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COUNSEL FOR DEBTOR

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	
SPANISH POINT, LP,	§	CASE NO. 10-37791-11
	§	
Debtor.	§	CHAPTER 11
	§	

DEBTOR'S DISCLOSURE STATEMENT

DATED JANUARY 28, 2011

TO: Creditors of Spanish Point, LP, Debtor and Debtor in Possession

Contained in the packet of documents which has been sent to you by Spanish Point, LP (the "Debtor"), is this, the Debtor's Disclosure Statement (the "Disclosure Statement"), the Debtor's Plan of Reorganization (the "Plan"), the Ballot for Voting on the Plan of Reorganization and the Order Approving Disclosure Statement and Fixing Time for Filing Acceptance or Rejection of Plan, Combined with Notice Thereof. Please read all of these materials carefully. Please note that in order for your vote to be counted, you must (1) include your name and address; (2) fill in, date, and sign the enclosed Ballot; and (3) return it to the Debtor's attorney by the date and time specified on the Ballot.

ARTICLE I - INTRODUCTORY STATEMENT

The Debtor has filed, contemporaneous hereto with the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Bankruptcy Court"), the Plan in the

above-captioned case (the “Bankruptcy Case”). Pursuant to the terms of the United States Bankruptcy Code, this Disclosure Statement will be presented for approval to the Bankruptcy Court. Such approval is required by statute and will not constitute a judgment by the Court as to the desirability of the Plan or as to the value or suitability of any consideration offered thereby.

A. DISCLAIMERS

ONLY THOSE REPRESENTATIONS SET FORTH IN THIS DISCLOSURE STATEMENT ARE AUTHORIZED BY THE DEBTOR. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE OR REJECTION OF THE PLAN OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION.

THE STATEMENTS CONTAINED HEREIN ARE MADE AS OF THE DATE OF THIS DISCLOSURE STATEMENT UNLESS ANOTHER DATE IS SPECIFIED. THE DELIVERY OF THIS DISCLOSURE STATEMENT SHALL NOT UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE FACTS SET FORTH HEREIN SINCE THE DATE HEREOF. THE DEBTOR IS UNABLE TO GUARANTEE THAT THE INFORMATION CONTAINED IN THE PLAN AND THIS DISCLOSURE STATEMENT IS ENTIRELY WITHOUT ERROR, BUT ALL REASONABLE EFFORTS HAVE BEEN MADE TO ENSURE THAT ALL REPRESENTATIONS ARE AS ACCURATE AS POSSIBLE.

THE SOURCE OF INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS THE DEBTOR OR ITS AGENTS AND EMPLOYEES AND HAS NOT BEEN SUBJECT TO AN AUDIT UNLESS OTHERWISE SPECIFICALLY NOTED. THE STATEMENTS MADE HEREIN LIKEWISE HAVE NOT BEEN VERIFIED BY DEBTOR’S COUNSEL, ALTHOUGH AN ATTEMPT HAS BEEN MADE TO BE CONSERVATIVE AND REALISTIC. NEITHER THE DEBTOR NOR ITS COUNSEL REPRESENT OR WARRANT THE ACCURACY OF DISCUSSIONS CONTAINED HEREIN REGARDING EVENTS.

AS STATED PREVIOUSLY, YOU ARE URGED TO REVIEW THE PLAN AND THIS DISCLOSURE STATEMENT IN THEIR ENTIRETY PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN TO ENSURE A COMPLETE UNDERSTANDING OF THE TRANSACTIONS CONTEMPLATED UNDER THE PLAN AND HOW THOSE TRANSACTIONS WILL AFFECT YOUR CLAIM AGAINST, OR INTEREST IN THE DEBTOR.

IF ANY IMPAIRED CLASS VOTES TO ACCEPT THE PLAN, BUT NOT ALL CLASSES ACCEPT THE PLAN, THE DEBTOR WILL SEEK CONFIRMATION UNDER THE CRAM DOWN PROVISIONS OF § 1129(B) OF THE BANKRUPTCY CODE AND HEREBY GIVES NOTICE OF INTENT TO INVOKE THE CRAM DOWN PROVISIONS OF § 1129(B) IN THAT EVENT.

B. BRIEF EXPLANATION OF CHAPTER 11

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Upon the

commencement of a Chapter 11 case, section 362 of the Bankruptcy Code provides for an automatic stay of all attempts to collect from a debtor any claims which arose prior to the bankruptcy filing or otherwise to interfere with a debtor's property or business.

Under Chapter 11, a debtor attempts to reorganize its business for the benefit of the debtor, its creditors, and equity interest holders in the formulation of a plan of reorganization. For the first 120 days after the filing of a Chapter 11 bankruptcy petition, the debtor is the only party who may file a plan of reorganization in the bankruptcy case, which is generally referred to as "exclusivity." Once exclusivity ends, any party in interest may file a plan of reorganization. The legal requirements for court approval, called "confirmation," of a plan are discussed on Page 4 of this Disclosure Statement.

C. THIS DISCLOSURE STATEMENT

Why You Have Received This Disclosure Statement. You have received this Disclosure Statement because the Debtor has proposed a Plan with the Bankruptcy Court in order to satisfy its debts and provide for a reorganization of the Debtor's business. The Bankruptcy Court held a hearing and approved this Disclosure Statement on February __, 2011. A copy of the Plan is enclosed with the materials that you have received. This Disclosure Statement, as required by 11 U.S.C. § 1125, is being provided to all known Creditors and other parties-in-interest whose claims are impaired in connection with the solicitation and acceptance of the Plan proposed by the Debtor.

