

**IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION**

In re:

T-L BRYWOOD LLC,

Debtor/Debtor-in-Possession.

Case No. 13-21804

Chapter 11

Judge J. Philip Klingeberger

**DISCLOSURE STATEMENT ACCOMPANYING SECOND AMENDED
PLAN OF REORGANIZATION FOR T-L BRYWOOD, LLC PROPOSED BY
RCG-KC BRYWOOD, LLC, THE DEBTOR'S SENIOR SECURED CREDITOR**

David J. Fischer
Phillip W. Nelson
LOCKE LORD LLP
111 South Wacker Drive
Chicago, Illinois 60606
Telephone: 312-201-2000
Facsimile: 312-201-2555
david.fischer@lockelord.com
phillip.nelson@lockelord.com
Counsel for RCG-KC Brywood, LLC

Dated: September 25, 2015

TABLE OF CONTENTS

	Page
ARTICLE 1. INTRODUCTION	1
1.1 Introduction.....	1
1.2 Purpose of this RCG Disclosure Statement	1
1.3 Voting on the Plan	2
1.4 RCG Plan Confirmation, Acceptance, and Cram Down Option	3
1.5 The Confirmation Hearing.....	3
1.6 Qualifications on Contents of this RCG Disclosure Statement	3
ARTICLE 2. SUMMARY OF PLAN, INCLUDING THE RCG PLAN’S CLASSIFICATION AND TREATMENT OF CLAIMS	4
ARTICLE 3. HISTORICAL BACKGROUND TO THE RCG PLAN AND SIGNIFICANT POST-PETITION ACTIVITIES	6
3.1 General.....	6
3.2 The Case.....	7
ARTICLE 4. SUMMARY OF THE PLAN	9
4.1 Summary of Distributions under the Plan.....	9
4.2 Plan as a Settlement	12
ARTICLE 5. MEANS OF EXECUTION OF THE RCG PLAN	12
5.1 Corporate Action and the Reorganized Debtor.....	12
5.2 Funding by RCG.....	12
5.3 Vesting of Assets	13
5.4 Causes of Action	13
5.5 General Claims Distribution Mechanics	13
5.6 Withholding Taxes.....	14
5.7 Exemption from Certain Transfer Taxes	14
5.8 Setoffs and Recoupments.....	14
5.9 Insurance Preservation	15
5.10 Releases, Injunctions and Related Provisions.....	15
5.11 Retention of Jurisdiction.....	17
5.12 Objections to Claims.....	17
5.13 Executory Contracts and Unexpired Leases	17
5.14 Conditions Precedent to Confirmation of the RCG Plan	18

TABLE OF CONTENTS
(continued)

	Page
ARTICLE 6. CONFIRMATION OF THE PLAN.....	18
6.1 Acceptance of the Plan; Cram Down.....	18
6.2 Confirmation Hearing and Objections	18
6.3 Confirmation	19
6.4 Plan Consummation	21
ARTICLE 7. CERTAIN RISK FACTORS TO BE CONSIDERED	21
7.1 Amendments, Modification or Withdrawal of the Plan.....	21
7.2 Failure to Consummate the Plan	22
7.3 Alternative Chapter 11 Plans May Be Proposed.....	22
ARTICLE 8. RECOMMENDATION AND CONCLUSION.....	22

ARTICLE 1.

INTRODUCTION

1.1 Introduction.

RCG-KC Brywood (“*RCG*” or the “*Proponent*”) submits this disclosure statement (the “*RCG Disclosure Statement*”) pursuant to Section 1125 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3016(b) in connection with the solicitation of votes with respect to the second amended plan of reorganization for T-L Brywood, LLC (the “*Debtor*”) proposed by RCG (the “*RCG Plan*”).¹ A copy of the RCG Plan² is attached to this RCG Disclosure Statement as Exhibit 1.

The RCG Plan provides for the reorganization of the Debtor through, among other things, a substantial cash infusion from RCG, the Debtor’s largest secured creditor and its prepetition lender, in exchange for a cancellation of all current Equity Interests in the Debtor and the issuance of membership interests in the Reorganized Debtor in favor of RCG. RCG, as proponent of the RCG Plan, believes that the RCG Plan provides better treatment for creditors of the Debtor than would be obtained either in a liquidation or approval of the Debtor’s plan of reorganization (the “*Debtor’s Plan*”), as the Debtor’s Plan must also treat RCG’s \$3.91 million unsecured deficiency claim equitably with all other unsecured claims.

Because RCG has agreed to make substantial payments to all stakeholders — other than existing equity — the Plan provides greater and quicker distributions of available cash to unsecured creditors of the Debtor than creditors would receive in either a liquidation of the Debtor or consummation of the Debtor’s Plan. In addition, RCG is making an equity infusion into the Reorganized Debtor of \$525,000 and has agreed, in accordance with the RCG Plan, to convert its unsecured deficiency claim to equity in the Reorganized Debtor, to allow the Reorganized Debtor to make the distributions proposed under the RCG Plan to the Debtor’s creditors. **Accordingly, RCG recommends that creditors vote to approve the Plan.**

1.2 Purpose of this RCG Disclosure Statement.

This RCG Disclosure Statement is intended to provide holders of Claims of all Classes entitled to vote on the RCG Plan with adequate information about the RCG Plan so as to permit them to make an informed judgment when voting to accept or reject the RCG Plan.

THE APPROVAL OF THIS RCG DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT AS CONTAINING ADEQUATE INFORMATION DOES NOT CONSTITUTE A RECOMMENDATION BY THE BANKRUPTCY COURT AS TO

¹ For the avoidance of doubt, any reference to the “Plan” or the “RCG Plan” shall mean RCG’s Plan attached as Exhibit 1 as may be amended or modified from time to time.

² All capitalized terms used in this RCG Disclosure Statement that are not otherwise defined herein shall have the meaning ascribed to them in the RCG Plan.

ACCEPTANCE OR REJECTION OF THE PLAN OR ASSURE THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

1.3 Voting on the Plan.

Together with this RCG Disclosure Statement, Ballots are being delivered to holders of Claims in Classes 1, 2, 4, 5, 6, and 7. Only a party entitled to vote on the RCG Plan may cast a Ballot. Holders of Claims for which there will be no RCG Plan distribution are deemed to have rejected the RCG Plan. Furthermore, pursuant to section 1129(a)(10) of the Bankruptcy Code, acceptances of the Plan by Insiders are not considered in determining whether a class of Claims has accepted the Plan. To ascertain whether or not your Claim is in the Class entitled to vote, please consult Article 2 of this RCG Disclosure Statement.

A Claim that has not been Allowed remains unresolved and is a Disputed Claim. Holders of Disputed Claims are permitted to vote such Claims as if such Claims were Allowed at the time voting on the RCG Plan commences unless the Court has entered an order disallowing or only partially allowing such Claim for voting purposes.

For a Ballot to be counted for voting on the Plan, such Ballot must be received no later than **[5:00 P.M.] (prevailing Central Time) on [_____], 2015** (the “**Voting Deadline**”) at the following address:

Clerk of the Court
United States Bankruptcy Court
for the Northern District of Indiana
Room 2200
5400 Federal Plaza
Hammond, Indiana 46320

IN ORDER FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE COMPLETED IN ACCORDANCE WITH THE VOTING INSTRUCTIONS ON THE BALLOT AND MAILED TO THE ADDRESS ABOVE SO AS TO BE RECEIVED NO LATER THAN THE VOTING DEADLINE. BALLOTS RECEIVED AFTER THE VOTING DEADLINE WILL NOT BE COUNTED UNLESS THE BANKRUPTCY COURT DIRECTS OTHERWISE.

