed Claims in any Class may differ significantly from the estimates provided in this Disclosure Statement. Accordingly, the amount and timing of the distributions that will ultimately be received by any particular holder of an Allowed Claim in any Class may be materially and adversely affected if the estimates are exceeded as to any Class.

XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtor believes that the Plan affords holders of Claims the potential for the greatest recovery and, therefore, is in the best interests of such holders.

If, however, the requisite acceptances are not received, or the Plan is not confirmed and/or consummated, the alternatives include: (i) formulation of an alternative plan; or (ii) liquidation of the Debtor and its Estate under chapter 7 of the Bankruptcy Code.

A. Alternative Plan(s) of Liquidation

If the Plan is not confirmed, the Debtor or any other party may attempt to formulate and propose a different plan or plans of liquidation. The Debtor could suffer from liquidity issues during an extended chapter 11 process, while a consensual plan of liquidation was formulated and confirmed.

The Debtor believes that the Plan, as described herein, enables Creditors to realize the greatest possible value under the circumstances and, compared to any other or later alternative plan of liquidation, has the greatest likelihood of being confirmed and consummated.

B. Chapter 7 Liquidation of the Debtor

If no plan is confirmed, the Debtor may be forced to liquidate under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to liquidate the Debtor's assets for distribution to creditors in accordance with the priorities established by the Bankruptcy Code. It is impossible to predict precisely how the proceeds of the liquidation would be distributed to the respective holders of Claims against or interests in the Debtor.

The Debtor believes that in a liquidation under chapter 7, before Creditors received any distribution, additional administrative expenses related to the appointment of a trustee and the trustee's attorneys, accountants and other professionals would cause a substantial diminution in the value of the Debtor's Estate. The assets available for distribution to Creditors would be reduced by such additional expenses and by claims, some of which would be entitled to priority. The Liquidation Analysis, discussed in Section VIII.C.2 (the "*Best Interests Test*"), and attached as **Exhibit B** hereto, suggests that unsecured Creditors would receive no distribution on their Claims in a liquidation.

XII. CONCLUSION

The Debtor submits that, under the Plan, holders of Unsecured Claims stand to receive a meaningful recovery on their Claims, while at the same time avoiding the additional fees and expenses that would be incurred upon conversion to chapter 7. Therefore, the Debtor believes that the distributions provided for in the Plan are fair and equitable, and the Debtor strongly recommends acceptance of the Plan.

If you are eligible to vote on the Plan, please do so now by completing and returning the enclosed ballot.

OHCMC-OSWEGO, LLC

By: /s/ Richard S. Lauter

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LIST OF EXHIBITS

Exhibit A..... Plan of Liquidation Dated June 30, 2014
Exhibit B.....Liquidation Analysis

Exhibit A

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)
) Case No. 14-05349
OHCMC-OSWEGO, LLC,¹) Chapter 11
)
Debtor.) Hon. Carol A. Doyle
)
)
)

DEBTOR’S MODIFIED PLAN OF LIQUIDATION DATED JUNE 30, 2014

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¹ The last four digits of the Debtor’s federal tax identification number are 8084.

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INTRODUCTION

The Debtor proposes this Modified Plan of Liquidation dated June 30, 2014, under chapter 11 of the Bankruptcy Code.

For a discussion of the Debtor's history, business and property, and for a summary and analysis of the Plan and related matters, reference should be made to the Disclosure Statement.

ARTICLE I

DEFINITIONS, INTERPRETATION AND EXHIBITS

Section 1.01 Definitions.

“**Administrative Claim**” means a Claim of a Creditor of the kind specified in section 503(b) of the Bankruptcy Code that is entitled to priority under section 507(a)(2) of the Bankruptcy Code, and includes: (i) actual and necessary costs and expenses incurred by the Debtor after the Petition Date with respect to preserving the Estate and operating the Debtor's business; (ii) any Professional Fee Claims approved by the Bankruptcy Court under section 330 of the Bankruptcy Code that are incurred on or before the Confirmation Date; and (iii) all fees and charges properly assessed against the Estate under 28 U.S.C. § 1930. For the avoidance of doubt, these Claims shall include Other Administrative Expense Claims and Professional Fee Claims.

“**Allowed Claim**” or “**Allowed . . . Claim**” means a Claim, proof of which is filed within the time fixed by the Bankruptcy Court, or that has been, or is hereafter, scheduled by the Debtor as liquidated in amount and not disputed or contingent, and to which no objection to allowance thereof has been raised by the Debtor within the applicable period fixed pursuant to the Plan, or as to which a Final Order allowing such Claim has been entered.

“**APA**” means the asset purchase agreement attached to the Plan as Exhibit 2.

“**Assets**” means the assets, including real and personal property, which are subject to the Sale, as more fully set forth in the APA.

“**Auction**” means an auction, if any, with respect to the Sale of the Assets, pursuant to the procedures set forth in Section 7 of the Plan and Exhibit 1 to the Plan.

“**Back-Up Bidder**” means the Qualified Bidder who submits the next-highest or otherwise best Qualified Bid at the Auction.

“**Bankruptcy Code**” means Title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.*

“**Bankruptcy Court**” means the United States Bankruptcy Court for the Northern District of Illinois, located in Chicago, Illinois, and any other court having jurisdiction over this Case or a proceeding arising in, or arising under or related to this Case.

“**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, as now in effect.

“**BMO**” means BMO Harris Bank, N.A., and its predecessors, successors and assigns.

“**BMO Collateral**” means the assets of the Debtor to the extent of BMO’s valid, perfected and enforceable security interests and liens in and upon such assets.

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

“**Case**” means the case commenced under chapter 11 of the Bankruptcy Code by the Debtor on the Petition Date, styled *In re OHCMC-Oswego, LLC*, Case No. 14-05349, currently pending before the Bankruptcy Court.

“**Cash**” means legal tender of the United States of America and equivalents thereof.

“**Claim**” means any right to payment, other than an Administrative Claim, whether or not the right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, as defined by section 101(5) of the Bankruptcy Code.

“**Class**” means a class of holders of Claims as described in the Plan.

“**Close**” means the consummation of the Sale.

“**Closing Date**” means the date that the Sale Closes.

“**Confirmation Date**” means the date of entry of the Confirmation Order.

“**Confirmation Order**” means the order of the Bankruptcy Court confirming the Plan.

“**Creditors**” means all Persons holding Claims against the Debtor.

“**Debtor**” means OHCMC-Oswego, LLC as debtor and debtor-in-possession in the Case.

“**Deficiency Claims**” means, in accordance with section 506(a)(1) of the Bankruptcy Code: (i) the portion of BMO’s Claim that exceeds the value of the BMO Collateral, and (ii) the portion of PNC’s Claim that exceeds the value of the PNC Collateral.

“**Disclosure Statement**” means the Disclosure Statement regarding and in support of the Plan that is filed by the Debtor and approved by the Bankruptcy Court.

“**Disputed Claim**” means any Claim that is not an Allowed Claim.

“**Distribution Record Date**” means the date, with respect to any Allowed Claim, that is (i) the fourteenth (14th) Business Day following the later of (i) the Effective Date, or (ii) the date on which the Claim becomes an Allowed Claim.

“**Effective Date**” means the date on which all of the conditions to the effectiveness of the Plan as specified in Section 9.02 of the Plan, have been satisfied or waived in accordance therewith.

“**Equity Security**” has the meaning provided by section 101(16) of the Bankruptcy Code.

“**Equity Security Holder**” has the meaning provided by section 101(17) of the Bankruptcy Code.

“**Estate**” means the estate of the Debtor created in this Case under section 541 of the Bankruptcy Code.

“**Executory Contract**” means a contract or lease to which the Debtor is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

“**Final Order**” means an order or judgment as to which the time to appeal or seek direct review or rehearing has expired and as to which no timely appeal or petition for review or rehearing is pending.

“**General Unsecured Claim**” means any Unsecured Claim, arising prior to the Petition Date that is not a Professional Fee Claim, Other Administrative Expense Claim, Class 1, Claim, Class 2 Claim, Class 3b Claim, Class 3c Claim, Class 4 Claim, or Class 5 Equity Securities.

“**Impaired**” means any Class, or any Claim or Equity Security in a Class, that is impaired within the meaning of section 1124 of the Bankruptcy Code, and includes, without limitation, Classes 3a, 3b, 3c, and 4.

“**Insider**” has the meaning provided by section 101(31) of the Bankruptcy Code.

“**Insider Claim**” means the Claim of OHCMC, LLC.

“**Insider Subordinated Claim**” means the Claim of Oliver-Hoffmann Corporation.

“**Lien**” has the meaning provided by section 101(37) of the Bankruptcy Code.

“**Oswego Escrow**” means the \$29,407.70 in Cash held with the Village of Oswego.

“**Other Administrative Expense Claim**” means an Administrative Claim that is not a Professional Fee Claim.

“**Person**” means an individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited liability partnership, trust, estate, unincorporated organization or other entity.

“**Petition Date**” means February 19, 2014.

“**Plan**” means the Modified Plan of Liquidation dated June 30, 2014, together with all exhibits, schedules, and annexes hereto, all as may be modified, supplemented, or amended from time to time.

“**Plan Supplement**” means the supplemental annex to the Plan, if any, consisting of a compilation of documents and forms of documents, schedules and exhibits to be filed on the Plan Supplement Filing Date, as amended, modified or supplemented from time to time in accordance with the terms hereof and in accordance with the Bankruptcy Code and Bankruptcy Rules.

“**Plan Supplement Filing Date**” means the date that is fourteen (14) days prior to the Voting Deadline.

“**PNC**” means PNC Bank, N.A., and its predecessors, successors, and assigns.

“**PNC Collateral**” means the assets of the Debtor to the extent of PNC’s valid, perfected and enforceable security interests and liens in and upon such assets.

“**Priority Tax Claim**” means a Claim of a governmental unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

“**Pro Rata**” means proportionately so that the ratio of the amount of the distribution made on account of a particular Allowed Claim to the distribution made on account of all Allowed Claims of the Class in which the particular Allowed Claim is included is the same as the ratio of the amount a particular Allowed Claim to the total amount of the Allowed Claims of the Class of which a particular Allowed Claim is included.

“**Professional Fee Claim**” means a Claim of a Professional Person for compensation for services rendered in this Case prior to the Confirmation Date under sections 327, 328, 330, 331, 363, 503 or 1103 of the Bankruptcy Code, for such Professional Person.

“**Professional**” or “**Professional Persons**” means Persons, including attorneys, accountants and financial advisors retained by the Debtor, or to be compensated under sections 327, 328, 330, 331, 363, 503 or 1103 of the Bankruptcy Code.

“**Qualified Bid**” means a bid for the Debtor’s Assets that conforms to the requirements set forth in Section 7 of the Plan and Exhibit 1 to the Plan.

“**Qualified Bid Deadline**” means September 12, 2014 by 4:00 p.m. Central Time.

“**Qualified Bidder**” means any entity which submits a Qualified Bid.

“**Sale**” means the proposed sale of substantially all of the Debtor’s Assets pursuant to the Plan.

“**Sale Procedures**” means those procedures attached to the Plan as Exhibit 1.

“**Secured Claim**” means a Claim secured by a lien on property of the Estate, or a Claim subject to set off under section 553 of the Bankruptcy Code, to the extent of the value of such Creditor’s interest in property of the Estate, or to the extent of the amount subject to set off, as the case may be.

“**Secured Creditor**” means the holder of a Secured Claim.

“**Stalking Horse**” means L.B. Anderson Construction, Inc.

“**Unsecured Claim**” means a Claim not secured by a Lien on property of the Estate, not entitled to be classified as a Priority Claim under section 507 of the Bankruptcy Code, and excludes the Insider Subordinated Claim.

“**U.S. Trustee**” means the United States Trustee.

“**Voting Deadline**” means July 30, 2014.

“**Winning Bidder**” means the Qualified Bidder who is selected by the Debtor as having the highest and otherwise best Qualified Bid.

Section 1.02 Rules of Interpretation and Computation of Time.

For purposes of the Plan, unless otherwise provided herein: (i) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, will include both the singular and the plural; (ii) unless otherwise provided in the Plan, any reference in the Plan to a contract, instrument, release or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions; (iii) any reference in the Plan to an existing document or schedule filed or to be filed means such document or schedule, as it may have been or may be amended, modified or supplemented pursuant to the Plan; (iv) any reference to any entity as a holder of a Claim or Equity Security includes the entity's successors and assigns; (v) all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the Plan; (vi) the words “herein,” “hereunder” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (vii) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (viii) the rules of construction set forth in section 102 of the Bankruptcy Code will apply; and (ix) in computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) will apply.

Section 1.03 Exhibits.

All exhibits to the Plan are incorporated into and are a part of the Plan as if set forth in full herein, regardless of when filed. All references to “the Plan” shall be construed,

where applicable, to include references to this document and all of its exhibits, appendices, schedules and annexes (and any amendments thereto made in accordance with the Bankruptcy Code). To the extent that the description of any exhibit, appendix, schedule or annex, to the Plan is inconsistent with the actual terms or conditions of such exhibit, appendix, schedule or annex, the terms and conditions of the exhibit, appendix, schedule or annex, shall control.

ARTICLE II

UNCLASSIFIED CLAIMS

Section 2.01 Unclassified Claims.