Purpose of this Disclosure Statement. The purpose of this Disclosure Statement is to provide such information as will enable a hypothetical, reasonable investor typical of the Holders of Claims against the Debtor to make an informed judgment in exercising its rights either to accept or reject the Plan. Terms used in this Disclosure Statement are defined in Article II of the Plan, and the terms should be read together with those definitions.

Purpose of the Plan. The purpose of the Debtor's Plan is to provide a mechanism for the reorganization of the Debtor's assets and for the payment of the Debtor's Creditors. The Debtor developed the Plan, and believes that the Plan is more attractive than other alternatives, such as conversion to Chapter 7 liquidation or dismissal of the Bankruptcy Case. EACH CREDITOR IS URGED TO READ THE PLAN PRIOR TO VOTING.

Bankruptcy Court Approval of this Disclosure Statement. After a hearing on notice, the Bankruptcy Court approved this Disclosure Statement as containing information of a kind in sufficient detail, adequate to enable a hypothetical, reasonable investor typical of the Classes being solicited to make an informed judgment about the Plan.

Sources of Information. The information contained in this Disclosure Statement has been submitted by the Debtor unless specifically stated to be from other sources. Certain of the materials contained in this Disclosure Statement are taken directly from other, readily accessible instruments or are digests of other instruments. While the Debtor has made every effort to retain the meaning of such other instruments or the portions transposed, the Debtor urges that any reliance on the contents of such other instrument should depend on a thorough review of the instruments themselves.

Only Authorized Disclosure. No representations concerning the Plan are authorized by Debtor or the Bankruptcy Court other than as set forth in this Disclosure Statement. Any representations or inducements made by any person to secure your vote which are other than herein contained should not be relied upon, and such representations or inducements should be reported to counsel for the Debtor, who shall deliver such information to the Bankruptcy Court.

Voting on the Plan. **YOUR ACCEPTANCE OF THE PLAN IS IMPORTANT.** A creditor or interest holder, in order to vote on the Plan, must have filed a proof of claim or interest on or before the Bar Date, unless scheduled by the Debtor as not disputed, liquidated or contingent. Any creditor scheduled as not disputed, liquidated and not contingent is, to the extent scheduled, deemed to have filed a claim and, absent objection, such claim is deemed allowed. A creditor or interest holder may vote to accept or reject the Plan by filing out and mailing to counsel for the Debtor the ballot which has been provided in this package of information.

In order for the Plan to be accepted by a class of creditors, more than one half (1/2) in number and at least two-thirds (2/3) in amount of such class of claims must vote to accept the Plan. Only those claim holders that actually vote are considered in the calculations. In order for the Plan to be accepted by interest holders, at least two-thirds in amount of interests must vote to accept the plan. Again, only voting interest holders are considered in the calculation. You are, therefore, urged to fill in, date, sign and promptly mail and/or fax the enclosed ballot which has been furnished to you to counsel for the Debtor as follows:

Vickie L. Driver
Coffin & Driver, PLLC
7557 Rambler Rd., Suite 110
Dallas, TX 75231
FAX 214.377.4858
email: vdriver@coffindrivrlaw.com

Please be sure to complete properly the form and identify legibly the name of the claimant or interest holder.

The Court has fixed _____, as the last date by which ballots must be served on counsel for the Debtor. Except to the extent allowed by the Bankruptcy Court, Ballots that are received after such time may not be counted. Ballots of Holders of impaired Claims received pursuant to this solicitation and which are signed but are not expressly voted for acceptance or rejection of the Plan will be counted as Ballots for accepting the Plan. A Ballot accepting the Plan may not be revoked, except by order of the Bankruptcy Court.

ARTICLE II. - BACKGROUND FACTS

A. HISTORY OF THE DEBTOR

The Debtor is a Texas limited partnership. The Debtor consists of TRA SP GenPar, Inc. (“TRA SP GenPar”), its General Partner, and CDB Spanish Point LP (“CDB Spanish Point”), its

Limited Partner. Eric Brauss (“Brauss”) owns 100% of the ownership interest in TRA SP GenPar. Brauss also owns 100% of the ownership interest in CDB Spanish Point GP, Inc., the 1% General Partner of CDB Spanish Point. Third party investors own the 99% Limited Partnership interest in CDB Spanish Point.

The Debtor is the owner of the 300 unit apartment community located at 4121 Harvest Hill Road, Dallas, Texas 75244, commonly referred to as Spanish Point Apartments (“Spanish Point” or the “Property”). Spanish Point consists of approximately sixty (60) separate buildings with one to three bedroom apartments ranging from approximately 600 to 1,500 square feet. The monthly rental rates for these apartments range from \$650.00 to \$1,200.00. Spanish Point offers amenities such as three swimming pools, a playground, and courtesy 24-hour security patrol. Spanish Point was approximately 94% leased as of the Petition Date. Historically, Spanish Point generates approximately \$180,000 in monthly revenues, and requires \$110,000 for expenses, not including debt service, to maintain operations.

B. THE DEBTOR’S LOANS

The Debtor is the obligor under that certain Note dated January 10, 2007, in the original principal amount of \$11,200,000.00 (the “Note”) payable to U.S. Bank National Association, as Trustee for the Registered Holders of ML-CFC Commercial Mortgage Trust 2007-6, Commercial Pass-Through Certificates, Series 2007-6, by and through its special servicer, CW Capital, LLC (“Lender”). The Note’s repayment is secured by that certain Deed of Trust, Assignment of Leases and Rents, and security Agreement (“Deed of Trust”) executed by the Debtor for the benefit of the Lender.