If you are a holder of a Claim entitled to vote on the RCG Plan and did not receive a Ballot, received a damaged Ballot or lost your Ballot, or if you have any questions concerning voting procedures, please contact counsel to RCG, Phillip W. Nelson of Locke Lord LLP, at (312) 201-2000, or via email at phillip.nelson@lockelord.com.

Before voting, each holder of a Claim entitled to vote on the RCG Plan should read the pertinent portions of this RCG Disclosure Statement and its Exhibits, including the RCG Plan itself, as well as the instructions accompanying the Ballot. This RCG Disclosure Statement and the accompanying notice and Ballot are the only documents authorized by the Bankruptcy Court to be used in connection with the solicitation of votes to accept or reject the RCG Plan. **Your vote on the RCG Plan is important.**

1.4 RCG Plan Confirmation, Acceptance, and Cram Down Option.

Except as otherwise set forth below, for the RCG Plan to be confirmed, it must be accepted by each Class of Claims whose rights are impaired by the RCG Plan. Under the Bankruptcy Code, a Class of Claims is deemed to have accepted the RCG Plan if the RCG Plan is timely accepted by creditors in such Class holding at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in such Class that were timely voted.

However, as discussed in Section 6.3(c), even if the requisite acceptance of the RCG Plan by any impaired Class is not obtained through such voting, the Bankruptcy Court still may confirm the RCG Plan in limited circumstances.

1.5 The Confirmation Hearing.

The Bankruptcy Court has scheduled a hearing on confirmation of the RCG Plan for [____], 2015 at [____] [__].m. in Suite 3800 at the Bankruptcy Court, 5400 Federal Plaza, Hammond, Indiana 46320 (the “*Confirmation Hearing*”). Any objection to confirmation must be in writing and filed and served on counsel to RCG, Locke Lord LLP, 111 South Wacker Drive, Chicago, Illinois 60606, Attention: David J. Fischer, Esq., with a copy to the United States Trustee for the Northern District of Indiana, Attention: Jennifer Prokop, Esq., 100 East Wayne Street, Suite 555, South Bend, Indiana 46601, so that such objections are received by [____], 2015, in accordance with the procedure described in the notice accompanying this RCG Disclosure Statement.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Bankruptcy Code’s requirements for Plan confirmation have been satisfied. RCG believes the Plan satisfies all such applicable requirements.

1.6 Qualifications on Contents of this RCG Disclosure Statement.

THE FINANCIAL INFORMATION SET FORTH IN THE RCG PLAN AND THIS RCG DISCLOSURE STATEMENT IS PRIMARILY BASED ON INFORMATION PROVIDED BY THE DEBTOR AND ITS MANAGEMENT AS FILED WITH THE BANKRUPTCY COURT, INCLUDING THE DEBTOR’S SCHEDULES AND MONTHLY OPERATING REPORTS. RCG IS RELYING UPON THE ACCURACY OF THE INFORMATION SO PROVIDED AND HAS NOT INDEPENDENTLY VERIFIED THE INFORMATION SO PROVIDED.

OTHER THAN AS SET FORTH IN THIS RCG DISCLOSURE STATEMENT, NO REPRESENTATION CONCERNING RCG OR THE RCG PLAN HAS BEEN AUTHORIZED OR SHOULD BE RELIED UPON BY ANY HOLDER OF A CLAIM. THIS RCG DISCLOSURE STATEMENT AND ITS EXHIBITS, INCLUDING THE RCG PLAN, MAY NOT BE RELIED UPON OR USED FOR ANY PURPOSE OTHER THAN EVALUATING WHETHER TO ACCEPT OR REJECT THE RCG PLAN. RCG HAS SOUGHT TO ENSURE SUCH INFORMATION IS ACCURATE IN ALL MATERIAL RESPECTS AND DOES NOT BELIEVE SUCH INFORMATION CONTAINS ANY MATERIAL INACCURACIES.

This RCG Disclosure Statement contains projected financial information and certain other forward-looking statements, all of which are based on various estimates and assumptions and will not be updated to reflect events occurring after the date hereof. Such information and statements are subject to inherent uncertainties including, among others, those described herein. Consequently, actual events, circumstances, effects and results might vary significantly from those included in or contemplated by such forward-looking statements. Consequently, the forward-looking statements contained herein should not be regarded as representations by RCG or any other person that the projected financial conditions or distributions can or will be achieved.

ARTICLE 2.

SUMMARY OF PLAN, INCLUDING THE RCG PLAN'S CLASSIFICATION AND TREATMENT OF CLAIMS

2.1 Administrative, Priority Tax Claims, and Statutory Fees

In accordance with section 1123(a)(1) of the Bankruptcy Code, the Debtor has not classified Administrative Claims, Priority Tax Claims, or the United States Trustee's statutory fees. Section 4.1(a) herein, entitled "Treatment of Unclassified Claims," explains the treatment of Administrative Claims, Priority Tax Claims under Article 4 of the Plan in greater detail; however, in summary, the Plan provides as follows:

SUMMARY OF TREATMENT OF UNCLASSIFIED CLAIMS		
<u>Claim Category</u>	<u>Type of Claim</u>	<u>Estimated Amount</u>
<p>Allowed Administrative Claims. Allowed Administrative Claims will be paid in full in Cash (a) to the extent arising in the ordinary course of business, in the ordinary course of business, (b) on or soon after the Effective Date or, if not then due, the date when such Allowed Administrative Claim is due, (c) on or soon after the date an Administrative Claim is Allowed, (d) at a time and on terms agreed upon by such holder and the Debtor or the Reorganized Debtor or (e) at a time and on terms set forth in an order of the Bankruptcy Court</p>	<p>Professional Compensation Claims. This number consists primarily of an estimate of the fees and expenses of the Debtor's counsel, Crane, Heyman, Simon, Welch & Clar ("Crane Heyman"), for the period from October 1, 2014 through the Effective Date, and Burke, Warren, MacKay & Serritella ("Burke Warren"), for the period from October 10, 2014 through the Effective Date. Crane Heyman has already been allowed and paid fees and expenses, on an interim basis, for the approximately 28-month period from May 12, 2012 through September 30, 2014 in the amount of \$288,127.50. Burke Warren has already been allowed and paid fees, on an interim basis, for the approximately 30-month period from March 13, 2012 through October 9, 2014 in the amount of \$77,480.55. RCG reserves all rights with respect to any claims asserted by Crane Heyman or Burke Warren, and nothing herein shall be or be deemed a waiver of RCG's or the Reorganized Debtor's right to object to any application for compensation or reimbursement.</p>	<p>\$300,000.00</p>