In accordance with sections 1123(a)(1) and 1129(a)(9) of the Bankruptcy Code, Administrative Claims are not classified and are excluded from the Classes designated in Article III of the Plan. Administrative Claims shall include Professional Fee Claims and Other Administrative Claims. The treatment accorded Unclassified Claims is set forth in Article V of the Plan. The holders of such Claims are not entitled to vote on the Plan.

ARTICLE III

CLASSIFICATION OF CLAIMS AND INTERESTS

Section 3.01 Classified Claims.

Under section 1123(a)(1) of the Bankruptcy Code, Claims and Equity Securities are classified as follows:

- (a) Class 1 consists of the Allowed Secured Claims.
- (b) Class 2 consists of the Allowed Priority Tax Claims.
- (c) Class 3a consists of the Allowed General Unsecured Claims.
- (d) Class 3b consists of the Allowed Deficiency Claims.
- (e) Class 3c consists of the Allowed Insider Claim.
- (f) Class 4 consists of the Insider Subordinated Claim.
- (g) Class 5 consists of the Equity Securities.

ARTICLE IV

IMPAIRMENT OF CLASSES

Section 4.01 Impaired Classes of Claims Entitled to Vote.

Except as otherwise ordered by the Bankruptcy Court, Class 3a, Class 3b, and Class 3c are Impaired, and the holders of Claims in those Classes are entitled to vote to accept or reject the Plan.

Section 4.02 Classes Deemed to Accept the Plan.

Class 1 and Class 2 are unimpaired by the Plan, and holders of such claims are conclusively presumed to have accepted the Plan under section 1126(f) of the Bankruptcy Code. The votes of Creditors holding these Claims will therefore not be solicited.

Section 4.03 Classes Deemed to Reject the Plan.

The Holder of the Class 4 Subordinated Claim and the holder of Equity Securities in Class 5 will not receive or retain any distribution under the Plan on account of such interests. Under section 1126(g) of the Bankruptcy Code, Class 4 and Class 5 are Impaired and are conclusively presumed to have rejected the Plan, and the votes of holders of the Class 4 Claim and Class 5 interests therefore will not be solicited.

Section 4.04 Cram Down.

The Debtor will request confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to each Class that rejects the Plan.

ARTICLE V

TREATMENT OF CLASSES OF CLAIMS AND INTERESTS

Section 5.01 Allowed Professional Fee Claims.

The Debtor will pay Allowed Professional Fee Claims in full and in Cash within ten (10) days of such Claims becoming Allowed Professional Fee Claims pursuant to Section 8.01 herein unless payment has otherwise been provided for by the Debtor and with the agreement of the Professional.

Section 5.02 Allowed Other Administrative Expense Claims.

The Debtor shall pay Allowed Other Administrative Expense Claims in full and in Cash on the latest of: (i) as soon as practicable following the Effective Date; (ii) thirty (30) days after such Claims become Allowed Other Administrative Expense Claims; (iii) the date upon which such Allowed Other Administrative Expense Claims become due in the ordinary course of business; and (iv) such other time as may be agreed in writing between the Debtor and the holder of the Allowed Other Administrative Expense Claim. Creditors seeking payment on Other

Administrative Expense Claims have thirty (30) days following the occurrence of the Effective Date to file an application with the Bankruptcy Court requesting such payment, or such Claims will be forever barred. The Debtor may settle and pay any Allowed Other Administrative Claim in its reasonable discretion without any further notice, and without any action, order, or approval of the Bankruptcy Court.

Section 5.03 Class 1 Claims: Allowed Secured Claims.

Allowed Class 1 Claims shall be paid in full and in Cash on the later of: (i) as soon as practicable following the Effective Date; (ii) thirty (30) days after such Claims become Allowed Secured Claims; and (iii) such other time as may be agreed in writing between the Debtor and the holder of the Allowed Secured Claim.

Section 5.04 Class 2 Claims: Allowed Priority Tax Claims.

Allowed Class 2 Priority Tax Claims shall be paid in full and in Cash on the later of: (i) as soon as practicable following the Effective Date; (ii) thirty (30) days after such Claims become Allowed Priority Tax Claims; and (iii) such other time as may be agreed to in writing between the Debtor and the holder of the Allowed Priority Tax Claim.

Section 5.05 Class 3a Claims: Allowed General Unsecured Claims.

Allowed Class 3a General Unsecured Claims will be paid Pro Rata from the Oswego Escrow on the first Business Day of the month following the month in which the Effective Date occurs.

Section 5.06 Class 3b Claims: Allowed Deficiency Claims.

Allowed Class 3b Deficiency Claims will be paid Pro Rata from the Oswego Escrow on the first Business Day of the month following the month in which the Effective Date occurs.

Section 5.07 Class 3c Claims: Allowed Insider Claim.

The Holder of the Class 3c Insider Claim will be paid Pro Rata from the Oswego Escrow on the first Business Day of the month following the month in which the Effective Date occurs.

Section 5.08 Class 4 Claims: Allowed Subordinated Claim.

The Holder of the Class 4 Allowed Subordinated Claim will not receive a distribution under the Plan.

Section 5.09 Class 5 Equity Securities.

Holders of Class 5 Equity Securities will not receive a distribution under the Plan. Upon Confirmation of the Plan, all Equity Securities will be canceled and terminated.

ARTICLE VI

TREATMENT OF EXECUTORY CONTRACTS

Section 6.01 Contracts Deemed Rejected.

All Executory Contracts of the Debtor that: (i) have not expired by their own terms; or (ii) have not otherwise been assumed prior to the Effective Date, will be deemed rejected under section 365 of the Bankruptcy Code on the Effective Date.

Section 6.02 Bar Date for Rejection Damages.

All proofs of claim with respect to Claims arising from the rejection of Executory Contracts pursuant to Section 6.01 of the Plan must, notwithstanding any other order of the Bankruptcy Court that may provide for a different date, be filed with the Bankruptcy Court no later than thirty (30) days after the Effective Date. The Claims of any Person arising from the rejection of executory contracts or unexpired leases pursuant to Section 6.01 of the Plan that fails to timely file a proof of claim will be discharged under section 1141(d) of the Bankruptcy Code and forever barred from assertion against the Debtor or its assets.

ARTICLE VII

MEANS OF IMPLEMENTATION OF THE PLAN

The Plan will be effectuated as follows:

Section 7.01 Sale of the Debtor's Assets.

The Plan contemplates the sale of substantially all of the Debtor's Assets to the Winning Bidder. Pursuant to the Sale Procedures attached to the Plan as Exhibit 1, the Debtor has accepted the bid of the Stalking Horse as a Qualified Bidder for the Assets. The Debtor shall solicit written bids from other potential bidders with all such bids to be received no later than 4:00 p.m. Central Time on September 12, 2014. Bids shall be submitted on the form of the asset purchase agreement (the "APA") attached to the Plan as Exhibit 2 in connection with the terms of the Sale Procedures. No due diligence, financing or other material contingencies will be permitted in the APA. Bidders will be permitted to submit redlined forms of the APA but are discouraged from doing so or making material changes. Proposed material changes to the form of the APA will require approval by the Debtor, which will be granted in its sole and reasonable discretion.

Written bids will be submitted to the Debtor. Bidders will be required to meet certain conditions and to sign other documents. In the event a Qualified Bid is received from a party other than the bid of the Stalking Horse, the Debtor will then hold an Auction and determine the

Winning Bid in its sole and reasonable discretion. It shall also select the Back-Up Bid in the event that the best bid is unable to timely close. The Debtor shall file a notice with the Bankruptcy Court identifying the Winning Bidder on or before the third (3rd) business day after the selection of the Winning Bidder.

For complete details regarding the Sale Procedures, please see the Sale Procedures attached to the Plan as Exhibit 1. To the extent Section 7.01 conflicts with the Sale Procedures attached to the Plan as Exhibit 1, the Sale Procedures control.

Section 7.02 Failure to Close Under APA

If the APA of the Stalking Horse is terminated and the Debtor does not receive any Qualified Bids on or before September 30, 2014; or (ii) the Winning Bidder (including, without limitation, a Back-Up Bidder in the event the initial Winning Bidder fails to close) fails to timely close in accordance with their respective APA, and the Debtor has not set for hearing a request to extend the time to close under said APA within fourteen (14) days of the deadline to timely close under said APA, then:

(a) BMO and PNC are granted relief from the automatic stay to pursue their rights and remedies against the Debtor and its assets without further order of the Court, in the event they choose not to exercise their credit bid rights pursuant to the Sale Procedures. The fourteen day stay imposed pursuant to Bankruptcy Rule 4001(a)(3) is waived in the event the automatic stay is lifted under the terms of this paragraph.

(b) To the extent that either or both of BMO and PNC credit bid for the Assets, and one or both is the successful bidder for the Debtor's assets against which it has valid and perfected liens and security interests, such successful bid(s) will be submitted to the Court for approval. If only one of BMO and PNC, or neither, credit bid for the Assets, then the lender(s) which has not made a credit bid shall be entitled to relief from the automatic stay set forth in paragraph 7.02(a) of this Plan without further order of the Court.

Section 7.03 Authorization to Effectuate the Sale.

The entry of the Confirmation Order shall constitute authorization and direction for the Debtor to take or cause to be taken all corporate or other actions necessary or appropriate to consummate and implement the Sale and the provisions of the Plan prior to, on or after the Effective Date, and all such actions taken or cause to be taken shall be deemed to have been authorized and approved by the Bankruptcy Court. All such actions shall be deemed to have occurred and shall be in effect from and after the Effective Date pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without any requirement of further action by the Debtor, the Debtor, or their respective representatives. On the Closing Date, the Debtor shall be authorized and directed to execute and deliver the agreements, documents and instruments contemplated by the Plan and to take all necessary and appropriate actions to effectuate the Sale.

Section 7.04 Continued Corporate Existence Between the Confirmation Date and the Effective Date.

Between the Confirmation Date and the Effective Date, the Debtor shall continue in possession and control and continue to act in accordance with the Bankruptcy Code.

Section 7.05 Cancelation of Equity Securities.

On the Effective Date, all of the Equity Securities will be and be deemed to be canceled and of no further force, whether surrendered or not.

Section 7.06 Dissolution of the Debtor.

Promptly following the Effective Date, the Debtor will be administratively dissolved by the Illinois Secretary of State.

Section 7.07 Objections to Claims.

Each Claim shall be allowed or disallowed, as the case may be, in such amount as the Bankruptcy Court shall determine, whether prior to or following Confirmation, and whether pursuant to the Plan or otherwise, except that after the Effective Date, the Debtor may settle or compromise any objections and/or controversies regarding Claims without notice or further order of the Bankruptcy Court. The deadline to file all objections to Claims shall be no later than forty-five (45) days after the Effective Date.

Section 7.08 No Distribution on Disputed Claims.

Notwithstanding any provision of the Plan specifying the time for payment of distributions to holders of Claims, no payment or distribution shall be made to the holder of any Disputed Claim until the time such Claim has been determined to be an Allowed Claim. Notwithstanding the existence of a Disputed Claim in a Class to which a distribution under this Plan is due, such distribution to other creditors shall not be affected by any delay in the resolution and/or allowance of the Disputed Claim. Upon the allowance of any Disputed Claim,

the holder shall be paid the amount that such holder would have received had its Claim been an Allowed Claim on the Effective Date.

Section 7.09 Section 1146 Exemption.

Under, and to the fullest extent permitted by, section 1146(a) of the Bankruptcy Code, the making or delivery of any instrument whatsoever in furtherance of or in connection with the Plan will not be subject to any document recording tax, stamp tax, conveyance fee, mortgage tax, real estate transfer tax, mortgage recording tax, filing or recording fee, or other similar tax or governmental assessments.

Section 7.10 Documentation Necessary to Release Liens.

Each Creditor which is to receive a distribution under the Plan in full satisfaction of a Class 1 Claim shall not receive such distribution until such Creditor executes and delivers any documents necessary to release all Liens arising under any applicable security agreement or non-bankruptcy law (in recordable form if appropriate) in connection with such Class 1 Claim and such other documents as the Debtor may reasonably request.

Section 7.11 Distribution Record Date.

As of the close of business on the Distribution Record Date, all transfer ledgers, transfer books, registers and any other records maintained by the designated transfer agents with respect to ownership of any Claims will be closed and, for purposes of the Plan, there shall be no further changes in the record holders of such Claims.

ARTICLE VIII

BAR DATES FOR ADMINISTRATIVE CLAIMS

Section 8.01 Bar Date for Administrative Claims.

Notwithstanding anything to the contrary or alternative provided by prior orders of the Bankruptcy Court regarding allowance or payment of Professional Fee Claims, all Persons requesting payment of any Administrative Claim, including but not limited to Professional Fee Claims, and Other Administrative Claims, must file applications for payment no later than thirty (30) days after the Effective Date. Any Administrative Claims for which applications are not timely filed in accordance herewith will be deemed discharged and barred from being asserted against the Debtor; *provided that* previously approved or Allowed applications for Administrative Claims do not need to be re-filed.

ARTICLE IX

CONDITIONS TO CONFIRMATION AND EFFECTIVE DATE

Section 9.01 Conditions to Confirmation.

The Plan shall not be confirmed unless and until the following conditions have occurred or have been waived in writing by the Debtor:

- (a) the Court approves the Disclosure Statement; and
- (b) the Court enters the Confirmation Order in form and substance acceptable to the Debtor.

Section 9.02 Conditions to Effective Date.