Pursuant to the Loan Agreement, the original principal amount under the Note and all interest accrued was to be paid in full by the maturity date of February 8, 2017. The interest rate on the Note is 5.7%. For the life of the Note, the Debtor owed the interest only payments, plus all escrow amounts for taxes and insurance, as well as certain reserves, to the Lender. Current payments total approximately \$95,000.

The Debtor believes the balance owed to the Lender pursuant to the Note was approximately \$11,000,000.00, as of the Petition Date. In addition, the Debtor believes the current value of the real and personal property listed as collateral in the Deed of Trust securing repayment of the Note is approximately equal to the amount due under the Deed of Trust. The current amount of the indebtedness under the Note has yet to be determined by the Bankruptcy Court pursuant to Section 506(a).

C. EVENTS LEADING UP TO BANKRUPTCY

The Debtor filed its petition for relief under Chapter 11 of the Bankruptcy Code on November 1, 2010 (the “Petition Date”).

Protea Real Estate (“Protea”) has managed Spanish Point for two years. At the time Protea began to manage the Property, Protea found Spanish Point in disrepair, with a weak tenant base, and a high crime rate. Over time, Protea’s management resulted in great improvements to the Property, including eliminating rampant crime, increasing occupancy and collection rates,

and reducing expenses. In addition, Protea management worked diligently to create a sense of community at Spanish Point, providing after school programs for children, educational programs on credit and personal finances, and generally creating a positive living atmosphere attractive to tenants. Overall, with Protea's management, all performance trends rose (and continue to rise), increasing the value of Spanish Point, despite the generally weak economy.

On April 22, 2010, the 116th District Court in Dallas County in Cause No. 09-16465-F entered an order appointing RMB Investments, Inc., ("RMB") as the receiver of several entities owned or controlled by Eric Brauss, the person in control of the Debtor's general partner, TRA SP GenPar. Mr. Brauss had fled the United States, leaving no one in charge of the Debtor's general partner and in a cloud of defrauding the Debtor's limited partner investors. As a result of these actions taken by Mr. Brauss, RMB (the "Receiver"), as the duly appointed receiver for the Debtor, took over management of Spanish Point. Mr. Roy Greenberg ("Mr. Greenberg") is the designated party on behalf of RMB.

Upon its appointment, the Receiver worked hand in hand with Protea to further improve the Property, resulting in an increase in occupancy rates, physical enhancements and upgrades, and lower crime rates. Despite these improvements, the past difficulties with the Property along with economic decline caused Debtor to fall behind on its secured loan obligation owed to the Lender, which necessitated the bankruptcy filing.

D. ASSETS AND LIABILITIES AT THE TIME OF THE FILING

Attached hereto as **Exhibit A** is a copy of the Summary of the Debtor's Schedules reflecting the Debtor's estimation of its assets and liabilities as of November 1, 2010 (the "Petition Date"). Complete copies of the Debtor's Schedules are available upon written request submitted to the office of Counsel for Debtor via either facsimile at (214) 377-4858 or via email at vdriver@coffindriverlaw.com.

E. SIGNIFICANT EVENTS IN CHAPTER 11

Employment of Legal Counsel. On November 18, 2010, the Debtor sought to employ the law firm of Coffin & Driver, PLLC, as counsel for the Debtor [Doc. No. 26]. On October 21, 2010, the Bankruptcy Court entered an order approving the employment of Coffin & Driver, PLLC as counsel for the Debtor [Doc. No. 51].

Cash Collateral/Cash Use Objection. The Debtor filed a Motion for Use of Cash Collateral on an expedited basis on November 5, 2010 [Doc. No. 8]. An agreed Interim Order authorizing the use of cash collateral was entered on November 22, 2010 [Dkt. No. 33]. A second interim Order was entered on December 3, 2010 [Dkt. No. 40]. A final Order authorizing the use of cash collateral was entered on January 5, 2011 [Dkt. No. 55]. The Order was entered without deciding whether the rents from the Property were absolutely or collaterally assigned to the Lenders, and/or whether such rents are cash collateral.

Post-Petition Operations of Debtor. The Debtor's Monthly Operating Reports reflecting post-petition operations through December, 2010 are attached hereto as **Exhibit B** and

incorporated herein by reference.

ARTICLE III - SUMMARY OF THE PLAN

A. OVERVIEW OF THE PLAN

THE FOLLOWING DISCUSSION IS A GENERAL OVERVIEW OF THE PLAN ONLY. IT IS NOT INTENDED TO MODIFY THE TERMS OF THE PLAN IN ANY WAY. THE PLAN IS ENCLOSED WITH THIS DISCLOSURE STATEMENT. CREDITORS ARE URGED TO READ THE PLAN IN ITS ENTIRETY BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN.

The Plan provides for a reorganization of all liabilities owed by the Debtor, as described herein.

B. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

The Plan classifies and treats various classes of creditors of the Debtor's estate. The following is a summary of treatment of certain creditor claims which are provided for in the Plan that apply to the Debtor:

UNCLASSIFIED ADMINISTRATIVE CLAIMS.