SUMMARY OF TREATMENT OF UNCLASSIFIED CLAIMS		
<u>Claim Category</u>	<u>Type of Claim</u>	<u>Estimated Amount</u>
	<p>Other Administrative Expenses. This number consists of an estimate of the outstanding operating expenses and other disbursements of the Debtor for the month in which the RCG Plan becomes effective. This number is represents the average of the Debtor's monthly disbursements for the trailing 12 months ended August 31, 2015, as disclosed in the Debtor's monthly operating reports.</p>	\$110,000.00
	<p>Administrative Tax Claims. This number consists of an estimate of the real estate property taxes owed to Jackson County, Missouri, payable in 2015 for the Brywood Shopping Center. These taxes are due on or before December 31, 2015 and may be paid by the Debtor prior to the Effective Date.</p>	\$278,000.00
<p>Priority Tax Claims. Priority Tax Claims due and payable on or prior to the Effective Date will be satisfied as soon as soon as reasonably practicable after the Effective Date by payment in an amount equal to the amount (a) of the Allowed Priority Tax Claim, (b) agreed to by the Debtor and the holder of such Allowed Priority Tax Claim or (c) of such Allowed Priority Tax Claim if paid in installment over a period not more than five years after the Petition Date pursuant to 11 U.S.C. § 1129(a)(9)(C);</p>	<p>Business Personal Property Taxes. This number reflects the claim for business personal property taxes filed by Jackson County, Missouri. RCG is not aware of any other Priority Tax Claims and, as recently as May 14, 2015, the Debtor has asserted that it "believes that there are no Priority Tax Claims." [See Docket No. 461, p. 15.]</p>	\$97.16
<p>Payment of Statutory Fees. The Debtor shall pay all United States Trustee quarterly fees under 28 U.S.C. § 1930(a)(6), plus interest due and payable under 31 U.S.C. § 3717, on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtor's business, until the entry of a Final Order, dismissal of the Chapter 11 Case or conversion of the Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code.</p>	<p>U.S. Trustee Fees for Q3, and Q4, 2015. This number consists of an estimate of the quarterly fees due to the Office of the United States Trustee for the third, an fourth quarters of 2015. This number is calculated based on the monthly average of the Debtor's disbursements for the trailing 12 months ended August 31, 2015, as disclosed in the Debtor's monthly operating reports.</p>	\$10,000.00
Estimate of Total Unclassified Claims		\$783,097.16

2.2 Claims and Interests Classified Under the Plan

The table below summarizes the classification and treatment of Claims and Interests under the Plan. These summaries are qualified in their entirety by reference to the provisions of the Plan. For a more detailed description of the treatment of Claims and Interests under the Plan, see Section 4.1(b) entitled “Treatment of Classified Claims and Interests.”

The RCG Plan contemplates an infusion of capital by RCG in the amount of \$525,000 in order to make substantial payments to unsecured claim classes, including Insiders, and the cancellation of RCG’s deficiency claim in exchange for the New Equity Interests. Thus, if the RCG Plan is approved, on the Effective Date, all secured creditors (with the exception of RCG) will be paid in full and unsecured creditors will receive the right to significant Distributions on account of their Allowed Claims. Also, RCG shall receive equity in the Reorganized Debtor and the Debtor’s existing Equity Interests shall be cancelled. There are five Classes contemplated by the Plan: the RCG Secured Claim, the RCG Unsecured Deficiency Claim, the Jackson County Secured Claim, General Unsecured Claims, the Planet Fitness Claim, the Mesirov Note Claims, the Insider Claims, and the Equity Interests.

The table below also sets forth the estimated percentage recovery for holders of Claims and Interests in each Class and the Debtor’s estimates of the amount of Claims that will ultimately become Allowed in each Class based upon (a) review by the Debtor of its books and records, (b) all Claims scheduled by the Debtor (as modified by the Bankruptcy Court through certain hearings), and (c) consideration of the provisions of the Plan that affect the allowance of certain Claims.

Class	Claims	Treatment	Status	Voting Rights	Estimated Aggregate Claimed Amount	Projected Recovery
Class 1	RCG Secured Claim	Paid in full no later than ten (10) years after the Effective Date, with monthly payments of interest at a rate of 5.0% <i>per annum</i> , subject to accruing a reserve for real estate taxes.	Impaired	Yes, entitled to vote	\$8.35 million ³	100%

³ The Debtor and RCG have stipulated to the value of RCG’s collateral, the Brywood Centre, in the amount of \$8,350,000. See generally *Agreed Order Regarding Valuation Hearing and RCG-KC Brywood, LLC’s Motion for Relief from Automatic Stay and Supplement Thereto* [Docket No. 396].

Class	Claims	Treatment	Status	Voting Rights	Estimated Aggregate Claimed Amount	Projected Recovery
Class 2	RCG Unsecured Deficiency Claim	100% of the New Equity Interests in the Reorganized Debtor	Impaired	Yes, entitled to vote	\$3.142 million to \$3.91 million ⁴	0.0% – 0.5%
Class 3	Jackson County Secured Claim	To receive Cash equal to the unpaid portion of the Jackson County Secured Claim	Unimpaired	No, deemed to accept	\$85,000	100%
Class 4	General Unsecured Claims	To receive Cash equal to its <i>Pro Rata</i> share of the approximately \$815,000 Unsecured Claim Payment (shared among Classes 4, 6, and 7) up to the unpaid portion of the Face Value of such General Unsecured Claim	Impaired	Yes, entitled to vote	\$161,246.35	40%
Class 5	Planet Fitness Claim	Lease will be assumed and holder will receive cure payment of \$200,000 on or as soon as is reasonably practicable after the Effective Date.	Unimpaired	No, deemed to accept	\$200,000	100%
Class 6	Mesirow Note Claims	To receive Cash equal to its <i>Pro Rata</i> share of the approximately \$815,000 Unsecured Claim Payment (shared among Classes 4, 6, and 7) up to the unpaid portion of the Face Value of such Mesirow Note Claim	Impaired	Yes, entitled to vote	\$811,609.59	40%

⁴ During this chapter 11 case, RCG received payments from the Debtor pursuant to section 362(d)(3) of the Bankruptcy Code totaling \$756,137.48. The Debtor has asserted that these payments “must be applied to some allowed Claim(s) or returned.” [See Docket No. 461, p. 10.] RCG disputes the Debtor’s interpretation of section 362(d)(3) of the Bankruptcy Code. Moreover, even if the Debtor is correct, RCG contends that the payments could only be applied to reduce the RCG Unsecured Deficiency Claim, which would reduce the RCG Unsecured Deficiency Claim from \$3,908,454.70 to \$3,143,317.22. RCG believes that the issue is moot for the purposes of the RCG Plan, as RCG is agreeing to accept the New Equity Interests in full satisfaction of the RCG Unsecured Deficiency Claim, rather than have the claim participate in the cash recovery being offered to General Unsecured Claims, which would substantially reduce their recovery.

Class	Claims	Treatment	Status	Voting Rights	Estimated Aggregate Claimed Amount	Projected Recovery
Class 7	Insider Claims	To receive Cash equal to its <i>Pro Rata</i> share of the approximately \$815,000 Unsecured Claim Payment (shared among Classes 4, 6, and 7) up to the unpaid portion of the Face Value of such Insider Claim	Impaired	Yes, entitled to vote	\$1,023,665.59	40%
Class 8	Equity Interests	No distribution.	Impaired	No, deemed to reject	N/A	0%

ARTICLE 3.

HISTORICAL BACKGROUND TO THE RCG PLAN AND SIGNIFICANT POST-PETITION ACTIVITIES

3.1 General.

The Debtor is a Delaware limited liability company that owns a commercial shopping center located in Kansas City, Missouri known as the “Brywood Centre.” The Debtor was formed for the purpose of acquiring, owning, operating and redeveloping the Brywood Centre. Brywood Centre is built on 25.65 acres of land and currently is improved with three buildings totaling 182,914 square feet. As of the Petition Date, Brywood Centre had an occupancy rate of approximately eighty percent (80%).

Tri-Land Kansas City Investors, LLC (“*Investors*”), is the Debtor’s member. Investors is a Delaware limited liability company formed for the purpose of being the sole member of the Debtor. Tri-Land Properties, an entity affiliated with the Debtor, acts as property manager, exclusive leasing agent, developer of new tenant space and redevelopment of existing space, and exclusive agent for the sale of Brywood Centre pursuant to a Management and Development Agreement entered into between the parties.

The Debtor’s operational and profitability problems principally are the result of the economic downturn in real estate over the last several years, coupled with its high cost to develop the Brywood Centre and current leasing rates.