The Effective Date shall occur only if, unless waived in writing by the Debtor:

- (a) the Confirmation Order has been entered and has not been vacated, reversed, stayed, enjoined or restrained by order of a court of competent jurisdiction; and
- (b) the Sale has Closed.

ARTICLE X

EFFECTS OF CONFIRMATION

Section 10.01 Debtor's Discharge.

On the Effective Date, except as specifically provided in the Plan or in the Confirmation Order, confirmation will discharge the Debtor from any and all Claims including any Claim, demands, Liens, and Interests that arose from any agreement of the Debtor entered into, or obligation of the Debtor incurred before the Effective Date, or from any conduct of the Debtor prior to the Effective Date or that otherwise arose prior to the Effective Date, including, without limitation, all interest, if any, on such debts, whether such interest accrued before or after the Petition Date of a kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not (i) a Proof of Claim based on such Claim was Filed or deemed Filed under section 501 of the Bankruptcy Code, or such Claim was listed on the Schedules of Assets and Liabilities of the Debtor, (ii) such Claim is or was Allowed under section 502 of the Bankruptcy Code, or (iii) such Claimholder has voted on or accepted the Plan.

Section 10.02 Injunction.

EXCEPT AS OTHERWISE PROVIDED IN THE PLAN OR THE CONFIRMATION ORDER, ON AND AFTER THE CONFIRMATION DATE, EXCEPT AS OTHERWISE SET FORTH IN THE PLAN, ALL PERSONS AND ENTITIES WHO HAVE

HELD, HOLD OR MAY HOLD LIENS, CLAIMS OR INTERESTS IN OR AGAINST THE DEBTOR ARE, WITH RESPECT TO OR ON ACCOUNT OF ANY SUCH LIENS, CLAIMS OR INTERESTS, PERMANENTLY ENJOINED FROM: (I) COMMENCING, CONDUCTING OR CONTINUING IN ANY MANNER, DIRECTLY OR INDIRECTLY, ANY SUIT, ACTION OR OTHER PROCEEDING OF ANY KIND (INCLUDING, WITHOUT LIMITATION, ANY PROCEEDING IN A JUDICIAL, ARBITRAL, ADMINISTRATIVE OR OTHER FORUM) AGAINST OR AFFECTING THE DEBTOR, THE WINNING BIDDER, OR OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; (II) ENFORCING AGAINST, LEVYING UPON OR ATTACHING (INCLUDING, WITHOUT LIMITATION, ANY PRE-JUDGMENT ATTACHMENT) THE DEBTOR, THE WINNING BIDDER, OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; (III) ENFORCING, LEVYING, ATTACHING (INCLUDING, WITHOUT LIMITATION, ANY PRE-JUDGMENT ATTACHMENT), COLLECTING OR OTHERWISE RECOVERING BY ANY MANNER OR MEANS WHETHER DIRECTLY OR INDIRECTLY, OF ANY JUDGMENT, AWARD, DECREE, CLAIM OR ORDER AGAINST THE DEBTOR, THE WINNING BIDDER, OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; (IV) CREATING, PERFECTING OR OTHERWISE ENFORCING IN ANY MANNER, DIRECTLY OR INDIRECTLY, ANY LIENS, CLAIMS OR INTERESTS OF ANY KIND AGAINST OR IN THE DEBTOR, THE WINNING BIDDER, OR ANY OF

THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; (V) OTHER THAN AS OTHERWISE EXPRESSLY PROVIDED FOR IN THE PLAN, ASSERTING ANY RIGHT OF SETOFF, SUBORDINATION OR RECOUPMENT OF ANY KIND, DIRECTLY OR INDIRECTLY, AGAINST ANY OBLIGATION DUE THE DEBTOR, THE WINNING BIDDER OR ANY OF THEIR RESPECTIVE PROPERTY, DIRECT OR INDIRECT TRANSFEREES, DIRECT OR INDIRECT SUCCESSORS IN INTEREST, REPRESENTATIVES, AGENTS, OR PROFESSIONALS; AND (VI) TAKING ANY ACTIONS IN ANY PLACE AND IN ANY MANNER WHATSOEVER THAT DO NOT CONFORM TO OR COMPLY WITH THE PROVISIONS OF THE PLAN. FOR THE AVOIDANCE OF DOUBT, NOTHING IN THIS SECTION SHALL BE INTENDED TO, OR BE DEEMED TO, RELEASE, ENJOIN, DISCHARGE OR OTHERWISE IMPACT ANY CLAIMS, CAUSES OF ACTION, OR RIGHTS OF ANY CREDITOR AGAINST THIRD-PARTIES, INCLUDING, WITHOUT LIMITATION, ANY GUARANTIES OF THE CLAIMS OF PNC AND BMO.

Section 10.03 Term of Bankruptcy Injunction or Stays.

All injunctions or stays provided for in this Case under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, will remain in full force and effect through the imposition of the injunction set forth in Section 10.02 of the Plan.

Section 10.04 Exculpation.

The Debtor nor any of its members, officers, directors, shareholders, employees, advisors, attorneys or agents or representatives acting in such capacity, will have or incur any liability to, or be subject to any right of action by, any Person or entity, for any act or omission in connection with, relating to or arising out of, the Case or the pursuit of confirmation of the Plan, except to the extent arising out of fraud, willful misconduct or gross negligence, and in all respects will be entitled to rely reasonably upon the advice of counsel with respect to their duties and responsibilities under the Plan.

Section 10.05 Other Documents and Actions.

The Debtor and the Winning Bidder are authorized to execute such documents and take such other action as is necessary to effectuate the transactions provided for in the Plan.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.01 Headings for Convenience Only.

The headings in the Plan are for convenience of reference and will not limit or otherwise affect the meanings thereof.

Section 11.02 Binding Effect of Plan.

The provisions of the Plan shall be binding upon and inure to the benefit of the Debtor, the Estate, the Winning Bidder, and any holder of a Claim or holder of an Equity Security treated herein or any Entity named or referred to in the Plan and each of their respective representatives, and, to the fullest extent permitted under the Bankruptcy Code and other applicable law, each other Person affected by the Plan.

Section 11.03 Modification of the Plan.

The Debtor may alter, amend or modify the Plan and related documents under section 1127 of the Bankruptcy Code or as otherwise permitted at any time prior to the Effective Date. After the Confirmation Date and prior to the substantial consummation of the Plan, and in accordance with the provisions of section 1127(b) of the Bankruptcy Code and the Bankruptcy Rules, the Debtor may, so long as the treatment of holders of Claims and holders of Equity Securities are not adversely affected, institute proceedings in the Bankruptcy Court to remedy any defect or omission or to reconcile any inconsistencies in the Plan, Disclosure Statement, or the Confirmation Order and any other matters as may be necessary to carry out the purposes and effects of the Plan.

Section 11.04 Final Order.

Except as otherwise expressly provided in the Plan, the Debtor may waive any requirement in the Plan for a Final Order. No such waiver shall prejudice the right of any party in interest to seek a stay pending appeal of any order that is not a Final Order.

Section 11.05 Severability.

Should the Bankruptcy Court determine, prior to the Confirmation Date, that any provision of the Plan is either illegal on its face or illegal as applied to any Claim or Equity Security, such provision shall be unenforceable as to all holders of Claims or Equity Securities to the specific holder of the Claim or Equity Security, as the case may be, as to which the provision is illegal. Unless otherwise determined by the Bankruptcy Court, such a determination of unenforceability shall in no way limit or affect the enforceability and operative effect of any

other provision of the Plan. The Debtor reserves the right not to proceed with Confirmation or consummation of the Plan if any such ruling occurs.

Section 11.06 Governing Law.

EXCEPT TO THE EXTENT THAT THE BANKRUPTCY CODE OR BANKRUPTCY RULES OR OTHER FEDERAL LAWS ARE APPLICABLE, AND SUBJECT TO THE PROVISIONS OF ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT ENTERED INTO IN CONNECTION WITH THE PLAN INCLUDING, BUT NOT LIMITED TO APA, THE CONSTRUCTION, IMPLEMENTATION AND ENFORCEMENT OF THE PLAN AND ALL RIGHTS AND OBLIGATIONS ARISING UNDER THE PLAN SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS, WITHOUT GIVING EFFECT TO CONFLICTS-OF-LAW PRINCIPLES WHICH WOULD APPLY THE LAW OF A JURISDICTION OTHER THAN THE STATE OF ILLINOIS OR THE UNITED STATES OF AMERICA.

Section 11.07 Quarterly Reports. Until the chapter 11 case is closed, the Debtor will prepare and file with the Bankruptcy Court a report within thirty (30) days after the conclusion of every calendar quarter setting forth: (i) all distributions to Creditors during the calendar quarter; (ii) a summary of the deposits and disbursements during the calendar quarter; and (iii) a summary of the remaining Cash in the Estate. As used in this section, “calendar quarter” means a three month period of time, and the first calendar quarter will commence on the first day of the first month immediately following the occurrence of the Effective Date.

Section 11.08 U.S. Trustee Fees

All statutory fee Claims of the United States Trustee, as determined, if necessary, by the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code, shall be paid by the Debtor on or before the Effective Date. Following the Effective Date, the Debtor will pay any and all fees to the U.S. Trustee that may become payable after the Effective Date, if applicable.

Section 11.09 Notices.

Any notice required or permitted to be provided under this Plan shall be in writing and served by either: (i) certified mail, return receipt requested, postage prepaid; (ii) hand delivery; or (iii) reputable overnight delivery service, freight prepaid, with copies to the following parties as may otherwise be set forth in the Plan Supplement:

If to the Debtor:

Richard S. Lauter, Esq.
Freeborn & Peters LLP
311 South Wacker Drive, Suite 3000
Chicago, Illinois 60606
Telephone: (312) 360-6000
Facsimile: (312) 360-6520

E-Mail: rlauter@freeborn.com

If to the United States Trustee:

Kathryn M. Gleason, Esq.
Office of the United States Trustee
219 S. Dearborn St., Room 873
Chicago, IL 60604
Telephone: (312) 886-3327
Facsimile: (312) 886-5794
E-Mail: kathryn.m.gleason@usdoj.gov

Section 11.10 Filing of Additional Documents.

On or before the Plan Supplement Filing Date, the Debtor will file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

Section 11.11 Lapsed Distributions.

Any distribution that has not been cleared within ninety (90) days of the date of the distribution will lapse. With response to any lapsed distributions, the lapsed distribution will revert to the Estate and be distributed Pro Rata to the remaining beneficiaries of the Estate in accordance with the Plan.

Section 11.12 Undeliverable and Unclaimed Distributions.

If any distribution to a holder of an Allowed Claim is returned as undeliverable, no further distributions to such holder of an Allowed Claim will be made unless the Debtor is notified in writing of the holder's current address. Upon receipt of the notification, the Debtor will remit all missed distributions to the holder of the Allowed Claim without interest. All claims for undeliverable distributions must be made within one hundred and twenty (120) days of the Effective Date of the Plan. If a claim is not made within that time, all unclaimed distributions will revert to the Estate and be distributed Pro Rata to the remaining beneficiaries of the Estate. Nothing in the Plan will require the Debtor to attempt to locate any holder of an Allowed Claim.

Section 11.13 Defenses with Respect to Claims.

Except as otherwise provided in the Plan, nothing shall affect the rights and legal and equitable defenses of the Debtor, with respect to any Claim, including but not limited to all rights in respect of legal and equitable defenses to setoffs or recoupments against such Claims.

Section 11.14 No Injunctive Relief.

No Claim shall under any circumstances be entitled to specific performance or other injunctive, equitable or prospective relief.

Section 11.15 No Admissions.

Notwithstanding anything herein to the contrary, nothing contained in the Plan shall be deemed an admission by the Debtor with respect to any matter set forth herein, including, without limitation, liability on any Claim or the propriety of any classification of any Claim.

ARTICLE XII

RETENTION OF JURISDICTION

Section 12.01 Exclusive Jurisdiction of Bankruptcy Court.

This Bankruptcy Court will retain jurisdiction over this Case for the following purposes:

- (a) Resolution of any and all objections to Claims.
- (b) Unless otherwise determined by a court of competent jurisdiction, determination of all questions and disputes regarding all Causes of Action, controversies, disputes or conflicts, whether or not subject to pending actions as of the Confirmation Date, between: (i) the Debtor and any other Person relating to any Claim or any term of the Plan or any transaction or act occurring under or pursuant to the Plan; or (ii) otherwise under the Plan, the Confirmation Order or any other order issued by the Bankruptcy Court in connection with this Case.
- (c) The correction of any defect and the curing of any omission or inconsistency in the Plan or the Confirmation Order as may be necessary to carry out the purposes and intent of the Plan.
- (d) Modification of the Plan after confirmation pursuant to the Bankruptcy Code and the Bankruptcy Rules.
- (e) Allowance of all Claims and applications for payment of Administrative Claims and professional fees and expenses which may be paid by the Debtor pursuant to the provisions of the Plan and the Bankruptcy Code and resolution of all disputes pertaining thereto.
- (f) Entry of a final order confirming substantial consummation of the Plan and closing the Case.

Dated: June 30, 2014

OHCMC-OSWEGO, LLC

By: /s/ Richard S. Lauter
Its Counsel

David C. Gustman
Richard S. Lauter
Devon J. Eggert
Freeborn & Peters LLP
311 South Wacker Drive, Suite 3000
Chicago, Illinois 60606
Telephone: 312-360-6000
Facsimile: 312-360-6520

EXHIBIT 1

In re OHCMC-Oswego, LLC,
Case No. 14 – 05349 (Bankr. N.D. Ill.)