Administrative claims consist of any claim for payment of any cost or expense of administration of the Chapter 11 Bankruptcy Proceedings entitled to priority in accordance with sections 503(b) and 507(a)(1) of the Bankruptcy Code, including, without limitation, any actual and necessary expenses of preserving the Debtor's Estate and operating its business from and after the Petition Date to and including the Confirmation Date (other than such Claims or portions thereof which, by their express terms, are not due or payable by the Distribution Date) and all allowances of compensation and reimbursement approved by the Court in accordance with the Bankruptcy Code and any fees or charges assessed against the Debtor's Estate under Chapter 11 of Title 28, United States Code. Except to the extent that the Holder of an Administrative Claim may otherwise agree in writing, Administrative Claims which become Allowed Claims against the Debtor after the Effective Date of the Plan shall be paid in full in cash by the Reorganized Debtor on or before ten (10) Business Days following the date the Administrative Claim becomes an Allowed Claim by Final Order of the Bankruptcy Court. Administrative Claims against the Debtor for professional fees approved pursuant to 11 U.S.C. § 330 shall be paid by the Reorganized Debtor upon the entry of an order allowing such claim. For purposes of payment of Administrative Claims, any administrative claimant desiring to be paid under the Plan must file an application for allowance of Administrative Claim on or before thirty (30) days after the entry of an Order confirming the Plan or such Claimant shall be barred from asserting an Administrative Claim.

ALLOWED TAX PRIORITY CLAIMS.

The Debtor believes there are no Allowed Tax Priority Claims.

The remaining claims and equity interests are divided into the following classes:

CLASS 1: SECURED CLAIM OF DALLAS COUNTY

Dallas County (the “County”) is the holder of a secured claim for 2011 ad valorem real property taxes. The County’s secured claim shall be paid prior to delinquency pursuant to state law. The County shall retain all liens securing this claim. In the event the County’s claim is not paid prior to delinquency, the County shall send notice of default to counsel for the Debtor/Reorganized Debtor. The Debtor/Reorganized Debtor shall have 15 business days from the date of transmission of the notice to cure such default. In the event the default is not cured, the County shall be entitled to pursue collection of all amounts owed pursuant to state law.

CLASS 2: SECURED CLAIM OF LENDER

The Class 2 Claim of Lender shall be treated as a fully perfected and unavoidable Secured Claim, secured by the Property, in the amount to be determined by this Court pursuant to Section 506(a). The existing loan documents between the Debtor and Lender shall be assumed fully by the Reorganized Debtor and Lender with the following modifications: (1) the loan shall be reinstated as in good standing; (2) the Debtor will replace TRA SP GenPar with a new general partner otherwise meeting the standards set forth in the pre-petition loan documents; (3) Lender will waive any and all pre-petition defaults in exchange for the limited “bad boy” guarantee of the new general partner; (4) interest shall accrue upon the principal amount of the note at the non-default rate of interest so long as the Reorganized Debtor remains current on its obligations under the loan documents after the Effective Date; (5) the note principal shall be the amount determined under Section 506(a); (6) any pre-petition unpaid payments and any post-petition unpaid payment shall be rolled to the end of the loan and paid in a lump sum on the maturity date; and (7) Debtor shall continue to maintain escrows for taxes and insurance, as well as replacement reserves per the terms of the Loan Documents. Amounts paid by Debtor to Lender after the Petition Date through the Effective Date shall first be applied to interest.

CLASS 3: GENERAL UNSECURED CLAIMS

Class 3 Allowed General Unsecured Claims consist of all other Allowed Claims against the Debtor not placed in any other Class. Creditors holding Allowed Class 3 General Unsecured Claims shall be paid out of Net Cash Flow, with payments being made on a quarterly basis on October 1, January 1, April 1 and July 1 of each year for a period of three (3) years following the Effective Date. Such payments will be distributed on a Pro Rata basis from Net Cash Flow. Payment to the Class 3 Claims will be made upon the satisfaction of the Administrative Claims for professional fees approved pursuant 11 U.S.C. § 330, and Priority Tax Claims.

CLASS 4: EQUITY INTEREST HOLDERS

Class 4 Equity Interest Holders, limited partner interests, shall retain their interests in the Debtor.

C. IMPLEMENTATION OF THE PLAN

The Debtor shall operate its businesses following the Effective Date, and shall dedicate sufficient revenues to fund all obligations contained in the Plan. The Debtor's Financial Projections, supporting such projected revenues and expenditures, are attached hereto as **Exhibit C**, and incorporated by reference herein. The Debtor's projections assume normal operations over the five years following the Effective Date. The Debtor's operations will enable it to generate sufficient revenues to fund the Plan. Operating expense and capital expenditure numbers have been generated based upon the operation of the business.

Reorganized Debtor. Upon the Confirmation Date of the Plan, the Reorganized Debtor shall be the survivor of the Debtor.

Cramdown. If any impaired class votes to accept the plan, but not all classes accept the plan, the Debtor will seek confirmation under the cram down provision of section 1129(b) of the Bankruptcy Code.

D. DISPOSITION OF CAUSES OF ACTION

The Debtor has not yet concluded its analysis of existing Claims and Causes of Action and expressly reserves the right to continue such analysis. All Claims and Causes of Action owned by the Debtor, Causes of Action that could have been brought by a Creditor on behalf of the Debtor, and all Causes of Action created by the Bankruptcy Code not expressly waived or released under the Plan may be pursued by the Reorganized Debtor for the benefit of the Creditors, as provided herein, including, but not limited to Causes of Action arising in and under Chapter 5 of the Bankruptcy Code. The Debtor has performed a preliminary investigation to the potential preferential payments made by or on behalf of the Debtor. Such preliminary investigation indicates that of the eligible payments, all have viable defenses as ordinary course and/or subsequent new value. While the Reorganized Debtor shall have the exclusive right to settle or compromise all such Causes of Action subject to Court approval, it does not currently anticipate filing any such actions. Further, the financial projections and the Debtor's assertion that the Plan is feasible do not rely upon recovery from causes of.