Prior to commencing these proceedings, the Debtor borrowed \$13,950,000.00 from the PrivateBank & Trust Co. under a certain Promissory Note dated as of December 7, 2009 (as defined in the RCG Plan, the “*Note*”). As security for the Note, the Debtor granted PrivateBank a Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement, dated as of December 7, 2009 and recorded on December 14, 2009 as Document No. 2009E0125351 with the Jackson County Recorder of Deeds (as defined in the RCG Plan, the

“*Mortgage*”), which encumbers the property. RCG is the successor by assignment to The PrivateBank & Trust Company. Throughout the Case, with RCG’s consent, the Bankruptcy Court has entered orders permitting the Debtor to use RCG’s cash collateral, including the rents.

3.2 The Case.

On March 12, 2012 (the “*Petition Date*”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Illinois. The Case is designated as a single asset real estate case within the meaning of sections 101(51)(B) and 362(d)(3) of the Bankruptcy Code. The Debtor failed to file a plan within the 90 days after the Petition Date as required by section 362(d)(3) of the Bankruptcy Code, and RCG asserts that it was and remains entitled to monthly payments in an amount equal to interest at the non-default rate under the Note pursuant to section 362(d)(3). The Debtor initially made payments to RCG totaling \$756,137.48, but has failed to make a single payment to RCG since approximately July of 2013. RCG asserts that it has an administrative claim for those payments pursuant to 11 U.S.C §§ 503(b) and 507. The Debtor does not agree, believes that RCG is not entitled to any further payments, and asserts that the \$756,137.48 in section 362(d)(3) payments RCG received should “must be applied to some allowed Claim(s) or returned.” [See Docket No. 461, p. 10.] RCG disputes the Debtor’s interpretation of section 362(d)(3) of the Bankruptcy Code. Moreover RCG contends that, even if the Debtor is correct, the payments could only be applied to reduce the RCG Unsecured Deficiency Claim, which would reduce the RCG Unsecured Deficiency Claim from \$3,908,454.70 to \$3,143,317.22. RCG believes that the issue is moot for the purposes of the RCG Plan, as RCG is agreeing to accept the New Equity Interests in full satisfaction of the RCG Unsecured Deficiency Claim, rather than have the claim participate in the cash recovery being offered to unsecured Claims, which would substantially reduce their recovery.

On February 1, 2013, various of the Debtor’s affiliates filed voluntary petitions under chapter 11 of the Bankruptcy Code. On May 14, 2013, at the Debtor’s request, the Case was transferred to the United States Bankruptcy Court for the Northern District of Indiana.

On May 23, 2013, the Debtor filed the *Debtors’ Joint Plan of Reorganization* (the “*Debtor’s Plan*”) [Docket. No. 84] with affiliated debtors T-L Conyers LLC, T-L Smyrna LLC, T-L Cherokee South LLC and T-L Village Green LLC. The Debtor’s Plan was predicated, in part, upon the “deemed” substantive consolidation of the Debtor with the foregoing entities for plan purposes, including distributions to creditors. RCG objected to the Debtor’s Plan.

Following a hearing on the propriety of the “deemed” substantive consolidation provisions in the Debtor’s Plan, on October 7, 2013, the Bankruptcy Court entered the *Memorandum of Decision and Order Concerning Creditor’s Objection to the “Deemed Substantive Consolidation” Provisions of the Debtor’s Proposed Chapter 11 Plan* (the “*Opinion*”) [Docket. No. 217] sustaining RCG’s objection and that of another secured lender in one of the affiliated cases, finding that the Debtor’s Plan was not confirmable, and permitting the Debtor to file an amended plan. On October 16, 2013, the Debtor filed a *Notice of Appeal* of the Opinion [Docket. No. 226] (the “*Appeal*”). Pursuant to an *Agreed Stipulation of Dismissal* between the Debtor and RCG, the Appeal was dismissed without prejudice on June 27, 2014.

Meanwhile, on April 25, 2014, the Debtor filed the *Debtors' First Amended Joint Plan of Reorganization* [Docket. No. 314]. On October 30, 2014, the Bankruptcy Court entered the *Order Regarding Further Proceedings with respect to Disclosure Statement(s)/Chapter 11 Plan(s) and Valuation of Secured Claims* [Docket. No. 367], among other things, (i) suspending further proceedings on disclosure statements and plans filed in the Case and in affiliated debtors' cases, (ii) providing procedures for valuation of RCG's Secured Claim, and (iii) scheduling an evidentiary hearing in connection with such valuation.

On January 26, 2015, the Court entered the *Agreed Order Regarding Valuation Hearing and RCG-KC Brywood, LLC's Motion for Relief from Automatic Stay and Supplement Thereto* [Dkt. No. 396], which, among other things, resolved disputes between RCG and the Debtor regarding valuation of the Brywood Centre by setting the value at \$8,350,000 for the purposes of this Case.

On January 29, 2015, the Debtors' counsel, Crane, Heyman, Simon, Welch & Clar ("**Crane Heyman**"), filed the *Motion for First Allowance of In room Compensation and Reimbursement of Expenses to Debtor's counsel and for Related Relief* [Dkt. No. 400] (the "**Crane Heyman Fee Application**"), and the Debtor's "special counsel", Burke, Warren, MacKay & Serritella PC ("**Burke Warren**") submitted the *Motion for First Allowance of Interim Compensation to Debtor's Special Counsel and for Related Relief* [Dkt. No. 398] (the "**Burke Warran Fee Application**"). The Crane Heyman Fee Application sought allowance of \$288,127.50 in fees and \$4,932.46 in expenses for the period from February 25, 2012 through September 30, 2014, and proposed that the allowed fees and expenses will be paid in part by applying a \$75,000 pre-petition retainer, with the rest to come from the Debtor's cash on hand. The Burke Warren Fee Application sought allowance of \$77,489.55 in fees for the period from March 13, 2012 through October 9, 2014, and proposed that the allowed fees will be paid in part by applying a \$50,000 prepetition retainer, with the rest to come from the Debtor's cash on hand.

On February 19, 2015, RCG filed objections to both the Crane Heyman Fee Application, seeking disallowance of \$176,577.50 of Crane Heyman's requested fees (Docket. No. 409, the "**Crane Heyman Fee Application Objection**") and the Burke Warren Fee Application, seeking disallowance of \$50,676.50 of Burke Warren's requested fees [Docket. No. 410, the "**Burke Warren Fee Application Objection**" and, together with the Crane Heyman Fee Application Objection, the "**Fee Application Objections**"). The Debtor filed its reply to the Fee Application Objections on June 24, 2015 [see Docket No. 487]. On August 11, 2015, RCG withdrew the Fee Application Objections [see Docket No. 506], though reserving its rights as to final allowance of the requested compensation.

On April 3, 2015, RCG filed a plan of reorganization and accompanying disclosure statement [see Docket Nos. 427 and 428] and filed a slightly amended plan on April 14, 2015 [see Docket No. 434] to address certain clarifying corrections to the original plan. On May 14, 2015, the Debtor filed its objection to RCG's disclosure statement. On June 17, 2015, the Court conducted a telephonic hearing and suspended the deadlines for filing amended plans and disclosure statements, pending (a) resolution of arrangements between RCG and the Debtor regarding examinations pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure regarding the Debtor and certain creditors (the "**Rule 2004 Examinations**") and (b) preparation

of a joint notice regarding consideration of separate amended plans and disclosure statements to be filed by RCG and the Debtor concurrently (the “*Joint Disclosure Statement Notice*”).