SALE PROCEDURES

The following procedures shall apply to the Sale¹ of the Debtor's Assets:

A. Requirements for Participation in Auction; Qualified Bidders:

1. For the purposes of these Sale Procedures, a "Qualified Bidder" is one who submits a "Qualified Bid." Only Qualified Bidders (as defined below) may participate at the Auction (as defined below).

2. A "Qualified Bid" is an offer to purchase the Assets that adheres to the requirements set forth below; no offer may be a Qualified Bid unless it complies with all such requirements in full, unless otherwise waived by the Debtor.

- i. Deadline for Submitting Qualified Bids: An entity that wishes to submit a Qualified Bid must submit its bid so that it is actually received on or before 4:00 p.m. Central Time on September 12, 2014 (the "*Qualified Bid Deadline*").
- ii. Where to Submit Bids: Proposed Qualified Bids must be submitted via electronic mail or facsimile transmission and must include an electronic mail address at which the entity submitting the same may be contacted:

Counsel for the Debtor:

Richard S. Lauter
Devon J. Eggert
FREEBORN & PETERS LLP
311 South Wacker Drive, Ste. 3000
Chicago, Illinois 60606-6677
Telephone: 312.360.6000
Facsimile: 312.360.6520
rlauter@freeborn.com
deggert@freeborn.com

¹ All capitalized terms not defined herein shall have the meaning ascribed to them in the Debtor's Modified Plan of Liquidation Dated June 30, 2014.

with a copy to:

James Angelotti
CBRE, Inc.
700 Commerce Drive, Ste. 550
Oak Brook, Illinois 60523
Telephone: 630.573.7093
Facsimile: 630.573.7018
james.angelotti@cbre.com

Counsel for BMO

David T.B. Audley
Michael T. Benz
Chapman and Cutler LLP
111 West Monroe Street
Chicago, Illinois 60603
Telephone: (312) 845-3000
Facsimile: (312) 516-3969
benz@chapman.com

Counsel for PNC

James M. Crowley
Frances J. Pendergast
Crowley & Lamb, P.C.
221 N. LaSalle Street
Chicago, Illinois 60601
Telephone: (312) 670-6900
Facsimile: (312) 467-5926
jcrowley@crowleylamb.com

- iii. Content of Qualified Bid: All Qualified Bids:
- (a) must be in writing;
 - (b) must be for at least one of the property index numbers (each a “PIN”) of the Debtor’s Assets;²
 - (c) must propose a purchase price for the Assets that provides cash at closing, in immediately available funds, in a sum of not less than

² If a party submits a bid for multiple PINs, the bidder may, but is not required to, allocate the portion of the purchase price that is attributable to each PIN. In the event a party submits a bid for more than one PIN and does not allocate the purchase price among each PIN, the Debtor will allocate the purchase price evenly among the PINs subject to the bid.

\$12,150,000, plus certain cure amounts and assumed liabilities, if any;

- (d) must include an executed asset purchase agreement, in the form of the asset purchase agreement (the “APA”) attached hereto as Exhibit 1, containing substantially all the terms and conditions contained in the APA, with the exception of the requirement of an increased purchase price and a break-up fee. A proposed Qualified Bid may not include any provisions for a break-up fee, expense reimbursement, or similar payment. A proposed Qualified Bid must also include a redlined or blacklined version of the APA, showing all changes made to the APA by the party submitting the bid;
- (e) must fully disclose the identity of each entity that will be bidding for the Assets or otherwise participating in connection with the proposed Qualified Bid and the complete terms of any such participation, including as to any source of financing;
- (f) must be irrevocable until the earlier of (x) the closing of a sale of the Assets and (y) sixty (60) days after the order approving the Debtor’s Plan becomes a final non-appealable order;
- (g) must state that the proposed Qualified Bidder agrees, if chosen as such, to be the Back-Up Bidder for the Assets for which it has bid and to close on such Back-Up Bid at the highest offer it made at the Auction;
- (h) must not be contingent upon any conditions other than those specified in the APA. Under no circumstances may the proposed Qualified Bid contain any financing or due diligence contingencies and any financing commitment letter submitted therewith must be unconditional except for customary and standard documented conditions acceptable to the Debtor;
- (i) must (x) represent that the proposed Qualified Bidder is financially capable of consummating its proposed transaction and (y) include information sufficient to establish to the satisfaction of the Debtor that the proposed Qualified Bidder is capable of doing so, which information shall include detail regarding the source(s) of funds that will be used to consummate the transaction and may, in addition, include bank statements, current financial statements, or other proof of available liquid assets or available financing sufficient to consummate the transactions proposed in the bid;

- (j) must (x) identify any executory contracts and/or unexpired leases of the Debtor that the proposed Qualified Bidder wishes to have assumed by the Debtor and assigned to it; and (y) provide evidence establishing such proposed Qualified Bidder's ability to provide adequate assurance of future performance (within the meaning of section 365(b) of the Bankruptcy Code) under any executory contracts or unexpired leases such proposed Qualified Bidder proposes to have assigned to it;
- (k) must contain written evidence that the proposed Qualified Bidder has obtained all necessary corporate, limited liability company, or similar authority including all internal consents, necessary for it to close and fund the proposed transaction; and
- (l) must be accompanied by an all-cash deposit (the "*Deposit*") equal to 5% of the proposed purchase price.

B. Designation of Qualified Bids:

1. Not later than September 15, 2014, the Debtor shall designate those submitted bids, if any, that are Qualified Bids; provided, however, that the Debtor may determine at the Auction, that a previously Qualified Bidder has altered its bid in a way that causes it no longer to be a Qualified Bidder absent the provision of further assurances (*e.g.*, due to an increase in the proposed purchase price that is not supported by the previously submitted proof of financial resources; additional closing conditions, etc.).

2. Not later than September 15, 2014, the Debtor shall notify each entity that has submitted a Qualified Bid, by electronic mail only, that its bid has been designated as a Qualified Bid.

3. The Stalking Horse, BMO and PNC shall be considered Qualified Bidders. BMO and PNC may credit bid the amount of their respective indebtedness, but only as to the Assets for which the lender holds a valid and perfected security interest. In the event that either or both BMO and PNC submit such credit bids and one or both is the successful bidder for the Assets, a hearing for approval of the sale to either or both BMO and PNC shall occur on September 17, 2014 at 10:30 a.m.

C. Auction:

1. If one or more Qualified Bids (other than the Stalking Horse bid) are received for the Assets, an Auction will be conducted at the offices of Freeborn & Peters LLP, 311 S. Wacker Drive, Suite 3000, Chicago, IL 60606, on September 16, 2014, commencing at 10:00 a.m. Central Time.

2. Attendance at the Auction shall be limited to representatives of the Debtor (including its real estate broker), BMO, PNC, Qualified Bidders, the U.S. Trustee, and such other parties as the Debtor may authorize in its sole discretion.

3. All bids submitted at the Auction shall be in increments of no less than \$50,000.

4. The Debtor, in its sole discretion, may announce at the Auction additional rules for bidding and other procedures for conducting the Auction.

5. The Debtor shall, in consultation with BMO and PNC, select the Qualified Bidder with the highest and best offer as the winning bidder (the "*Winning Bidder*") at the conclusion of the Auction. In the event the Winning Bidder fails to close on the Sale of the Assets, the Qualified Bidder that submitted the next highest Qualified Bid shall be designated the Winning Bidder and shall be required to close the Sale of the Assets under the terms set forth in such Qualified Bidder's APA. Within twenty (20) days after the closing of a sale to the ultimate purchaser of the Assets, the Debtor shall return or cause to be returned the Deposit to all Qualified Bidders which were not the ultimate purchaser of the assets, provided, however, that if a Qualified Bidder was declared the Winning Bidder and failed to consummate a purchase of the Assets because of a breach or failure to perform on the part of such Winning Bidder, and the Debtor is not then deemed to be in material breach of the applicable purchase and sale agreement, then the Debtor will not have any obligation to return the Deposit of such Qualified Bidder, and such Deposit shall irrevocably become the property of the Debtor.

D. Payment of the Break-Up Fee: In the event the Stalking Horse does not breach the terms of the Stalking Horse APA and is not the ultimate purchaser of the Assets, the Break-Up Fee shall be payable at the time of closing of the Sale of the Assets.

E. Executory Contracts and Unexpired Leases: Pursuant to the Sale Procedures, the Debtor shall be required to file a separate motion or motions, seeking authority, under section 365 of the Bankruptcy Code, to assume and assign executory contracts and unexpired leases to the Winning Bidder, and will ask that the Court fix the amounts that must be paid under section 365(b) of the Bankruptcy Code in connection with such assumption and assignment.

F. Discretion of the Debtor Regarding Sale of Assets: The Debtor may reject any bid that it deems inadequate or insufficient or that is not in compliance with the Sale Procedures, the Plan or the Bankruptcy Code. Further, the Debtor may extend or modify any of the deadlines set forth herein with the consent of BMO and PNC.

EXHIBIT 1

AGREEMENT FOR THE PURCHASE AND SALE

THIS AGREEMENT FOR THE PURCHASE AND SALE (this "Agreement") is entered into as of _____, 2014 ("Effective Date") by and between OHCMC - Oswego, LLC an Illinois limited liability company ("Seller"), which is currently a debtor-in-possession in a proceeding under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") pending in the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court"), and _____, a(n) _____ ("Purchaser").

SECTION 1 SALE OF PROPERTY.

Subject to the terms and conditions provided in this Agreement, Seller agrees to sell and Purchaser agrees to purchase all of Seller's right, title and interest in and to the following described property:

The land legally described on Exhibit A attached hereto and made a part hereof and consisting of approximately 487.66 acres in the Hummel Trails South subdivision in Oswego, Kendall County, Illinois (the "Real Estate"), together with all right, title and interest of Seller in and to all privileges, rights, easements, improvements, hereditaments, and appurtenances belonging to the land, and all right, title and interest of Seller in and to any streets, alleys, passages and other rights-of-way included therein or adjacent thereto, and any and all improvements thereon (collectively, the "Property").

SECTION 2 PURCHASE PRICE.

The purchase price to be paid by Purchaser to Seller for the Property is _____ No/100 Dollars (\$_____) (the "Purchase Price"). The Purchase Price will be paid by Purchaser at Closing (as defined in Section 4.1 below) subject to the terms herein.

2.1 Bid Deposit. Purchaser and Seller acknowledge that prior to the Effective Date Purchaser delivered to Seller a bid deposit equal to five percent (5%) of the Purchase Price, or _____ and No/100 Dollars (\$_____) ("Bid Deposit"). The Bid Deposit shall be applied to the Purchase Price at Closing and is non-refundable to Purchaser unless this Agreement is terminated due to a condemnation event in accordance with the terms and conditions set forth in Section 8 hereof, or due to a default by Seller in accordance with the terms and conditions set forth in Section 9 hereof.

2.2 Funds at Closing. At Closing, Purchaser shall pay to Seller the balance of the Purchase Price, subject to prorations as herein provided, by a wire transfer in immediate same day funds.

SECTION 3 DUE DILIGENCE.

Purchaser acknowledges and agrees that (a) prior to the Effective Date Purchaser conducted its own due diligence investigations of the Property and related materials, including, without limitation, environmental, title and survey matters, (b) Purchaser is satisfied with the results of such due diligence activities, and (c) Purchaser is not entitled to any further access to the Property or to materials in Seller's possession or control concerning the Property.

SECTION 4 CLOSING.

4.1 Closing Date. The closing of the purchase and sale of the Property (the "Closing") shall take place on the date that is no more than thirty (30) days following the Effective Date. Purchaser and Seller will work together to determine a mutually acceptable closing date within such timeframe ("Closing Date"). The Closing shall occur at the office of the Chicago Title Insurance Company (the "Title Company") designated by Seller.

4.2 Purchaser's Obligations at Closing. In addition to delivery of the balance of the Purchase Price as described in Section 2.2, Purchaser shall execute and deliver the following to Seller at Closing:

- (a) Closing statement;
- (b) Counterpart signature pages to all applicable transfer tax declarations;
- (c) Counterpart signature pages to any Assignment and Assumption Agreements (as defined in Section 7 hereof).
- (d) Such other documents as may be necessary or desirable to consummate the purchase and sale contemplated in this Agreement.

4.3 Seller's Obligations at Closing. Seller shall execute and deliver the following to Purchaser at Closing:

- (a) A Special Warranty Deed ("Deed") from Seller conveying the Real Estate to Purchaser, together with the Seller's right, title and interest in and to the rest of the Property free of all monetary liens of an ascertainable amount;
- (b) "Non-Foreign Affidavit," certifying that Seller is not a "foreign person" as such term is defined in the applicable statutes;
- (c) Possession of the Property;
- (d) ALTA Statement/Owner's Affidavit;
- (e) GAP Undertaking, if applicable;
- (f) Such affidavits or other documents, if any, as are required by the Title Company to satisfy all affirmative coverages deemed necessary by Purchaser and for the elimination of any standard exceptions in an owner's policy of title insurance covering the Property in favor of Purchaser in the amount of the Purchase Price ("Policy"), without any cost or expense to Seller;
- (g) Counterpart signature pages to all applicable transfer tax declarations;
- (h) Counterpart signature to Closing Statement;

- (i) Counterpart signature pages to any Assignment and Assumption Agreements.
- (j) 1099; and
- (k) Such other documents as may be necessary or desirable to consummate the purchase and sale contemplated in this Agreement.