E. EXECUTORY CONTRACTS AND LEASES

General Assumption and Assignment. The Debtor anticipates, but does not guarantee, that all unexpired executory contracts will be assumed at Confirmation. All assumed contracts will be paid in the ordinary course of business on a going forward basis after Confirmation. All executory contracts and unexpired leases of the Debtor (including, but not limited to, those listed on the Debtor's Schedules) which are not expressly rejected on or before ninety (90) days after the Confirmation Date or not otherwise specifically treated in the Plan or in the Confirmation Order shall be deemed to have been assumed by the Debtor on the Confirmation Date. The Debtor reserves the right to file an exhibit with the Bankruptcy Court prior to the Confirmation Date rejecting any executory contract or lease.

Cure of Assumed Executory Contracts and Unexpired Leases. The Reorganized Debtor shall cure all defaults existing under any assumed Executory Contract pursuant to the provisions of section 1123(a)(5)(G) and 365 (b) of the Code, by paying the amount, if any, claimed by any

party to such Executory Contract as set forth in a proof of claim, which shall be filed with the Court within fifteen (15) days after the Confirmation Date and shall be titled "Assumption Cure Proof of Claim." Alternatively, the Reorganized Debtor may pay such amount as may be agreed upon between the Reorganized Debtor and any party to such Executory Contract, provided an Assumption Cure Proof of Claim is timely filed within fifteen (15) days after the Confirmation Date. Payment of any amount claimed in an Assumption Cure Proof of Claim or otherwise agreed to shall be in full satisfaction, discharge and cure of all such defaults (including any other Claims filed by any such party as a result of such defaults), provided, however, that if, the Reorganized Debtor files, within sixty (60) days of the filing of an Assumption Proof of Claim, an objection in writing to the amount set forth, the Court shall determine the amount actually due and owing in respect of the defaults or shall approve the settlement of any such Claims. Payment of such Claims shall be made by the Reorganized Debtor on the later of: (1) ten (10) Business Days after the expiration of the sixty (60) day period for filing an objection in respect of any Assumption Cure Proof of Claim filed pursuant to this section; or (ii) when a timely objection is filed, ten (10) Business Days after an order of the Court allowing such Claim becomes a Final Order.

F. RESOLUTION OF DISPUTED CLAIMS

Only Allowed Claims will be paid by Debtor according to the Plan. An Allowed Claim is any claim against the Debtor for which a proof of claim was timely and properly filed or is deemed to have been timely and properly filed because the Debtor has or hereafter does list such claim on its schedules as liquidated and not disputed or contingent.

Within sixty (60) days from the Effective Date, unless such date is extended by Order of the Court after notice and hearing, the Reorganized Debtor may file with the Court objections to Claims and Interests.

If the Reorganized Debtor files an objection to a proof of claim ("Undetermined Claim"), then an Allowed Claim shall be the amount of the claim allowed by order of the Bankruptcy Court. Thereafter, only upon entry of an order determining the amount of the Allowed Claim and to the extent that an Undetermined Claim becomes an Allowed Claim, such Allowed Claim shall be entitled to such distributions as provided under the Plan. Such distributions shall be made in the manner provided for by the Plan and the terms of any Final Order of the Court with respect to such Allowed Claim. In the event that the Debtor makes any distributions to creditors at any time prior to a determination of allowance of an Undetermined Claim, payments on such Undetermined Claim will commence and be due and payable on the first quarterly payment date following the date of the order allowing such claim, and shall be re-amortized to equal an amount sufficient to fully pay the Allowed Claim.

Unless and until an Undetermined Claim becomes an Allowed Claim, no creditor holding such a claim shall have any claim against the distribution held by the Debtor and/or the Reorganized Debtor with respect to such claim.

ARTICLE IV - CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN

Conditions to Confirmation. Confirmation of the Plan cannot occur unless each of the

following conditions precedent has occurred:

1. the Bankruptcy Court shall have approved the Disclosure Statement; and
2. the Confirmation Order is entered by the Bankruptcy Court.

ARTICLE V - MODIFICATION OF THE PLAN

Section 1127(a) of the Bankruptcy Code permits the Debtor to amend or modify a plan at any time prior to confirmation. Post-confirmation modifications of a plan are allowed under section 1127(b), if the proposed modification is offered before a plan has been substantially consummated or pursuant to an article of the confirmed plan authorizing the intended modification. The Debtor reserves the right to amend or modify the Plan at any time at which such modification is permitted under the Bankruptcy Code.

In the event the Debtor proposes to modify the Plan prior to the Confirmation Order, further disclosures pertaining to the proposed modification will be required only if the Bankruptcy Court finds, after a hearing, that the pre-confirmation modifications adversely change the treatment of any creditor or equity interest holder who has previously accepted the Plan. If the proposed pre-confirmation modification is material and adverse, or if a post-confirmation modification is sought, the Debtor intends to supplement this Disclosure Statement as necessary to describe the changes made in the Plan and the reasons for any proposed modifications.