On August 6, 2015, the Court entered an agreed order authorizing RCG to conduct the Rule 2004 Examinations [*see* Docket No. 502], which was amended on September 22, 2015 [*see* Docket No. 525]. RCG has issued document production requests to the Debtor and the other examination parties and is in the process of scheduling depositions as well. Based on the results of the Rule 2004 Examinations, RCG intends to object to the Insider Claims, specifically the scheduled claims of Tri Land Properties, Inc., the Debtor’s manager, Tri-Land Holdings, Inc., and T-L Catonsville Pro, LLC. Also depending on the outcome of the Rule 2004 Examinations, RCG may object to some or all of the Mesirow Note Claims. Together, the Insider Claims and the Mesirow Note Claims constitute \$1.835 million of the approximately \$2 million in unsecured claims against the Estate. Accordingly, successful objections to these Claims and reduction in the allowed amount of these Claims would enhance recoveries of Holders of Allowed unsecured Claims, and in particular the Holders of Allowed General Unsecured Claims.

On August 26, 2015, the Court conducted a telephonic hearing and entered a minute order directing RCG and the Debtor to file their respective amended plans and disclosure statements on September 25, 2015 [*see* Docket No. 513].

ARTICLE 4.

SUMMARY OF THE PLAN

4.1 Summary of Distributions under the Plan.

(a) Treatment of Unclassified Claims.

The Bankruptcy Code does not require classification of certain priority claims against a debtor. In the Plan, such unclassified Claims include Professional Compensation Claims, other Administrative Claims, Priority Tax Claims, and quarterly fees owed to the U.S. Trustee. The treatment of these claims under the RCG Plan is set forth below.

(1) General Administrative Claims.

Administrative Claims are the actual and necessary costs and expenses of the Chapter 11 Case that are Allowed under and in accordance with sections 330, 365, 503(b), 507(a)(1), 507(a)(2), and 507(b) of the Bankruptcy Code. *Allowed Administrative Claims do not include Claims filed after the applicable deadline set forth in the Confirmation Order* (except as otherwise provided by a separate order of the Bankruptcy Court). By way of example only, such expenses include the actual and necessary expenses of operating the Debtor’s business during the pendency of the Chapter 11 Case, including amounts owed to vendors providing goods and services to the Debtor during the Chapter 11 Case.

The Plan provides that, subject to the provisions of sections 328, 330(a), and 331 of the Bankruptcy Code, except to the extent that a holder of an Allowed Administrative Claim and the Debtor agree to less favorable treatment to such holder, each holder of an Allowed

Administrative Claim will be paid the full unpaid amount of such Allowed Administrative Claim in Cash:

- on the Effective Date or as soon as soon as reasonably practicable thereafter or, if not then due, when such Allowed Administrative Claim is due or as soon as soon as reasonably practicable thereafter;
- if an Administrative Claim is Allowed after the Effective Date, on the date such Administrative Claim is Allowed or as soon as soon as reasonably practicable thereafter or, if not then due, when such Allowed Administrative Claim is due;
- at such time and upon such terms as may be agreed upon by such holder and the Debtor or the Reorganized Debtor, as the case may be; or
- at such time and upon such terms as set forth in an order of the Bankruptcy Court.

Notwithstanding the foregoing, the Plan also provides that Allowed Administrative Claims that arise in the ordinary course of the Debtor's or Reorganized Debtor's business shall be paid in full in Cash in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to, such transactions.

For Plan purposes, RCG estimates that Administrative expenses will primarily consist of: (i) outstanding operating expenses and other disbursements of the Debtor for the month in which the RCG Plan becomes effective, which RCG calculates to be approximately \$110,000, representing the average of the Debtor's monthly disbursements for the trailing 12 months ended August 31, 2015, as disclosed in the Debtor's monthly operating reports; and (ii) \$278,000 for real estate property taxes owed to Jackson County, Missouri, payable in 2015 for the Brywood Shopping Center. These taxes are due on or before December 31, 2015 and may be paid by the Debtor prior to the Effective Date.

(i) Requests for Payment of Administrative Claims

All requests for payment of an Administrative Claim that accrued on or before the Effective Date that were not otherwise accrued in the ordinary course of business must be filed with the Bankruptcy Court and served on the Debtor no later than 60 days from the Effective Date (the "***Administrative Claim Bar Date***"). A notice setting forth the Administrative Claim Bar Date will be filed on the Bankruptcy Court's docket. Further notice of the Administrative Claim Bar Date will be provided as may be directed by the Bankruptcy Court. No request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order.

The Reorganized Debtor, in its sole and absolute discretion, may settle Administrative Claims in the ordinary course of business without further Bankruptcy Court approval. The Debtor may also choose to object to any Administrative Claim no later than 90

days from the Administrative Claim Bar Date, subject to extensions by the Bankruptcy Court or on motion of a party in interest approved by the Bankruptcy Court. Unless the Debtor or the Reorganized Debtor (or other party with standing) objects to a timely-filed and properly served Administrative Claim, such Administrative Claim will be deemed allowed in the amount requested. In the event that the Debtor or the Reorganized Debtor objects to an Administrative Claim, the parties may confer to try to reach a settlement and, failing that, the Bankruptcy Court will determine whether such Administrative Claim should be allowed and, if so, in what amount.

Any requests for payment of Administrative Claims that are not properly filed and served by the Administrative Claim Bar Date shall not appear on the Claims Register maintained by the Clerk of the Court and shall be disallowed automatically without the need for any objection from the Debtor or the Reorganized Debtor or any action by the Bankruptcy Court.

(ii) Payment of Professional Compensation Claims

The Plan provides that all final requests for Professional Compensation Claims shall be filed no later than 60 days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Bankruptcy Court orders, the Allowed amounts of such Professional Compensation Claims shall be determined by the Bankruptcy Court.

To receive payment for unbilled fees and expenses incurred through the Effective Date, the Retained Professionals shall estimate their Accrued Professional Compensation (net of any unapplied retainer amounts) prior to and as of the Effective Date and shall deliver such estimate to the Debtor on or before the Effective Date. If a Retained Professional does not provide such estimate, the Reorganized Debtor may estimate the unbilled fees and expenses of such Retained Professional. Such estimate, however, will not be considered an admission or limitation with respect to the fees and expenses of such Retained Professional. The total amount so estimated as of the Effective Date shall comprise the "Professional Fee Reserve Amount," under the RCG Plan.

As noted above, the Debtor's counsel, Crane Heyman, has already been allowed and paid fees and expenses, on an interim basis, for the approximately 28-month period from May 12, 2012 through September 30, 2014 in the amount of \$288,127.50. The Debtor's special counsel, Burke Warren, has already been allowed and paid fees, on an interim basis, for the approximately 30-month period from March 13, 2012 through October 9, 2014 in the amount of \$77,480.55. The Debtor estimates that, if the RCG Plan is confirmed, the Effective Date will occur on or about February 1, 2016. Accordingly, RCG anticipates that the RCG Plan will require a Professional Fee Reserve Amount adequate to cover Crane Heyman's and Burke Warren's Allowed fees and expenses for the 15-month period from, approximately, October 1, 2014 through February 1, 2016. RCG currently estimates that a reserve of \$300,000 will provide an adequate Professional Fee Reserve Amount for the purposes of calculating distributions under the RCG Plan. RCG reserves all rights with respect to any claims asserted by Crane Heyman or Burke Warren, and nothing herein shall be or be deemed a waiver of RCG's or the Reorganized Debtor's right to object to any application for compensation or reimbursement.

(2) Priority Tax Claims.

Priority Tax Claims include any Claim by a governmental unit of the kind specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code. RCG estimates that Allowed Priority Tax Claims will aggregate \$97.16, which estimate is subject to adjustment prior to the Confirmation Date. This number reflects the claim for business personal property taxes filed by Jackson County, Missouri. RCG is not aware of any other Priority Tax Claims and, as recently as May 14, 2015, the Debtor has asserted that it “believes that there are no Priority Tax Claims.” [See Docket No. 461, p. 15.]