SECTION 5 SETTLEMENT AND PRORATIONS.

The following items shall be prorated or settled between Purchaser and Seller at Closing:

5.1 Taxes and Other Items. Ad valorem property taxes, community association fees, solid waste and governmental fees, and utility bills for which service cannot be terminated as of the date of Closing shall be prorated as of the date of Closing based on 100% of the most recent ascertainable bills therefor. In the event that Purchaser assumes any unexpired leases pursuant to Section 7 hereof, rents paid or payable under such leases shall be prorated such that Purchaser shall be entitled to all rents attributable to the period following the Closing Date, and Seller shall be entitled to all rents attributable to the period prior to and including the Closing Date. All prorations are final.

5.2 Closing Costs. Transfer taxes, if any, shall be allocated and paid by the parties in accordance with applicable law. Purchaser shall bear all costs related to any mortgage lender's loan policy of title insurance (including related recording charges) and any endorsements to the Policy requested by Purchaser, as well as the Cure Costs as defined in Section 7 hereof. Purchaser and Seller shall each be responsible for their respective legal, consultant and other professional fees. Purchaser and Seller shall share equally in the remaining closing costs, including, without limitation, the cost of the Policy, recording charges associated with the conveyance of the Property, title company/escrow fees, etc.

SECTION 6 CONDITION OF PROPERTY; REPRESENTATIONS AND WARRANTIES

6.1 DISCLAIMER AND RELEASE. SELLER IS SELLING THE PROPERTY WITHOUT REPRESENTATION OR WARRANTY, SHALL HAVE NO OBLIGATION TO MAKE ANY REPAIRS, PAY FOR ANY ENVIRONMENTAL INSPECTIONS OR OTHER REPORTS, OR DO OR PERFORM ANY OTHER WORK ON THE PROPERTY. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF SELLER EXPRESSLY SET FORTH IN SECTION 6.2 OF THIS AGREEMENT (THE "EXPRESS WARRANTIES"), PURCHASER IS RELYING SOLELY ON ITS OWN INSPECTION AND EXAMINATION IN PURCHASING THE PROPERTY; AND IS PURCHASING THE PROPERTY ON AN "AS-IS, WHERE-IS" BASIS WITH ALL FAULTS AND DEFECTS NOW KNOWN OR HEREAFTER DISCOVERED BY PURCHASER. EXCEPT FOR THE EXPRESS WARRANTIES, NONE OF SELLER, SELLER'S SHAREHOLDERS, OFFICERS, DIRECTORS, MANAGER(S), MEMBERS, NOR ANY OF ITS AGENTS OR EMPLOYEES MAKE ANY REPRESENTATION OR WARRANTY TO PURCHASER, EXPRESS OR IMPLIED, AS TO (A) THE SUITABILITY OF THE PROPERTY FOR PURCHASER'S INTENDED USE, OR ANY PARTICULAR PURPOSE OR THE MERCHANTABILITY OR FITNESS THEREOF, (B) THE ENVIRONMENTAL CONDITION OF THE PROPERTY (C) THE SUITABILITY

OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER MAY CONDUCT THEREON, INCLUDING THE POSSIBILITIES FOR FUTURE DEVELOPMENT OF THE PROPERTY; (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS CURRENT OR INTENDED OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY (INCLUDING WITHOUT LIMITATION, THE FEDERAL COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT (42 U.S.C SECTION 9601 ET SEQ.) AND OTHER ENVIRONMENTAL LAWS, RULES OR REGULATIONS) AND ANY CLAIMS MADE OR OBLIGATIONS OR LIABILITIES IMPOSED PURSUANT THERETO, AND ANY ZONING ORDINANCES; (E) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY; (F) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER, OR ADJACENT TO THE REAL ESTATE OR ANY OTHER ENVIRONMENTAL MATTER OR CONDITION OF THE PROPERTY; OR (G) ANY OTHER MATTER WITH RESPECT TO THE CONDITION OF THE PROPERTY; AND, EXCEPT FOR THE EXPRESS WARRANTIES, ALL SUCH REPRESENTATIONS AND WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER, AND PURCHASER HEREBY RELEASES SELLER, SELLER'S SHAREHOLDERS, DIRECTORS, OFFICERS, MANAGER(S), MEMBERS, AGENTS AND EMPLOYEES (COLLECTIVELY THE "SELLER PROTECTED PARTIES") FROM ANY AND ALL RESPONSIBILITY AND LIABILITY IN RESPECT THEREOF. WITHOUT LIMITATION OF THE PROVISIONS ABOVE, PURCHASER HEREBY RELEASES SELLER AND THE OTHER SELLER PROTECTED PARTIES FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, OR LIABILITIES ARISING OUT OF OR RELATING DIRECTLY OR INDIRECTLY TO ANY ENVIRONMENTAL HAZARD AT, IN, ON OR UNDER THE PROPERTY. ANY REPRESENTATIONS, WARRANTIES OR STATEMENTS MADE BY ANY MEMBER, EMPLOYEE, AGENT OR REPRESENTATIVE OF SELLER, INCLUDING WITHOUT LIMITATION THE BROKER DEFINED BELOW, MAY NOT BE RELIED UPON BY PURCHASER AND DO NOT CONSTITUTE A PART OF THIS AGREEMENT. FOR PURPOSES OF THIS PARAGRAPH, THE TERM "ENVIRONMENTAL HAZARD" SHALL MEAN ANY HAZARDOUS MATERIAL, OR THE STORAGE, HANDLING, PRODUCTION, DISPOSAL, TREATMENT OR RELEASE THEREOF; AND THE TERM "HAZARDOUS MATERIAL" SHALL MEAN (A) ANY HAZARDOUS WASTE, ANY EXTREMELY HAZARDOUS WASTE, OR ANY RESTRICTED HAZARDOUS WASTE, OR WORDS OF SIMILAR IMPORT, AS DEFINED IN THE RESOURCE CONSERVATION AND RECOVERY ACT (42 U.S. C. SECTION 6901 ET SEQ.); (B) ANY HAZARDOUS SUBSTANCES AS DEFINED IN THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT (42 U.S. C. SECTION 9601 ET SEQ.); (C) ANY TOXIC SUBSTANCES AS DEFINED IN THE TOXIC SUBSTANCES CONTROL ACT (15 U.S. C. SECTION 2601 ET SEQ.); (D) ANY POLLUTANT AS DEFINED IN THE CLEAN WATER ACT (33 U.S. C. SECTION 1251 ET SEQ.); (E) GASOLINE, PETROLEUM OR OTHER HYDROCARBON PRODUCTS OR BY-PRODUCTS; (F) ASBESTOS; OR (G) ANY OTHER MATERIALS, SUBSTANCES, OR WASTES SUBJECT TO ENVIRONMENTAL REGULATION UNDER ANY APPLICABLE FEDERAL, STATE OR LOCAL LAW, REGULATION, OR ORDINANCE NOW OR HEREAFTER IN EFFECT.

6.2 Seller's Representations and Warranties. Seller represents and warrants to Purchaser that, except to the extent set forth on any Exhibit attached hereto or any materials or information delivered to or discovered by Purchaser or its agents prior to the Effective Date:

(a) Organization and Authority. Seller is a limited liability company duly organized, existing and in good standing under the laws of Illinois. This Agreement has been duly and validly authorized by Seller, and no other action on the part of Seller is required in connection with this Agreement, and this Agreement shall constitute a valid and binding obligation of Seller that is enforceable against Seller in accordance with the terms of this Agreement.

(b) Seller is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as defined in the Internal Revenue Code ("Code")), and is not subject to the provisions of Sections 897(a) or 1445 of the Code related to the withholding of sales proceeds to foreign persons.

6.3 Purchaser's Representations and Warranties. Purchaser represents and warrants to Seller that:

(a) Purchaser has full capacity, right, power, and authority to execute, deliver and perform this Agreement and all documents to be executed by Purchaser pursuant hereto, and all required actions and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents, executed or to be executed pursuant hereto on behalf of Purchaser are and shall be duly authorized to sign the same on Purchaser's behalf and to bind Purchaser thereto. This Agreement and all documents to be executed pursuant hereto by Purchaser are and shall be binding upon and enforceable against Purchaser in accordance with their respective terms. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will (A) result in a breach of or a default under any agreement to which Purchaser is a party or by which Purchaser is bound, or (B) violate any restriction, court order or agreement to which Purchaser is subject.

(b) Purchaser shall be fully responsible for the payment and satisfaction of any and all obligations, liabilities, expenses and accruals relating to or affecting the Property which are incurred or accrued or where the underlying act or omission giving rise to any claim or cause of action occurs on or after the Closing Date.

Each covenant, agreement, representation and warranty of Purchaser contained in this Agreement shall survive the Closing or termination of this Agreement.

SECTION 7 EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

Exhibit B attached hereto and incorporated herein sets forth a list of third party contracts and unexpired leases affecting the Property that Purchaser wishes to either (a) assume at Closing ("Assumed Contracts"), or (b) have Seller terminate prior Closing ("Rejected Contracts"). Provided that, prior to Closing the Bankruptcy Court approves of the assumption of the Assumed Contracts by Purchaser and the rejection of the Rejected Contracts, at Closing, (i) Seller shall

assign, and Purchaser shall assume, the Assumed Contracts pursuant to assignment and assumption agreements in form acceptable to Seller and the Bankruptcy Court (collectively, the "Assignment and Assumption Agreements"), and (ii) Seller shall terminate the Rejected Contracts. Any third party contracts and/or unexpired leases affecting the Property that are not identified on Exhibit B shall be deemed to be Rejected Contracts. Purchaser shall be responsible for payment of any cure payment, adequate protection payment, or other amounts (collectively, the "Cure Costs") that must be paid to a counterparty to all Assumed Contracts pursuant to the Bankruptcy Code. For the avoidance of doubt, any Cure Costs shall be in addition to the Purchase Price.

SECTION 8 CONDEMNATION.

If, between the Effective Date of this Agreement and Closing, all or any material portion of the Property is taken in condemnation or a written notice ("Condemnation Notice") from a governmental authority is received by Seller indicating its intention to take all or a portion of the Property, in condemnation, Seller shall give written notice thereof to Purchaser, and Purchaser shall have the option to terminate this Agreement by delivering written notice thereof to Seller within ten (10) days following such delivery. If Purchaser exercises its option to terminate in accordance with this Section 8, Seller shall cause the return the Earnest Money and any interest thereon to Purchaser, and neither party shall have any further obligation hereunder except as set otherwise expressly set forth herein. If Purchaser does not so exercise its option to terminate as provided in this Section 8, or if a non-material portion of the Property is subject to a condemnation proceeding, then this Agreement shall continue in full force and effect and title shall be subject thereto. In such event, the Purchase Price shall be paid by Purchaser at Closing without reduction, but Seller shall remit to Purchaser all awards received by Seller as a result of the condemnation. If Purchaser does not timely exercise its right of termination in accordance with the terms of this Section 8, then Purchaser shall be deemed to have waived such right. For purposes of this Section 8, a "material portion of the Property" shall mean twenty-five percent (25%) of the Property.

SECTION 9 DEFAULT AND REMEDIES.

(a) Default.

(i) In the event that either party hereto shall fail to perform any obligation or covenant of such party imposed hereby, or in the event that any representation or warranty of either party made hereunder shall be determined by the other party to be materially false, then such party shall be deemed in default hereunder. Seller and Purchaser agree that in the event of a default by either party, the other party shall, prior to taking any such action as may be available to it, provide written notice to the defaulting party stating the default and giving the defaulting party ten (10) days to cure.

(ii) If a default by Purchaser shall not be cured within the timeframe provided above, then Seller, as its sole and exclusive remedy for Purchaser's default in any of Purchaser's obligations under this Agreement, shall be limited to the termination of this Agreement and the forfeiture by Purchaser to Seller of the Bid Deposit as and for Seller's liquidated damages in lieu of any and all other remedies, it being agreed that damages to Seller in the event of such Purchaser default are difficult or impossible to ascertain in advance and that the Bid Deposit and interest earned thereon represents a reasonable approximation of such damages.

(iii) If a default by Seller shall not be cured within the timeframe provided above, then Purchaser, as its sole and exclusive remedy for Seller's default in any of Seller's obligations under this Agreement, may elect to (A) terminate this Agreement and receive a return of the Bid Deposit; or (B) waive such default and purchase the Property subject to such default on the terms herein.

(b) Reports and Materials. In the event of termination as provided above, Purchaser shall promptly deliver to Seller all documentation provided by Seller to Purchaser regarding the Property (including all copies and originals), as well as originals and copies of any and all reports, studies, tests or other documentation prepared or obtained by Purchaser in connection with Purchaser's due diligence review of the Property, at no cost to Seller.

SECTION 10 BROKERS.

Purchaser and Seller hereby warrant and covenant to the other party that it has not dealt with any real estate broker or salesperson in connection with this sale of the Property except James Angelotti of CBRE, Inc. (the "Broker"), and that no other real estate commissions, finders' fees or brokers' fees have been or will be incurred in connection with this Agreement or the sale contemplated hereby except a commission to be paid by Seller to Broker at Closing in accordance with the terms of a separate commission agreement with the Broker. Purchaser hereby agrees to defend, indemnify and hold harmless Seller, from and against any claims by other third parties for brokerage commissions, finder's fees, or other fees relative to this Agreement or the sale of the Property, and any court costs, attorneys' fees or other costs or expenses arising therefrom and alleged to be due by authorization of the Purchaser. The obligations of this Section 10 shall survive Closing.