ARTICLE VI - CONSIDERATIONS IN VOTING ON THE PLAN

A. ALTERNATIVES TO THE PLAN

Although this Disclosure Statement is intended to provide information to assist in the formation of a judgment as to whether to vote for or against the Plan and although creditors are not being offered through that vote an opportunity to express an opinion concerning alternatives to the Plan, a brief discussion of alternatives to the Plan may be useful. The Debtor believes the proposed Plan to be in the best interests of creditors and the Debtor, and does not favor any alternative to the proposed Plan. In arriving at that conclusion, the Debtor assesses the alternatives as follows:

Chapter 7 Liquidation Analysis. The Debtor could convert the case to Chapter 7 and allow a bankruptcy trustee to be appointed to liquidate and distribute assets. In the event that the Court does not confirm a plan of reorganization in this case, conversion to Chapter 7 will ultimately result. The Debtor believes this alternative to be unsatisfactory for the reasons stated in Article VII. B., below. In addition, Unsecured Creditors would receive no funds in the event that the Debtor's assets are liquidated under Chapter 7 of the Bankruptcy Code.

Dismissal of the Case. Dismissal of the Chapter 11 Case would most likely lead to the same unsatisfactory result as Chapter 7 liquidation.

Sale of Property of the Estate under Section 363. Section 363 of the Bankruptcy Code permits a debtor to sell property of the estate with approval of the Bankruptcy Court. The Debtor

believes that this alternative would not maximize value of the Debtor's property. A sale under section 363 in the time frame required for the Debtor to conclude its Chapter 11 Case typically does not result in optimal values for property. The Debtor believes that a quick section 363 sale of the Debtor's assets would lead to results for creditors far inferior to the Plan.

The Debtor has attempted to set forth alternatives to the proposed Plan. However, the Debtor must caution creditors that a vote must be for or against the Plan. The vote on the Plan does not include a vote on alternatives to the Plan. There is no assurance what turn the proceedings will take if the Plan fails to be accepted. If you believe one of the alternatives referred to is preferable to the Plan and you wish to urge it upon the Court, you should consult counsel.

B. LIQUIDATION ANALYSIS

The likely result of a conversion of this case to Chapter 7 liquidation would be a lifting of the automatic stay of 11 U.S.C. § 362(a) to permit foreclosure by Lender. There is no mechanism under Texas law to require a foreclosing lender to bid more than the amount of the indebtedness secured by the property. In the event of a liquidation of the Debtor's assets in a Chapter 7 bankruptcy case, Lender would foreclose upon all such assets. This would most likely leave a substantial deficiency due to the Lender's legal ability to bid less than reasonably equivalent value. The Debtor would be stripped of its assets and the ability to generate operating revenue. Distribution to any class other than Lender would likely be zero in a liquidation scenario.

C. SPECIFIC CONSIDERATIONS IN VOTING

All of the foregoing give rise in the instant case to the following implications and risks concerning the Plan.

The Plan assumes the continued operation of the Property by the Debtor, and assumes that the rental rates and occupancy remain stable. Further, the Financial Projections also assume no greater rate of default or damage as has historically been experienced at the Property. Statistically significant changes in any such behaviors of the tenant(s) could adversely impact the Debtor's ability to make the payments projected in the Plan.

While the Plan provides for certain payments at confirmation, such payments will only apply to Allowed Claims including Claims arising from defaults. Under the Bankruptcy Code, a Claim may not be paid until it is allowed. A Claim will be allowed in the absence of objection.

A Claim, including a Claim arising from default, which has been objected to will be heard by the Court at a regular, evidentiary hearing and allowed in full or in part or disallowed. While the Debtor bears the principal responsibility for Claim objections, any interested party, including creditors, may file claim objections. Accordingly, payment on some Claims, including Claims arising from defaults, may be delayed until objections to such Claims are ultimately settled.

D. DISCLOSURES REQUIRED BY THE BANKRUPTCY CODE

The Bankruptcy Code requires disclosure of certain facts:

- 1) There are no payments made or promises of the kind specified in section 1129(a)(4) of the Bankruptcy Code which have not been disclosed to the Court.
- 2) Counsel to the Debtor has advised the Debtor that the Debtor will require legal services in connection with this case after confirmation which will require reimbursement. The Debtor may continue to use Coffin & Driver, PLLC, as counsel after confirmation.

E. DESCRIPTION OF MANAGEMENT AND CONTROL PERSONS OF DEBTOR

After the Effective Date, Protea will continue to manage Spanish Point under the terms of the Management Contract. The pre-petition General Partner, TRA SP GenPar, will be replaced with a new General Partner, a single purpose entity to be owned and operated by Godfrey R. Traub, a principal of Protea. Mr. Traub will serve as the representative of the new General Partner.

ARTICLE VII - PROVISIONS GOVERNING DISTRIBUTION

Claims. Claims are defined in the Plan. The Plan is intended to deal with all claims against the Debtor's estate of whatever character, whether or not contingent or liquidated, and whether or not allowed by the Bankruptcy Court pursuant to section 502(a) of the Bankruptcy Code; however, only those Claims Allowed pursuant to section 502(a) of the Bankruptcy Code will be entitled to and receive payment under the Plan.

Compliance with Plan. Any Person, including a Creditor, which has not, within the time provided in the Plan, performed any act required in the Plan or in the Confirmation Order, shall not be entitled to participate in any distribution under the Plan.

Provisions Covering Distributions. All payments required by the Plan shall be made by Reorganized Debtor, its successors, assigns or designees. Payments to be made in cash pursuant to the Plan shall be made by check drawn on a domestic bank or by wire transfer from a domestic bank, such mode of payment to be at the sole discretion of the Reorganized Debtor.