On the later of (a) the Effective Date, unless an objection to the Claim is pending, or (b) the date on which a Priority Tax Claim becomes an Allowed Claim, each such Allowed Priority Tax Claim, if any, shall receive Cash in an amount equal to the unpaid portion of such Priority Tax Claim.

(3) Claims for U.S. Trustee Fees.

On or as soon as soon as reasonably practicable after the Effective Date, any unpaid U.S. Trustee fees then due shall be paid in full. The RCG Plan assumes this number to be \$10,000, based on the quarterly fees due to the Office of the United States Trustee for the third and fourth quarters of 2015. This number is calculated based on monthly average of the Debtor’s disbursements for the trailing 12 months ended August 31, 2015, as disclosed in the Debtor’s monthly operating reports. Any U.S. Trustee fees due after the Effective Date shall be paid upon the entry of a final decree closing the Case, or a Bankruptcy Court order converting or dismissing the Case, as the case may be.

(b) Treatment of Classified Claims and Interests.

The following describes the RCG Plan’s classification of the remaining Claims and the treatment Allowed Claims in such Classes shall receive under the RCG Plan in full and final satisfaction of such Allowed Claims:

(1) Class 1 RCG Secured Claims.

The holder of the RCG Secured Claim will receive payment in full in Cash of the unpaid portion of the RCG Secured Claim on a date that is no later than ten (10) years after the Effective Date; *provided, however*, that until the RCG Secured Claim is paid in full in Cash: (a) the prepetition security interest securing the RCG Secured Claim will remain in place and will continue with respect to substantially all of the Reorganized Debtor’s assets; (b) the Reorganized Debtor shall continue to make scheduled, monthly interest payments to RCG on the RCG Secured Claim at 5.0% *per annum*; *provided further, however*, that before paying this interest expense, the Reorganized Debtor will accrue an average of \$25,000 per month from its monthly cash flows to establish a reserve to pay the Brywood Centre real estate taxes, and only then make any payment on the monthly interest on RCG’s Secured Claim from the remaining net monthly cash flow, with unpaid balance of the monthly interest charge accruing and, at the end of the year, after the real estate taxes are paid from the reserve, the accrued interest will be (a) paid or partially paid from cash on hand, with the remainder added to the RCG Secured Claim debt, or (b) be written off, and RCG’s election.

Class 1 is Impaired and entitled to vote to accept or reject the RCG Plan.

(2) Class 2 RCG Unsecured Deficiency Claim.

On the Effective Date, RCG, or any designee named by RCG, shall receive, in full and final satisfaction, settlement, release and discharge of such RCG Unsecured Deficiency Claim, one hundred percent (100%) of the New Equity Interests in the Reorganized Debtor.

Class 2 is Impaired and entitled to vote to accept or reject the RCG Plan.

(3) Class 3 Jackson County Secured Claim.

On or as soon as reasonably practicable after the Effective Date, the holder of the Jackson County Secured Claim shall receive Cash equal to the unpaid portion of such Jackson County Secured Claim. The Jackson County Secured Claim also may be paid on such other terms as may be agreed to between the holder of such Jackson County Secured Claim and RCG.

Class 3 is Unimpaired and is deemed to vote to accept the RCG Plan.

(4) Class 4 General Unsecured Claims.

Class 4 consists of holders of General Unsecured Claims. On or as soon as reasonably practicable after the Effective Date, each holder of an Allowed Class 4 General Unsecured Claim shall receive Cash equal to such Claim's *Pro Rata* share of the Unsecured Claim Payment up to the unpaid portion of the Face Value of such General Unsecured Claim.

Class 4 is Impaired and entitled to vote to accept or reject the RCG Plan.

(5) Class 5 Planet Fitness Claim.

Class 5 consists of the holders of the Planet Fitness Claim. On the Effective Date, the Lease for Brywood Centre Kansas City, Missouri dated August 2, 2011 by and between the Debtor and PFKC, Inc., and any amendments or supplements thereto, shall be assumed by the Reorganized Debtor as of the Effective Date, and the holder of the Planet Fitness Claim shall receive payment in full of the \$200,000 cure amount under the lease on or as soon as reasonably practicable after the Effective Date.

Class 5 is Impaired and entitled to vote to accept or reject the RCG Plan.

(6) Class 6 Mesirov Note Claim.

Class 6 consists of the holders of the Mesirov Note Claims. Those Claims are listed on Schedule F of the Debtor's Schedules identifying

MESIROW FINANCIAL INC.
IRA Dept. Attn: Mary Tait
353 North Clark Street

Chicago, IL 60654

in the column labeled “CREDITOR’S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER.” Copies of the relevant pages of the Debtor’s Schedule F are attached to the RCG Plan as **Exhibit B**. The aggregate amount of the Mesirov Note Claims as scheduled by the Debtor is \$811,609.59. On or as soon as reasonably practicable after the Effective Date, each holder of a Class 6 Mesirov Note Claim that is finally Allowed by the Bankruptcy Court after resolution of all objections thereto shall receive Cash equal to such Claim’s *Pro Rata* share of the Unsecured Claim Payment up to the unpaid portion of the Face Value of such Allowed Mesirov Note Claim.

Class 6 is Impaired and entitled to vote to accept or reject the RCG Plan.

(7) Class 7 Insider Claims.

Class 7 consists of the holders of the Insider Claims. Those Claims are the claims of Tri Land Properties, Inc., Tri-Land Holdings, Inc., and T-L Catonsville Pro, LLC listed on Schedule F of the Debtor’s Schedules in the aggregate amount of \$1,023,665.59. On or as soon as reasonably practicable after the Effective Date, each holder of a Class 7 Insider Claim that is finally Allowed by the Bankruptcy Court after resolution of all objections thereto shall receive Cash equal to such Claim’s *Pro Rata* share of the Unsecured Claim Payment up to the unpaid portion of the Face Value of such Allowed Insider Claim.

Class 7 is Impaired and entitled to vote to accept or reject the RCG Plan.

(8) Class 8 Equity Interests.

On the Effective Date, existing Equity Interests shall be cancelled and shall not receive or retain any Distribution under this RCG Plan.

Class 8 is Impaired and is deemed to vote to reject the RCG Plan.

4.2 Plan as a Settlement.

Pursuant to Bankruptcy Rule 9019 and Bankruptcy Code section 1123, and in consideration for the classifications, distributions, and other benefits provided under the RCG Plan, the provisions of the RCG Plan shall constitute a good faith compromise and settlement of all Claims and controversies between the Debtor and its creditors and prepetition equity security holders, as resolved pursuant to the RCG Plan whether known or unknown, foreseen or unforeseen, asserted or unasserted, by or against any Released party or holder of a Claim, arising out of, relating to, or in connection with the business or affairs of or transactions with the Debtor. The entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of each of the foregoing compromises and settlements, and all other compromises and settlements provided for in the RCG Plan, and the Bankruptcy Court’s findings shall constitute its determination that such compromises and settlements are in the best interests of the Debtor and its Estate, creditors, and other parties-in-interest, and are fair, equitable and within the range of reasonableness. The provisions of the RCG Plan, including, without limitation, the release, injunction, exculpation, and compromise provisions, are mutually dependent and non-severable.

THE FOREGOING IS A SUMMARY OF THE RCG PLAN AND IS QUALIFIED IN ITS ENTIRETY BY THE RCG PLAN. CREDITORS ARE URGED TO READ RELEVANT PORTIONS OF THE RCG PLAN IN FULL AS THE RCG PLAN REPRESENTS A PROPOSED LEGALLY BINDING AGREEMENT BETWEEN THE DEBTOR AND EACH CREDITOR.