SECTION 11 ASSIGNMENT

This Agreement may be assigned by Purchaser without the prior written consent of Seller to effectuate a 1031 exchange with purchase of the Property hereunder, upon no less than three (3) business days' advance written notice to Seller; provided, however, (i) the Closing shall not be delayed or affected by reason of the 1031 exchange, nor shall the consummation or the accomplishment of the 1031 exchange be a condition precedent or condition subsequent to such party's obligations under this Agreement, (ii) in the case of a 1031 exchange, Purchaser shall affect the 1031 exchange through a qualified intermediary and Seller shall not be required to exchange property or be required to acquire or hold title to any real estate other than the Property for purposes of consummating the 1031 exchange; (iii) Seller shall not be required to incur any liability or expense in connection with the 1031 exchange; and (iv) Purchaser shall pay any additional costs and fees that would not otherwise have been incurred by Seller, had the Purchaser not consummated this transaction sale through the 1031 exchange. Seller shall not, by this Agreement, or acquiescence to the 1031 exchange: (i) have its rights under this Agreement affected or diminished in any manner; or (ii) be responsible for compliance with or be deemed to have warranted to Purchaser that the 1031 exchange, in fact, complies with Section 1031 of the Internal Revenue Code of 1986, as amended.

This Agreement may not be assigned by Purchaser without the prior written consent of Seller, which consent shall not be unreasonably withheld. Any permitted assignment of this Agreement by Purchaser shall not lessen, discharge or release the Purchaser named herein of its obligations hereunder.

SECTION 12 MISCELLANEOUS.

12.1 Notices. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered personally with a receipt requested therefor or sent by a recognized overnight courier service or by United States registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at their respective addresses set forth below, and the same shall be effective (a) upon receipt or refusal if delivered personally; (b) one (1) business day after depositing with such an overnight courier service or (c) two (2) business days after deposit in the mails if mailed. A party may change its address for receipt of notices by service of a notice of such change in accordance herewith.

If intended for Seller, to:

Freeborn & Peters LLP
311 South Wacker Drive
Suite 3000
Chicago, IL 60606
Attn: Richard S. Lauter

If intended for Purchaser, to:

12.2 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, personal representatives, successors and permitted assigns.

12.3 Entire Agreement. This Agreement, together with the exhibits attached hereto, constitutes the entire agreement between Seller and Purchaser, and may not be modified in any manner except by an instrument in writing signed by both parties.

12.4 Headings. The section and subsection headings contained in this Agreement are inserted only for convenient reference and do not define, limit or proscribe the scope of this Agreement or any Exhibit attached hereto.

12.5 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute one and the same instrument. Facsimile and PDF signatures hereon shall be as valid and binding as original signatures.

12.6 Unenforceable Provisions. If any provision of this Agreement, or the application thereof to any person or situation shall be held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to persons or situations other than those to which it shall have been held invalid or unenforceable, shall continue to be valid and enforceable to the fullest extent permitted by law.

12.7 Time of the Essence. Time is strictly of the essence with respect to each and every term, condition, obligation and provision of this Agreement, and the failure to timely perform any of the terms, conditions, obligations or provisions hereunder by either party shall constitute a breach of and a default under this Agreement by the party so failing to perform. In calculating any period of time provided for in this Agreement (a) the day of the act or event from which the designated period of time begins to run will not be included the number of days allowed, and (b) the number of days shall refer to calendar and not business days, unless expressly stated otherwise herein. If any day scheduled for performance of any obligation hereunder shall occur on a weekend or legal holiday, the time period allowed and day for performance shall be continued to the next business day.

12.8 Governing Law; Construction of Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Seller and Purchaser and their respective counsel have reviewed, revised and approved this Agreement. Accordingly, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

12.9 Knowledge. There shall be no liability on the part of Seller, whether prior to or after Closing, for breaches of any of its representations, warranties or covenants if Purchaser had actual knowledge thereof prior to Closing.

12.10 Non-Imputation. By virtue of this Agreement, neither party, in any way or for any purpose shall become or be deemed a partner of the other in the conduct of its business or

otherwise, or become or be deemed joint venturer or a member of a joint enterprise with the other.

12.11 No Recordation. Purchaser shall not, without the express written consent of Seller, record or file this Agreement or a memorandum hereof with the recorder of deeds of the county in which the Property is located.

12.12 Recitals and Exhibits. Any recitals set forth in this Agreement and the Exhibits attached hereto are hereby incorporated herein by this reference as part of this Agreement.

12.13 Amendments. No modification, amendment, discharge or change as to this Agreement shall be valid unless the same is in writing and is executed by Seller and Purchaser.

12.14 Waiver. No waiver or any breach or any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained.

12.15 Third Party Benefits. Other than as expressly set forth in this Agreement, the parties hereto do not intend to confer any benefit hereunder to any person, firm, corporation or other entity other than the parties hereto.

[Signature Page to Follow]

This Agreement has been executed as of the date first appearing above.

SELLER:

OHCMC - Oswego, LLC an Illinois limited liability company

By: _____

Name: _____

Its: _____

PURCHASER:

_____,
a(n) _____

By: _____

Name: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION

BARDEN FARM:

THE NORTHWEST 1/4 AND THE NORTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 22, TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN TOWNSHIP OF OSWEGO, KENDALL COUNTY, ILLINOIS.

PIN: 03-22-100-001 (240 acres)

DAVIS FARM:

PARCEL ONE: THAT PART OF THE SOUTHEAST 1/4 OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 21; THENCE SOUTH 89 DEGREES 29 MINUTES 48 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 21, 1490.70 FEET, TO THE SOUTHEAST CORNER OF ASHCROFT PLACE, BEING A SUBDIVISION, PER DOCUMENT 200400019250, RECORDED JULY 4TH, 2004; THENCE NORTH 01 DEGREES 13 MINUTES 12 SECONDS WEST, ALONG THE EAST LINE AND THE EAST LINE EXTENDED OF SAID SUBDIVISION, 2644.93 FEET, TO THE NORTH LINE OF SAID SOUTHEAST 1/4; THENCE NORTH 89 DEGREES 24 MINUTES 49 SECONDS EAST, ALONG SAID NORTH LINE, 1488.84 FEET, TO THE EAST LINE OF SAID SECTION 21; THENCE SOUTH 01 DEGREES 19 MINUTES 28 SECONDS EAST, ALONG SAID EAST LINE, 2647.15 FEET, TO THE POINT OF BEGINNING, IN KENDALL COUNTY, ILLINOIS.

PIN: PIN 03-21-400-00 (190.83 acres)

PARCEL TWO:

THE EAST 20 ACRES NORTHEAST 1/4 OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN OSWEGO TOWNSHIP, KENDALL COUNTY, ILLINOIS.

PIN: 03-21-200-003 (20 acres)

PARCEL THREE:

THE NORTHEAST QUARTER OF SECTION 21, EXCEPTING THE EAST 20 ACRES THEREOF AND ALSO EXCEPTING THAT PART OF SAID NORTHEAST 1/4 LYING WITHIN THE FOLLOWING DESCRIBED PROPERTY: BEGINNING AT THE CENTER OF SAID SECTION 21; THENCE SOUTH 89 DEGREES 36 MINUTES 36.1 SECONDS EAST ALONG THE SOUTH LINE OF THE NORTH 1/2 OF SAID SECTION 21, 5.66 FEET TO AN OLD FENCE LINE RUNNING IN A NORTHERLY DIRECTION; THENCE NORTH 0 DEGREES 36 MINUTES 16.6 SECONDS WEST ALONG SAID FENCE, 556.09 FEET; THENCE NORTH 89 DEGREES 36 MINUTES 36.1 SECONDS WEST PARALLEL WITH

SAID SOUTH LINE, 235.00 FEET; THENCE SOUTH 0 DEGREES 36 MINUTES 16.1 SECONDS EAST PARALLEL WITH SAID OLD FENCE LINE, 556.09 FEET TO SAID SOUTH LINE; THENCE SOUTH 89 DEGREES 36 MINUTES 36.1 SECONDS EAST ALONG SAID SOUTH LINE, 229.34 FEET TO THE POINT OF BEGINNING), TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN KENDALL COUNTY, ILLINOIS;

AND ALSO EXCEPTING THEREFROM THAT PART OF THE LAND CONVEYED TO THE OSWEGO FIRE PROTECTION DISTRICT BY DEED RECORDED AS DOCUMENT 2008000015089 DESCRIBED AS FOLLOWS:

THAT PART OF THE NORTHEAST 1/4 OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN COMMENCING AT THE CENTER OF SAID SECTION 21; THENCE SOUTH 89 DEGREES 36 MINUTES 36.1 SECONDS EAST ALONG THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 21, 5.66 FEET TO AN OLD FENCE LINE RUNNING IN A NORTHERLY DIRECTION FOR THE POINT OF BEGINNING THENCE NORTH 00 DEGREES 36 MINUTES 16.6 SECONDS WEST ALONG SAID FENCE, 556.09 FEET; THENCE SOUTH 89 DEGREES 36 MINUTES 36.1 SECONDS EAST PARALLEL WITH SAID SOUTH LINE, 156.69 FEET; THENCE SOUTH 00 DEGREES 36 MINUTES 16.6 SECONDS EAST PARALLEL WITH SAID OLD FENCE LINE, 556.09 FEET TO SAID SOUTH LINE; THENCE NORTH 89 DEGREES 36 MINUTES 36.1 SECONDS WEST ALONG SAID SOUTH LINE. 156.69 FEET TO THE POINT OF BEGINNING.

PIN: 03-21-200-004 (135.70 acres)

EXHIBIT B

ASSUMED CONTRACTS AND REJECTED CONTRACTS

Assumed Contracts:

Rejected Contracts:

EXHIBIT 2

AGREEMENT FOR THE PURCHASE AND SALE

THIS AGREEMENT FOR THE PURCHASE AND SALE (this "Agreement") is entered into as of _____, 2014 ("Effective Date") by and between OHCMC - Oswego, LLC an Illinois limited liability company ("Seller"), which is currently a debtor-in-possession in a proceeding under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") pending in the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court"), and _____, a(n) _____ ("Purchaser").

SECTION 1 SALE OF PROPERTY.

Subject to the terms and conditions provided in this Agreement, Seller agrees to sell and Purchaser agrees to purchase all of Seller's right, title and interest in and to the following described property:

The land legally described on Exhibit A attached hereto and made a part hereof and consisting of approximately 487.66 acres in the Hummel Trails South subdivision in Oswego, Kendall County, Illinois (the "Real Estate"), together with all right, title and interest of Seller in and to all privileges, rights, easements, improvements, hereditaments, and appurtenances belonging to the land, and all right, title and interest of Seller in and to any streets, alleys, passages and other rights-of-way included therein or adjacent thereto, and any and all improvements thereon (collectively, the "Property").

SECTION 2 PURCHASE PRICE.

The purchase price to be paid by Purchaser to Seller for the Property is _____ No/100 Dollars (\$_____) (the "Purchase Price"). The Purchase Price will be paid by Purchaser at Closing (as defined in Section 4.1 below) subject to the terms herein.

2.1 Bid Deposit. Purchaser and Seller acknowledge that prior to the Effective Date Purchaser delivered to Seller a bid deposit equal to five percent (5%) of the Purchase Price, or _____ and No/100 Dollars (\$_____) ("Bid Deposit"). The Bid Deposit shall be applied to the Purchase Price at Closing and is non-refundable to Purchaser unless this Agreement is terminated due to a condemnation event in accordance with the terms and conditions set forth in Section 8 hereof, or due to a default by Seller in accordance with the terms and conditions set forth in Section 9 hereof.

2.2 Funds at Closing. At Closing, Purchaser shall pay to Seller the balance of the Purchase Price, subject to prorations as herein provided, by a wire transfer in immediate same day funds.

SECTION 3 DUE DILIGENCE.

Purchaser acknowledges and agrees that (a) prior to the Effective Date Purchaser conducted its own due diligence investigations of the Property and related materials, including, without limitation, environmental, title and survey matters, (b) Purchaser is satisfied with the results of such due diligence activities, and (c) Purchaser is not entitled to any further access to the Property or to materials in Seller's possession or control concerning the Property.

SECTION 4 CLOSING.

4.1 Closing Date. The closing of the purchase and sale of the Property (the "Closing") shall take place on the date that is no more than thirty (30) days following the Effective Date. Purchaser and Seller will work together to determine a mutually acceptable closing date within such timeframe ("Closing Date"). The Closing shall occur at the office of the Chicago Title Insurance Company (the "Title Company") designated by Seller.

4.2 Purchaser's Obligations at Closing. In addition to delivery of the balance of the Purchase Price as described in Section 2.2, Purchaser shall execute and deliver the following to Seller at Closing:

- (a) Closing statement;
- (b) Counterpart signature pages to all applicable transfer tax declarations;
- (c) Counterpart signature pages to any Assignment and Assumption Agreements (as defined in Section 7 hereof).
- (d) Such other documents as may be necessary or desirable to consummate the purchase and sale contemplated in this Agreement.