Distributions and deliveries to Holders of an Allowed Claim shall be made to the Holder at the address set forth on the latest-filed proof of claim filed by such Holder or at the address listed on Debtor's Schedules of such Holder if no proof of claim is filed. If any Holder's distribution is returned as undeliverable, the Reorganized Debtor shall hold the distribution until notified of such Holder's new address or the first anniversary of the Effective Date occurs, at which time the undelivered distribution shall revert and become the property of the Reorganized Debtor and the Claim shall be discharged and forever barred.

Checks issued in respect of Allowed Claims shall be null and void if not cashed within ninety (90) days of the date of issuance thereof. Requests for re-issuance shall be made directly to the Reorganized Debtor at the Notice Address(es) listed herein in Article XI by the holder of the Allowed Claim with respect to which such check originally was issued. Any Claim in

respect of such voided check shall be made on or before the later of the first anniversary of the Effective Date or ninety (90) days after the date of issuance of such check. After such date, all Claims in respect of such checks shall be discharged and forever barred.

ARTICLE VIII - RETENTION OF JURISDICTION

Purposes. Notwithstanding entry of the Confirmation Order, the Bankruptcy Court shall retain jurisdiction in the following matters after confirmation of the Plan:

- i. to determine any and all objections to the allowance of Claims or Interests, both before and after the Confirmation Date, including any objections to the classification of any claim or interest;
- ii. to determine any and all applications for fees and expenses authorized to be paid or reimbursed in accordance with section 503(b) of the Bankruptcy Code or the Plan;
- iii. to determine any and all pending applications for the assumption or rejection of executory contracts or for the rejection or assumption and assignment, as the case may be, of unexpired leases to which the Debtor is a party or with respect to which the Debtor may be liable; to hear and determine any actions to void or terminate unexpired contracts or leases; and to hear and determine and, if need be, to liquidate any and all claims arising therefrom;
- iv. to hear and determine any and all actions initiated by the Debtor and/or the Reorganized Debtor, whether by motion, complaint or otherwise;
- v. to determine any and all applications, motions, adversary proceedings and contested matters pending before the Bankruptcy Court on the Confirmation Date or filed or instituted after the Confirmation Date;
- vi. to modify the Plan, the Disclosure Statement or any document created in connection with the Plan or remedy any defect or omission or reconcile any inconsistency in any Order of the Court, the Plan, the Disclosure Statement or any document created in connection with the Plan, in such manner as may be necessary to carry out the purposes and effects of the Plan to the extent authorized by the Bankruptcy Code;
- vii. to ensure that the distribution is accomplished in accordance with the provisions of the Plan;
- viii. to allow, disallow, determine, liquidate or estimate any claim or interest and to enter or enforce any order requiring the filing of any such claim or interest before a particular date;
- ix. to enter such orders as may be necessary to interpret, enforce, administer, consummate, implement and effectuate the operative provisions of the Plan, the Confirmation Order and all documents and agreements provided for herein or therein or executed pursuant hereto or thereto including, without limitation, entering appropriate orders to protect the Debtor from creditor actions;
- x. to hear any other matter not inconsistent with Chapter 11 of the Bankruptcy Code;
- xi. to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked or vacated;
- xii. to determine such other matters as may arise in connection with the Plan, this Disclosure Statement or the Confirmation Order;

- xiii. to enforce all orders, judgments, injunctions, and rulings entered in connection with the Bankruptcy Case;
- xiv. to determine all issues relating to the Claims of any taxing authorities, state or federal;
- xv. to determine any avoidance actions brought pursuant to the provisions of the Bankruptcy Code; and
- xvi. to enter a Final Order and final decree closing the Chapter 11 Case.

Exclusive Jurisdiction. The Bankruptcy Court shall have exclusive jurisdiction to resolve all controversies, suits and disputes that may arise in connection with the interpretation, enforcement, consummation, implementation or administration of the Plan, the Confirmation Order or the Disclosure Statement and all entities shall be enjoined from commencing any legal or equitable action or proceeding with respect to such matters in any other court or administrative or regulatory body.

Abstention. If the Court abstains from exercising jurisdiction or is otherwise without jurisdiction over any matter arising out of the Bankruptcy Case, including the matters set forth in this Article X, Article X of the Plan shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

Closing of Case. The Reorganized Debtor shall file an application for final decree and to close the Bankruptcy Case and promptly set a hearing no later than twelve (12) months after the Effective Date, or show cause to the Bankruptcy Court within such period why the Bankruptcy Court should not enter a final decree. Any adversary proceeding that is a Cause of Action shall survive the entry of a final decree and closing of the Bankruptcy Case, and jurisdiction shall be retained over such proceeding.

ARTICLE IX - MISCELLANEOUS PROVISIONS

Certain Rights Unaffected. Except as otherwise provided in the Plan, any rights or obligations which the Debtor's creditors may have amongst them as to their respective claims or the relative priority or subordination thereof are unaffected.

Binding Effect. As of the Effective Date, the Plan shall be binding upon and inure to the benefit of the Debtor, the Reorganized Debtor, the holders of the Claims, and their respective successors and assigns.

Discharge of Claims. Except as otherwise provided in the Plan or in the Confirmation Order, the rights afforded in the Plan and the payments and distributions to be made hereunder shall discharge all existing debts and Claims of any kind, nature, or description whatsoever against the Debtor or any of its assets or properties to the extent permitted by section 1141 of the Bankruptcy Code. Upon the Effective Date, all existing Claims against the Debtor shall be deemed to be discharged and all holders of Claims shall be precluded from asserting against the Debtor's assets or properties, any other or further Claim based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date, whether or not such holder filed a proof of claim.