ARTICLE 5.

MEANS OF EXECUTION OF THE RCG PLAN

5.1 Corporate Action and the Reorganized Debtor.

The RCG Plan provides that, on the Effective Date or as soon as soon as reasonably practicable thereafter, the Reorganized Debtor may take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including: (a) the execution and delivery of appropriate agreements or other documents of merger, consolidation or reorganization containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any property, right, liability, duty or obligation on terms consistent with the terms of the Plan; (c) the filing of appropriate certificates of incorporation, merger, or consolidation with the appropriate governmental authorities pursuant to applicable law; and (d) all other actions that the Reorganized Debtor determines are necessary or appropriate.

5.2 Funding by RCG.

All Cash necessary for RCG to make payments of Cash pursuant to the RCG Plan shall be obtained from the following sources: (a) the Debtor's Cash on hand; (b) the \$525,000 New Equity Contribution to be provided by RCG on the Effective Date; and (c) proceeds from Causes of Action.

No later than 10 Business Days prior to the Confirmation Hearing, RCG will deposit the New Equity Contribution with its counsel, Locke Lord LLP ("*Locke Lord*"), in Locke Lord's client-trust account, as a means of allowing the Court to verify that the New Equity Contribution is available to fund the RCG Plan if confirmed.

5.3 Vesting of Assets.

On the Effective Date, all property of the Estate shall vest in the Reorganized Debtor free and clear of all liens, Claims, encumbrances, charges and other interests. From and after the Effective Date, the Reorganized Debtor may operate the Debtor's business pursuant to the terms of the RCG Plan and may use, acquire and dispose of property free and clear of any restrictions imposed by the Bankruptcy Code.

5.4 Causes of Action.

As of the Effective Date, any and all Causes of Action that are pending, that have accrued or that are accruing to the Debtor or the Estate shall vest in the Reorganized Debtor and

the Reorganized Debtor shall retain all of the Causes of Action of the Debtor and its Estate, including, without limitation, fraudulent transfer and preferential transfer claims under Chapter 5 of the Bankruptcy Code. RCG shall have the authority and standing to prosecute such Causes of Action on behalf of and for the benefit of the Estate and the Debtor's creditors, including the authority to compromise, discontinue, abandon or dismiss any or all such Causes of Action without Bankruptcy Court approval.

Proceeds of such Causes of Action, if any, shall be distributed as follows: (a) first to holders of Allowed Claims in accordance with the RCG Plan until those Allowed Claims are paid in full, and (b) then, to RCG, to reimburse it for the \$525,000 New Equity Contribution provided to the Estate on the Effective Date to fund this RCG Plan. Confirmation of the RCG Plan does not release any Cause of Action, and the Confirmation Order shall not have any res judicata or collateral estoppel effect on RCG's prosecution of any Cause of Action.

5.5 General Claims Distribution Mechanics.

(a) Estimates. Any estimates of Claims or their respective recoveries set forth in this RCG Disclosure Statement may vary from the final amounts of Claims Allowed by the Bankruptcy Court. The schedule included in Section 6.3(d) hereof sets forth RCG's estimates as to the Cash available as of the Effective Date and the allocation of that Cash to the various Claims.

(b) Distributions Only on Allowed Claims. Notwithstanding anything in the RCG Plan to the contrary, no Distribution shall be made on account of a Disputed Claim until such Disputed Claim becomes an Allowed Claim.

(c) No Recourse. No holder of a Claim shall have recourse to RCG or the Reorganized Debtor other than regarding enforcement of rights or Distributions under the RCG Plan.

(d) Method of Cash Distributions. Any Cash payment to be made pursuant to the RCG Plan will be in U.S. dollars and may be made by draft, check, or wire transfer, in the sole discretion of RCG, or as otherwise required or provided in any relevant agreement or applicable law.

(e) No Distributions on Non-Business Days. Any Distribution due on a day other than a Business Day may be made, without interest, on the next Business Day.

(f) Unclaimed Property. The Reorganized shall hold any unclaimed property for the benefit of the holder of the Claim entitled thereto under the RCG Plan. At the end of ninety (90) days following the relevant Distribution, the holders of Allowed Claims to that point entitled to the Distribution held pursuant to the RCG Plan shall be deemed to have forfeited such Distribution, whereupon all right, title and interest in and to such Distribution shall immediately and irrevocably be retained by the Reorganized Debtor for redistribution in accordance with the RCG Plan, and such holders shall cease to be entitled thereto. Neither the Reorganized Debtor nor RCG shall have no obligation to attempt to locate any holder of an Allowed Claim other than by reviewing the Debtor's books and records, proofs of Claim filed against the Debtor or relevant registers maintained for such Claims.

(g) Distribution Minimum. The Reorganized Debtor shall not be obligated to make a Distribution of less than \$20.00 in Cash.

(h) Creditor Information. Each holder of an Allowed Claim shall be required to provide the Reorganized Debtor with (i) written notice of any change of address; and (ii) such holder's federal identification number. No Distribution shall be required to be made absent receipt by the Reorganized Debtor of such information.

5.6 Withholding Taxes.

Any federal or state withholding taxes or other amounts required to be withheld under applicable law shall be deducted and withheld from any Distributions. All holders of Allowed Claims shall be required to provide any information necessary to effect the withholding of such taxes. Notwithstanding the foregoing, each holder of an Allowed Claim that is to receive a Distribution under the RCG Plan shall have the sole and exclusive responsibility to satisfy and pay any tax obligations imposed on such holder by any governmental unit, including income, withholding and other tax obligations, on account of such Distribution.

5.7 Exemption from Certain Transfer Taxes.

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers from the Debtor to any Person pursuant to the RCG Plan in the United States of America shall not be subject to any stamp tax or similar tax, and the Confirmation Order shall direct the appropriate state or local government officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation of any of the documents referred to herein without the payment of any such tax or governmental assessment.

5.8 Setoffs and Recoupments.

Except as otherwise provided in the RCG Plan, the Reorganized Debtor may, but shall not be required to, set off, counterclaim or recoup against any Claim and the payments or other Distributions to be made pursuant to the RCG Plan in respect of the Claim, claims of any nature that the Estate may have — which claims will all be transferred to the Reorganized Debtor on the Effective Date — against the holder of the Claim, but neither the failure to do so nor the allowance of any Claim under the RCG Plan shall constitute a waiver or release by RCG of any claim that the Estate may have against the holder. Setoffs, counterclaims or recoupments arising from events after the Petition Date shall reduce the payouts under any Allowed Claim dollar for dollar. Setoffs, counterclaims or recoupments arising from pre-petition events shall reduce the payout amount of the Allowed Claim proportionately with reduction in the Allowed Claim. If a setoff, counterclaim or recoupment asserted by the Reorganized Debtor exceeds the amount of any Claim, the holder of the Claim shall not be entitled to any Distribution under the RCG Plan, and the Reorganized Debtor reserves its right to recover any excess setoff, counterclaim or recoupment from the holder of such Claim.

5.9 Insurance Preservation.

Nothing contained in the RCG Plan, including any releases, shall diminish or impair the enforceability of any policies of insurance that cover claims against the Debtor or any other person.

5.10 Releases, Injunctions and Related Provisions.

(a) Satisfaction of Claims.

The treatment provided for Allowed Claims pursuant to the RCG Plan shall be in full and final satisfaction, settlement, release, and discharge of such Claims.

(b) Discharge and Injunction.