4.3 Seller's Obligations at Closing. Seller shall execute and deliver the following to Purchaser at Closing:

- (a) A Special Warranty Deed ("Deed") from Seller conveying the Real Estate to Purchaser, together with the Seller's right, title and interest in and to the rest of the Property free of all monetary liens of an ascertainable amount;
- (b) "Non-Foreign Affidavit," certifying that Seller is not a "foreign person" as such term is defined in the applicable statutes;
- (c) Possession of the Property;
- (d) ALTA Statement/Owner's Affidavit;
- (e) GAP Undertaking, if applicable;
- (f) Such affidavits or other documents, if any, as are required by the Title Company to satisfy all affirmative coverages deemed necessary by Purchaser and for the elimination of any standard exceptions in an owner's policy of title insurance covering the Property in favor of Purchaser in the amount of the Purchase Price ("Policy"), without any cost or expense to Seller;
- (g) Counterpart signature pages to all applicable transfer tax declarations;
- (h) Counterpart signature to Closing Statement;

- (i) Counterpart signature pages to any Assignment and Assumption Agreements.
- (j) 1099; and
- (k) Such other documents as may be necessary or desirable to consummate the purchase and sale contemplated in this Agreement.

SECTION 5 SETTLEMENT AND PRORATIONS.

The following items shall be prorated or settled between Purchaser and Seller at Closing:

5.1 Taxes and Other Items. Ad valorem property taxes, community association fees, solid waste and governmental fees, and utility bills for which service cannot be terminated as of the date of Closing shall be prorated as of the date of Closing based on 100% of the most recent ascertainable bills therefor. In the event that Purchaser assumes any unexpired leases pursuant to Section 7 hereof, rents paid or payable under such leases shall be prorated such that Purchaser shall be entitled to all rents attributable to the period following the Closing Date, and Seller shall be entitled to all rents attributable to the period prior to and including the Closing Date. All prorations are final.

5.2 Closing Costs. Transfer taxes, if any, shall be allocated and paid by the parties in accordance with applicable law. Purchaser shall bear all costs related to any mortgage lender's loan policy of title insurance (including related recording charges) and any endorsements to the Policy requested by Purchaser, as well as the Cure Costs as defined in Section 7 hereof. Purchaser and Seller shall each be responsible for their respective legal, consultant and other professional fees. Purchaser and Seller shall share equally in the remaining closing costs, including, without limitation, the cost of the Policy, recording charges associated with the conveyance of the Property, title company/escrow fees, etc.

SECTION 6 CONDITION OF PROPERTY; REPRESENTATIONS AND WARRANTIES

6.1 DISCLAIMER AND RELEASE. SELLER IS SELLING THE PROPERTY WITHOUT REPRESENTATION OR WARRANTY, SHALL HAVE NO OBLIGATION TO MAKE ANY REPAIRS, PAY FOR ANY ENVIRONMENTAL INSPECTIONS OR OTHER REPORTS, OR DO OR PERFORM ANY OTHER WORK ON THE PROPERTY. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF SELLER EXPRESSLY SET FORTH IN SECTION 6.2 OF THIS AGREEMENT (THE "EXPRESS WARRANTIES"), PURCHASER IS RELYING SOLELY ON ITS OWN INSPECTION AND EXAMINATION IN PURCHASING THE PROPERTY; AND IS PURCHASING THE PROPERTY ON AN "AS-IS, WHERE-IS" BASIS WITH ALL FAULTS AND DEFECTS NOW KNOWN OR HEREAFTER DISCOVERED BY PURCHASER. EXCEPT FOR THE EXPRESS WARRANTIES, NONE OF SELLER, SELLER'S SHAREHOLDERS, OFFICERS, DIRECTORS, MANAGER(S), MEMBERS, NOR ANY OF ITS AGENTS OR EMPLOYEES MAKE ANY REPRESENTATION OR WARRANTY TO PURCHASER, EXPRESS OR IMPLIED, AS TO (A) THE SUITABILITY OF THE PROPERTY FOR PURCHASER'S INTENDED USE, OR ANY PARTICULAR PURPOSE OR THE MERCHANTABILITY OR FITNESS THEREOF, (B) THE ENVIRONMENTAL CONDITION OF THE PROPERTY (C) THE SUITABILITY

OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER MAY CONDUCT THEREON, INCLUDING THE POSSIBILITIES FOR FUTURE DEVELOPMENT OF THE PROPERTY; (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS CURRENT OR INTENDED OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY (INCLUDING WITHOUT LIMITATION, THE FEDERAL COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT (42 U.S.C SECTION 9601 ET SEQ.) AND OTHER ENVIRONMENTAL LAWS, RULES OR REGULATIONS) AND ANY CLAIMS MADE OR OBLIGATIONS OR LIABILITIES IMPOSED PURSUANT THERETO, AND ANY ZONING ORDINANCES; (E) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY; (F) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER, OR ADJACENT TO THE REAL ESTATE OR ANY OTHER ENVIRONMENTAL MATTER OR CONDITION OF THE PROPERTY; OR (G) ANY OTHER MATTER WITH RESPECT TO THE CONDITION OF THE PROPERTY; AND, EXCEPT FOR THE EXPRESS WARRANTIES, ALL SUCH REPRESENTATIONS AND WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED BY SELLER, AND PURCHASER HEREBY RELEASES SELLER, SELLER'S SHAREHOLDERS, DIRECTORS, OFFICERS, MANAGER(S), MEMBERS, AGENTS AND EMPLOYEES (COLLECTIVELY THE "SELLER PROTECTED PARTIES") FROM ANY AND ALL RESPONSIBILITY AND LIABILITY IN RESPECT THEREOF. WITHOUT LIMITATION OF THE PROVISIONS ABOVE, PURCHASER HEREBY RELEASES SELLER AND THE OTHER SELLER PROTECTED PARTIES FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, OR LIABILITIES ARISING OUT OF OR RELATING DIRECTLY OR INDIRECTLY TO ANY ENVIRONMENTAL HAZARD AT, IN, ON OR UNDER THE PROPERTY. ANY REPRESENTATIONS, WARRANTIES OR STATEMENTS MADE BY ANY MEMBER, EMPLOYEE, AGENT OR REPRESENTATIVE OF SELLER, INCLUDING WITHOUT LIMITATION THE BROKER DEFINED BELOW, MAY NOT BE RELIED UPON BY PURCHASER AND DO NOT CONSTITUTE A PART OF THIS AGREEMENT. FOR PURPOSES OF THIS PARAGRAPH, THE TERM "ENVIRONMENTAL HAZARD" SHALL MEAN ANY HAZARDOUS MATERIAL, OR THE STORAGE, HANDLING, PRODUCTION, DISPOSAL, TREATMENT OR RELEASE THEREOF; AND THE TERM "HAZARDOUS MATERIAL" SHALL MEAN (A) ANY HAZARDOUS WASTE, ANY EXTREMELY HAZARDOUS WASTE, OR ANY RESTRICTED HAZARDOUS WASTE, OR WORDS OF SIMILAR IMPORT, AS DEFINED IN THE RESOURCE CONSERVATION AND RECOVERY ACT (42 U.S. C. SECTION 6901 ET SEQ.); (B) ANY HAZARDOUS SUBSTANCES AS DEFINED IN THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT (42 U.S. C. SECTION 9601 ET SEQ.); (C) ANY TOXIC SUBSTANCES AS DEFINED IN THE TOXIC SUBSTANCES CONTROL ACT (15 U.S. C. SECTION 2601 ET SEQ.); (D) ANY POLLUTANT AS DEFINED IN THE CLEAN WATER ACT (33 U.S. C. SECTION 1251 ET SEQ.); (E) GASOLINE, PETROLEUM OR OTHER HYDROCARBON PRODUCTS OR BY-PRODUCTS; (F) ASBESTOS; OR (G) ANY OTHER MATERIALS, SUBSTANCES, OR WASTES SUBJECT TO ENVIRONMENTAL REGULATION UNDER ANY APPLICABLE FEDERAL, STATE OR LOCAL LAW, REGULATION, OR ORDINANCE NOW OR HEREAFTER IN EFFECT.

6.2 Seller's Representations and Warranties. Seller represents and warrants to Purchaser that, except to the extent set forth on any Exhibit attached hereto or any materials or information delivered to or discovered by Purchaser or its agents prior to the Effective Date:

(a) Organization and Authority. Seller is a limited liability company duly organized, existing and in good standing under the laws of Illinois. This Agreement has been duly and validly authorized by Seller, and no other action on the part of Seller is required in connection with this Agreement, and this Agreement shall constitute a valid and binding obligation of Seller that is enforceable against Seller in accordance with the terms of this Agreement.

(b) Seller is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as defined in the Internal Revenue Code ("Code")), and is not subject to the provisions of Sections 897(a) or 1445 of the Code related to the withholding of sales proceeds to foreign persons.

6.3 Purchaser's Representations and Warranties. Purchaser represents and warrants to Seller that:

(a) Purchaser has full capacity, right, power, and authority to execute, deliver and perform this Agreement and all documents to be executed by Purchaser pursuant hereto, and all required actions and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents, executed or to be executed pursuant hereto on behalf of Purchaser are and shall be duly authorized to sign the same on Purchaser's behalf and to bind Purchaser thereto. This Agreement and all documents to be executed pursuant hereto by Purchaser are and shall be binding upon and enforceable against Purchaser in accordance with their respective terms. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will (A) result in a breach of or a default under any agreement to which Purchaser is a party or by which Purchaser is bound, or (B) violate any restriction, court order or agreement to which Purchaser is subject.

(b) Purchaser shall be fully responsible for the payment and satisfaction of any and all obligations, liabilities, expenses and accruals relating to or affecting the Property which are incurred or accrued or where the underlying act or omission giving rise to any claim or cause of action occurs on or after the Closing Date.

Each covenant, agreement, representation and warranty of Purchaser contained in this Agreement shall survive the Closing or termination of this Agreement.

SECTION 7 EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

Exhibit B attached hereto and incorporated herein sets forth a list of third party contracts and unexpired leases affecting the Property that Purchaser wishes to either (a) assume at Closing ("Assumed Contracts"), or (b) have Seller terminate prior Closing ("Rejected Contracts"). Provided that, prior to Closing the Bankruptcy Court approves of the assumption of the Assumed Contracts by Purchaser and the rejection of the Rejected Contracts, at Closing, (i) Seller shall

assign, and Purchaser shall assume, the Assumed Contracts pursuant to assignment and assumption agreements in form acceptable to Seller and the Bankruptcy Court (collectively, the "Assignment and Assumption Agreements"), and (ii) Seller shall terminate the Rejected Contracts. Any third party contracts and/or unexpired leases affecting the Property that are not identified on Exhibit B shall be deemed to be Rejected Contracts. Purchaser shall be responsible for payment of any cure payment, adequate protection payment, or other amounts (collectively, the "Cure Costs") that must be paid to a counterparty to all Assumed Contracts pursuant to the Bankruptcy Code. For the avoidance of doubt, any Cure Costs shall be in addition to the Purchase Price.

SECTION 8 CONDEMNATION.

If, between the Effective Date of this Agreement and Closing, all or any material portion of the Property is taken in condemnation or a written notice ("Condemnation Notice") from a governmental authority is received by Seller indicating its intention to take all or a portion of the Property, in condemnation, Seller shall give written notice thereof to Purchaser, and Purchaser shall have the option to terminate this Agreement by delivering written notice thereof to Seller within ten (10) days following such delivery. If Purchaser exercises its option to terminate in accordance with this Section 8, Seller shall cause the return the Earnest Money and any interest thereon to Purchaser, and neither party shall have any further obligation hereunder except as set otherwise expressly set forth herein. If Purchaser does not so exercise its option to terminate as provided in this Section 8, or if a non-material portion of the Property is subject to a condemnation proceeding, then this Agreement shall continue in full force and effect and title shall be subject thereto. In such event, the Purchase Price shall be paid by Purchaser at Closing without reduction, but Seller shall remit to Purchaser all awards received by Seller as a result of the condemnation. If Purchaser does not timely exercise its right of termination in accordance with the terms of this Section 8, then Purchaser shall be deemed to have waived such right. For purposes of this Section 8, a "material portion of the Property" shall mean twenty-five percent (25%) of the Property.

SECTION 9 DEFAULT AND REMEDIES.

(a) Default.

(i) In the event that either party hereto shall fail to perform any obligation or covenant of such party imposed hereby, or in the event that any representation or warranty of either party made hereunder shall be determined by the other party to be materially false, then such party shall be deemed in default hereunder. Seller and Purchaser agree that in the event of a default by either party, the other party shall, prior to taking any such action as may be available to it, provide written notice to the defaulting party stating the default and giving the defaulting party ten (10) days to cure.

(ii) If a default by Purchaser shall not be cured within the timeframe provided above, then Seller, as its sole and exclusive remedy for Purchaser's default in any of Purchaser's obligations under this Agreement, shall be limited to the termination of this Agreement and the forfeiture by Purchaser to Seller of the Bid Deposit as and for Seller's liquidated damages in lieu of any and all other remedies, it being agreed that damages to Seller in the event of such Purchaser default are difficult or impossible to ascertain in advance and that the Bid Deposit and interest earned thereon represents a reasonable approximation of such damages.