Discharge of the Debtor. Any consideration distributed under the Plan shall be in exchange for and in complete satisfaction, discharge, and release of all Claims of any nature whatsoever against the Debtor or any of its assets or properties. Upon the Effective Date, the Debtor shall be deemed discharged and released to the extent permitted by section 1141 of the Bankruptcy Code from any and all Claims, including but not limited to demands and liabilities that arose before the Effective Date, whether or not (a) a proof of claim based upon such debt is filed or deemed filed under section 501 of the Bankruptcy Code; (b) a claim based upon such debt is allowed under section 502 of the Bankruptcy Code; or (c) the holder of the claim based upon such debt has accepted the Plan. The Confirmation Order shall be a judicial determination of discharge of all of the Debtor's liabilities. Pursuant to section 524 of the Bankruptcy Code, such discharge shall void any judgment against the Debtor at any time obtained to the extent it relates to a claim discharged, and operates as an injunction against the prosecution of any action against the Debtor or the property of the Debtor, to the extent it relates to a claim discharged.

Exculpations. The Debtor's professionals shall not have or incur any liability to any holder of a Claim for any act, event, or omission in connection with, or arising out of, the confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for willful misconduct or gross negligence.

Injunctive Relief. Except as provided herein, on and after the Confirmation Date, all Creditors and persons acting in concert with them are enjoined and restrained pursuant to section 105 of the Bankruptcy Code from taking any action to correct or enforce any Claim directly or indirectly against the Debtor's assets or properties in any manner inconsistent with the terms contained in the Plan. The discharge granted by this Plan voids any judgment at any time obtained with respect to any debt discharged.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, NEITHER THE GUARANTORS, INSIDERS, OFFICERS, DIRECTORS, EMPLOYEES NOR THE INTEREST HOLDERS OF THE DEBTOR SHALL BE DISCHARGED AND RELEASED FROM LIABILITY, IF ANY, FOR CLAIMS AND DEBTS ARISING UNDER OR IN CONNECTION WITH THE DEBTOR OR THIS CHAPTER 11 CASE AND/OR OTHERWISE ADDRESSED AND/OR TREATED IN THIS PLAN, HOWEVER, ABSENT FURTHER COURT ORDER UPON NOTICE AND HEARING, THE EXCLUSIVE REMEDY FOR PAYMENT OF ANY CLAIM OR DEBT ADDRESSED IN THIS PLAN, SO LONG AS THE PLAN IS NOT IN DEFAULT, SHALL BE THE PLAN AND ALL PARTIES CLASSIFIED IN AND UNDER ARTICLES 4 AND 5 HEREIN ARE ENJOINED FROM TAKING ANY ACTION INCONSISTENT HERewith, INCLUDING, BUT NOT LIMITED TO, ANY ACTION TO PROSECUTE OR COLLECT ANY DEBT OR CLAIM AGAINST ANY GUARANTOR, INSIDERS, OFFICER, DIRECTOR, EMPLOYEE OR INTEREST HOLDER. TO THE EXTENT NECESSARY, ANY APPLICABLE STATUTE OF LIMITATIONS AGAINST COLLECTION FROM ANY THIRD PARTY IS SPECIFICALLY TOLLED FROM THE PERIOD OF TIME FROM THE PETITION DATE UNTIL THE DATE UPON WHICH THE DEBTOR FAILS TO CURE ANY WRITTEN NOTICE OF DEFAULT AS SET FORTH IN THE PLAN AND/OR IN ANY APPLICABLE LOAN DOCUMENTS.

Notices. All notices, requests or demands in connection with the Plan shall be in writing and shall be deemed to have been given when received or, if mailed, five (5) days after the date of mailing, provided such writing shall have been sent by registered or certified mail, postage prepaid, return receipt requested, and sent to the following parties, addressed to:

Debtor:

Spanish Point, LP
c/o Roy H. Greenberg
Whitehall Real Estate, Inc.
903 N. Bowser Road, Ste. 170
Richardson, TX 75081

Debtor's Counsel:

Vickie L. Driver
Coffin & Driver, PLLC
7557 Rambler Rd.
Suite 110
Dallas, Texas 75231
Tel: 214.377.4848
Fax: 214.377.4858

All notices and request to Holders of Claims and Interests shall be sent to them at the address listed on the last-filed proof of claim and if no proof of claim is filed, at the address listed in Debtor's Schedules.

ARTICLE X - CONCLUSION

The Debtor respectfully submits that the Plan satisfies all of the statutory requirements of Chapter 11 of the Bankruptcy Code, including the "best interest of creditors" and "feasibility" requirements and that it should be confirmed even in the event a class of claims does not vote for acceptance of the Plan. The Debtor believes that the Plan "is fair and equitable" and "does not discriminate unfairly." Additionally, the Debtor believes that the Plan has been proposed in good faith.

The Debtor respectfully requests that this Disclosure Statement be approved for circulation to the Debtor's creditors and that it be permitted to solicit votes for acceptance of the Plan.

Dated: January 28, 2011

Spanish Point, LP

By: /s/ Roy Greenberg
Roy Greenberg
Rep. of Receiver
RMB Investments, Inc.

Filed and submitted by:

/s/ Vickie L. Driver

Vickie L. Driver

State Bar No. 24026886

Alexandra P. Olenczuk

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