(iii) If a default by Seller shall not be cured within the timeframe provided above, then Purchaser, as its sole and exclusive remedy for Seller's default in any of Seller's obligations under this Agreement, may elect to (A) terminate this Agreement and receive a return of the Bid Deposit; or (B) waive such default and purchase the Property subject to such default on the terms herein.

(b) Reports and Materials. In the event of termination as provided above, Purchaser shall promptly deliver to Seller all documentation provided by Seller to Purchaser regarding the Property (including all copies and originals), as well as originals and copies of any and all reports, studies, tests or other documentation prepared or obtained by Purchaser in connection with Purchaser's due diligence review of the Property, at no cost to Seller.

SECTION 10 BROKERS.

Purchaser and Seller hereby warrant and covenant to the other party that it has not dealt with any real estate broker or salesperson in connection with this sale of the Property except James Angelotti of CBRE, Inc. (the "Broker"), and that no other real estate commissions, finders' fees or brokers' fees have been or will be incurred in connection with this Agreement or the sale contemplated hereby except a commission to be paid by Seller to Broker at Closing in accordance with the terms of a separate commission agreement with the Broker. Purchaser hereby agrees to defend, indemnify and hold harmless Seller, from and against any claims by other third parties for brokerage commissions, finder's fees, or other fees relative to this Agreement or the sale of the Property, and any court costs, attorneys' fees or other costs or expenses arising therefrom and alleged to be due by authorization of the Purchaser. The obligations of this Section 10 shall survive Closing.

SECTION 11 ASSIGNMENT

This Agreement may be assigned by Purchaser without the prior written consent of Seller to effectuate a 1031 exchange with purchase of the Property hereunder, upon no less than three (3) business days' advance written notice to Seller; provided, however, (i) the Closing shall not be delayed or affected by reason of the 1031 exchange, nor shall the consummation or the accomplishment of the 1031 exchange be a condition precedent or condition subsequent to such party's obligations under this Agreement, (ii) in the case of a 1031 exchange, Purchaser shall affect the 1031 exchange through a qualified intermediary and Seller shall not be required to exchange property or be required to acquire or hold title to any real estate other than the Property for purposes of consummating the 1031 exchange; (iii) Seller shall not be required to incur any liability or expense in connection with the 1031 exchange; and (iv) Purchaser shall pay any additional costs and fees that would not otherwise have been incurred by Seller, had the Purchaser not consummated this transaction sale through the 1031 exchange. Seller shall not, by this Agreement, or acquiescence to the 1031 exchange: (i) have its rights under this Agreement affected or diminished in any manner; or (ii) be responsible for compliance with or be deemed to have warranted to Purchaser that the 1031 exchange, in fact, complies with Section 1031 of the Internal Revenue Code of 1986, as amended.

This Agreement may not be assigned by Purchaser without the prior written consent of Seller, which consent shall not be unreasonably withheld. Any permitted assignment of this Agreement by Purchaser shall not lessen, discharge or release the Purchaser named herein of its obligations hereunder.

SECTION 12 MISCELLANEOUS.

12.1 Notices. Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be delivered personally with a receipt requested therefor or sent by a recognized overnight courier service or by United States registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at their respective addresses set forth below, and the same shall be effective (a) upon receipt or refusal if delivered personally; (b) one (1) business day after depositing with such an overnight courier service or (c) two (2) business days after deposit in the mails if mailed. A party may change its address for receipt of notices by service of a notice of such change in accordance herewith.

If intended for Seller, to:

Freeborn & Peters LLP
311 South Wacker Drive
Suite 3000
Chicago, IL 60606
Attn: Richard S. Lauter

If intended for Purchaser, to:

12.2 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, personal representatives, successors and permitted assigns.

12.3 Entire Agreement. This Agreement, together with the exhibits attached hereto, constitutes the entire agreement between Seller and Purchaser, and may not be modified in any manner except by an instrument in writing signed by both parties.

12.4 Headings. The section and subsection headings contained in this Agreement are inserted only for convenient reference and do not define, limit or proscribe the scope of this Agreement or any Exhibit attached hereto.

12.5 Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute one and the same instrument. Facsimile and PDF signatures hereon shall be as valid and binding as original signatures.

12.6 Unenforceable Provisions. If any provision of this Agreement, or the application thereof to any person or situation shall be held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to persons or situations other than those to which it shall have been held invalid or unenforceable, shall continue to be valid and enforceable to the fullest extent permitted by law.

12.7 Time of the Essence. Time is strictly of the essence with respect to each and every term, condition, obligation and provision of this Agreement, and the failure to timely perform any of the terms, conditions, obligations or provisions hereunder by either party shall constitute a breach of and a default under this Agreement by the party so failing to perform. In calculating any period of time provided for in this Agreement (a) the day of the act or event from which the designated period of time begins to run will not be included the number of days allowed, and (b) the number of days shall refer to calendar and not business days, unless expressly stated otherwise herein. If any day scheduled for performance of any obligation hereunder shall occur on a weekend or legal holiday, the time period allowed and day for performance shall be continued to the next business day.

12.8 Governing Law; Construction of Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Seller and Purchaser and their respective counsel have reviewed, revised and approved this Agreement. Accordingly, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

12.9 Knowledge. There shall be no liability on the part of Seller, whether prior to or after Closing, for breaches of any of its representations, warranties or covenants if Purchaser had actual knowledge thereof prior to Closing.

12.10 Non-Imputation. By virtue of this Agreement, neither party, in any way or for any purpose shall become or be deemed a partner of the other in the conduct of its business or

otherwise, or become or be deemed joint venturer or a member of a joint enterprise with the other.

12.11 No Recordation. Purchaser shall not, without the express written consent of Seller, record or file this Agreement or a memorandum hereof with the recorder of deeds of the county in which the Property is located.

12.12 Recitals and Exhibits. Any recitals set forth in this Agreement and the Exhibits attached hereto are hereby incorporated herein by this reference as part of this Agreement.

12.13 Amendments. No modification, amendment, discharge or change as to this Agreement shall be valid unless the same is in writing and is executed by Seller and Purchaser.

12.14 Waiver. No waiver or any breach or any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained.

12.15 Third Party Benefits. Other than as expressly set forth in this Agreement, the parties hereto do not intend to confer any benefit hereunder to any person, firm, corporation or other entity other than the parties hereto.

[Signature Page to Follow]

This Agreement has been executed as of the date first appearing above.

SELLER:

OHCMC - Oswego, LLC an Illinois limited liability company

By: _____

Name: _____

Its: _____

PURCHASER:

_____,
a(n) _____

By: _____

Name: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION

BARDEN FARM:

THE NORTHWEST 1/4 AND THE NORTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 22, TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN TOWNSHIP OF OSWEGO, KENDALL COUNTY, ILLINOIS.

PIN: 03-22-100-001 (240 acres)

DAVIS FARM:

PARCEL ONE: THAT PART OF THE SOUTHEAST 1/4 OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 21; THENCE SOUTH 89 DEGREES 29 MINUTES 48 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 21, 1490.70 FEET, TO THE SOUTHEAST CORNER OF ASHCROFT PLACE, BEING A SUBDIVISION, PER DOCUMENT 200400019250, RECORDED JULY 4TH, 2004; THENCE NORTH 01 DEGREES 13 MINUTES 12 SECONDS WEST, ALONG THE EAST LINE AND THE EAST LINE EXTENDED OF SAID SUBDIVISION, 2644.93 FEET, TO THE NORTH LINE OF SAID SOUTHEAST 1/4; THENCE NORTH 89 DEGREES 24 MINUTES 49 SECONDS EAST, ALONG SAID NORTH LINE, 1488.84 FEET, TO THE EAST LINE OF SAID SECTION 21; THENCE SOUTH 01 DEGREES 19 MINUTES 28 SECONDS EAST, ALONG SAID EAST LINE, 2647.15 FEET, TO THE POINT OF BEGINNING, IN KENDALL COUNTY, ILLINOIS.

PIN: PIN 03-21-400-00 (190.83 acres)

PARCEL TWO:

THE EAST 20 ACRES NORTHEAST 1/4 OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN OSWEGO TOWNSHIP, KENDALL COUNTY, ILLINOIS.

PIN: 03-21-200-003 (20 acres)

PARCEL THREE:

THE NORTHEAST QUARTER OF SECTION 21, EXCEPTING THE EAST 20 ACRES THEREOF AND ALSO EXCEPTING THAT PART OF SAID NORTHEAST 1/4 LYING WITHIN THE FOLLOWING DESCRIBED PROPERTY: BEGINNING AT THE CENTER OF SAID SECTION 21; THENCE SOUTH 89 DEGREES 36 MINUTES 36.1 SECONDS EAST ALONG THE SOUTH LINE OF THE NORTH 1/2 OF SAID SECTION 21, 5.66 FEET TO AN OLD FENCE LINE RUNNING IN A NORTHERLY DIRECTION; THENCE NORTH 0 DEGREES 36 MINUTES 16.6 SECONDS WEST ALONG SAID FENCE, 556.09 FEET; THENCE NORTH 89 DEGREES 36 MINUTES 36.1 SECONDS WEST PARALLEL WITH

SAID SOUTH LINE, 235.00 FEET; THENCE SOUTH 0 DEGREES 36 MINUTES 16.1 SECONDS EAST PARALLEL WITH SAID OLD FENCE LINE, 556.09 FEET TO SAID SOUTH LINE; THENCE SOUTH 89 DEGREES 36 MINUTES 36.1 SECONDS EAST ALONG SAID SOUTH LINE, 229.34 FEET TO THE POINT OF BEGINNING), TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN KENDALL COUNTY, ILLINOIS;

AND ALSO EXCEPTING THEREFROM THAT PART OF THE LAND CONVEYED TO THE OSWEGO FIRE PROTECTION DISTRICT BY DEED RECORDED AS DOCUMENT 2008000015089 DESCRIBED AS FOLLOWS:

THAT PART OF THE NORTHEAST 1/4 OF SECTION 21, TOWNSHIP 37 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN COMMENCING AT THE CENTER OF SAID SECTION 21; THENCE SOUTH 89 DEGREES 36 MINUTES 36.1 SECONDS EAST ALONG THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 21, 5.66 FEET TO AN OLD FENCE LINE RUNNING IN A NORTHERLY DIRECTION FOR THE POINT OF BEGINNING THENCE NORTH 00 DEGREES 36 MINUTES 16.6 SECONDS WEST ALONG SAID FENCE, 556.09 FEET; THENCE SOUTH 89 DEGREES 36 MINUTES 36.1 SECONDS EAST PARALLEL WITH SAID SOUTH LINE, 156.69 FEET; THENCE SOUTH 00 DEGREES 36 MINUTES 16.6 SECONDS EAST PARALLEL WITH SAID OLD FENCE LINE, 556.09 FEET TO SAID SOUTH LINE; THENCE NORTH 89 DEGREES 36 MINUTES 36.1 SECONDS WEST ALONG SAID SOUTH LINE. 156.69 FEET TO THE POINT OF BEGINNING.

PIN: 03-21-200-004 (135.70 acres)

EXHIBIT B

ASSUMED CONTRACTS AND REJECTED CONTRACTS

Assumed Contracts:

Rejected Contracts:

Exhibit B

OHCMC-Oswego, LLC
Liquidation Analysis

Chapter 7

Estimated
Value

Assets

Cash Account		\$963.71
Real Property	[1]	\$11,750,000.00
Oswego Escrow		\$29,407.70
Total Assets		\$11,780,371.41

Wind Down Costs

Trustee's Attorneys' Fees	[2]	\$60,000.00
Real Estate Broker's Fee		\$470,000.00
Liquidating Trustee - Chapter 7		\$376,661.14
Tax Returns, Bank Fees, etc.	[3]	\$5,000.00
		\$911,661.14

Net Estimated Proceeds for Creditors \$10,868,710.27

Claim Amounts

Class 1: BMO and PNC Secured Claims	[4]	\$22,925,128.97
Class2: Priority Tax Claims		\$49,319.27
Class 3a: General Unsecured Creditors		\$14,302.62
		Amount of Claims
		Less Sale Price of
Class 3b: Deficiency Claims of BMO and PNC		Real Property
Class 3c: Insider Claim of OHCMC, LLC		\$2,905,311.66
Class 4: Subordinated Claim of OHC		\$30,905,594.13
Class 5: Equity Securities		Unknown
Total:		\$56,799,656.65

Payout to Each Class	Percentage	
Class 1: BMO and PNC Secured Claims	[5] N/A	\$10,819,391.00
Class 2: Priority Tax Claims	100.00%	\$49,319.27
Class 3a: General Unsecured Creditors	0.00%	\$0.00
Class 3b: Deficiency Claims of BMO and PNC	0.00%	\$0.00
Class 3c: Insider Claim of OHCMC, LLC	0.00%	\$0.00
Class 4: Subordinated Claim of OHC	0.00%	\$0.00
Class 5: Equity Securities	N/A	\$0.00
Total Payout to Unsecured Creditors		\$0.00

Notes:

[1] This amount is based upon the current stalking horse offer, but the debtor believes the amount for which the property would be sold in a liquidation scenario could be substantially less.

[2] Estimate of \$10,000 per month for 6 months.

[3] Trustee would incur accounting fees for tax returns and possible bank fees.

[4] BMO and PNC hold claims totaling this amount, but the actual amount of their secured Claims are limited to the value of the Real Property.

[5] All amounts recovered from the sale of the real estate would go to BMO and PNC, after payment of the trustee's fee, real estate broker fee and payment of the real estate taxes.