(i) Confirmation of the RCG Plan will operate to discharge (A) the Claims against the Debtor and (B) any and all Claims against RCG that arose during the chapter 11 case. In particular, as of the Effective Date, in consideration for the obligations of the Debtor, the Reorganized Debtor and RCG under the RCG Plan, each holder of a Claim shall be deemed to have forever released and waived all Claims, demands, debts, rights, causes of action, remedies or liabilities against the Debtor, and against RCG to the extent such Claims, demands, debts, rights, causes of action, remedies or liabilities arose during the chapter 11 case.

(ii) Except as otherwise provided by the RCG Plan, as of the Effective Date, all Persons that hold Claims shall be permanently enjoined from taking any of the following actions against the Reorganized Debtor, RCG and their respective attorneys, accountants, financial advisors, agents and other professionals, on account of any Claim: (A) commencing or continuing in any manner any action or other proceeding respecting a Claim; (B) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order respecting a Claim; (C) creating, perfecting or enforcing any lien or encumbrance respecting a Claim; (D) asserting a right of setoff, subrogation or recoupment of any kind respecting a Claim, RCG, the Debtor's assets or other property of the Estate; and (E) commencing or continuing any action that does not comply with or is inconsistent with the RCG Plan.

(c) Releases by Claim Holders.

The RCG Plan is the sole means for resolving, paying or otherwise dealing with Claims. To that end, except as expressly provided in the RCG Plan, at all times on and after the Effective Date, through and including the date of entry of a Final Decree closing the Case, all persons who have been, are or may be holders of Claims against RCG and/or the Debtor arising prior to the Effective Date shall be enjoined from taking any of the following actions against or affecting RCG, the Debtor, its Estate or its property, including the Assets, with respect to such Claims (other than actions brought to enforce any rights or obligations under the RCG Plan):

(i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against RCG, the Debtor or its Estate, including, without limitation, all suits, actions and proceedings that are pending as of the Effective Date, except upon consent of RCG;

(ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree or order against RCG, the Debtor, its Estates or Assets;

(iii) asserting any right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due RCG, the Debtor, its Estate or Assets; and

(iv) proceeding in any manner in any place whatsoever against the Debtor, its Estate or Assets that does not conform to or comply with the provisions of the RCG Plan.

(d) Releases by the Debtor.

Except as otherwise specifically provided in the RCG Plan, for good and valuable consideration, including the funding by RCG to facilitate the provisions contemplated by the RCG Plan, on and after the Effective Date, RCG is hereby expressly, unconditionally, irrevocably and generally released, acquitted and discharged by the Debtor and the Estate from any and all actions, Claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative Claims asserted on behalf of the Debtor, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereinafter arising, in law, equity, contract, tort or otherwise, by statute or otherwise, that the Debtor or the Estate, or on behalf of the holder of any Claim, arising in whole or in part from the Case including, without limitation, the events preceding the filing of the Case, the formation, negotiation and funding of the RCG Plan and the RCG Disclosure Statement, or other occurrence relating to the Debtor taking place on or before the Confirmation Date of the RCG Plan, other than Claims or liabilities arising out of or relating to any act or omission of RCG unknown to the Debtor as of the Petition Date that constitutes willful misconduct, fraud or gross negligence, in each case as determined by final order of a court of competent jurisdiction.

(e) Exculpation.

Except to the extent arising from willful misconduct or gross negligence, any and all Claims, liabilities, Causes of Action, rights, damages, costs and obligations held by any party against the Debtor, RCG and their respective attorneys, accountants, financial advisors, agents and other professionals, and their officers, directors and employees, if any, whether known or unknown, matured or contingent, liquidated or unliquidated, existing, arising or accruing, arising between the Petition Date and the Effective Date and related to the administration of the Case or the formulation, negotiation, prosecution or implementation of the RCG Plan or the RCG Disclosure Statement to be filed in connection therewith, or the dissemination of and solicitation of votes for the RCG Plan, shall be deemed fully waived, barred, released and discharged in all respects, except as to rights, obligations, duties, claims and responsibilities preserved, created or established by the terms of the RCG Plan. The RCG Plan and the Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly, derivatively or otherwise, of any Claims, obligations, suits, judgments, damages, debts, rights, causes of action or liabilities released in the RCG Plan.

5.11 Retention of Jurisdiction.

On and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over all matters arising in, arising under and related to the Case including, without limitation, the following purposes: (a) hearing and determining objections to Claims, including, without limitation, Professional Compensation Claims, (b) effectuating the terms of the RCG Plan and enforcing the Confirmation Order; (c) determining applications for allowance of compensation and reimbursement of expenses in connection with services rendered through the Effective Date; (d) determining motions for assumption, assignment or rejection of executory contracts and unexpired leases; (e) considering motions, adversary proceedings and contested matters pending as of the Effective Date; (f) modifying any provision of the RCG Plan to the full extent permitted by the Bankruptcy Code; and (g) enforcing all orders, judgments, injunctions and rulings entered in connection with the Case.

5.12 Objections to Claims.

Through and including the Post-Effective Date Claim Objection Deadline, RCG and the Reorganized Debtor shall have the sole authority to object to (a) any liabilities listed on the Debtor's schedules, and (b) any Claim otherwise timely filed in the Case.

5.13 Executory Contracts and Unexpired Leases.

(a) List of Executory Contracts and Unexpired Leases.

Twenty-one (21) days prior to the Effective Date, the Debtor shall provide to RCG a list of, and copies of, any contracts and unexpired leases by and among the Debtor and any counterparty, entered into on behalf or for the benefit of the Debtor, whether in the ordinary course of the Debtor's business or otherwise. Upon receipt of such list, RCG, in its sole discretion, may determine to assume such executory contract or unexpired lease and have such contract or lease assigned to the Reorganized Debtor in accordance with the RCG Plan.

All executory contracts and unexpired leases not expressly assumed or rejected (a) in the RCG Plan, (b) by order of the Bankruptcy Court entered prior to the Confirmation Date, or (c) by RCG at any time after the filing of the RCG Plan but prior to the Confirmation hearing, shall be deemed rejected as of the Effective Date.

(b) Cure Amounts.

Except to the extent that different treatment has been agreed to by a counterparty to an executory contract or unexpired lease, within seven (7) days prior the Voting Deadline, RCG shall file and serve with the Bankruptcy Court a list of cure amounts associated with executory contracts and unexpired leases to be assumed and provide notice to the counterparty by overnight courier. Any party that fails to object to the cure amount associated with such executory contract or unexpired lease shall forever be barred, estopped and enjoined from disputing the cure amount and asserting a Claim against the Debtor or Reorganized Debtor arising under section 365 of the Bankruptcy Code. Should a party object to the cure amount, the cure payment shall be made following entry of a Final Order resolving the dispute. RCG, acting for and on behalf of the Debtor, reserves its right to reject any executory contract or unexpired

lease subject to a dispute regarding the cure amount until such time as a Final Order is entered resolving the dispute.

(c) Bar Date for Rejection Damages Claims.

If the rejection of an executory contract or unexpired lease pursuant to the RCG Plan results in damages to the counterparty of such contract or lease, the holder of the Claim arising out of the rejection of such contract or lease must file a proof of Claim with respect to such amounts with the Bankruptcy Court no later than thirty (30) days after service of notice of the Effective Date, which notice prominently shall state that such executory contracts and unexpired leases have been rejected. If a proof of Claim for such rejection damages is not filed within thirty (30) days after service of notice of the Effective Date, such counterparty shall be forever barred from asserting a Claim for such damages.

5.14 Conditions Precedent to Confirmation of the RCG Plan.

Confirmation of the RCG Plan is subject to entry of the Confirmation Order, which shall be in form and substance satisfactory to RCG.

ARTICLE 6.

CONFIRMATION OF THE PLAN

6.1 Acceptance of the Plan; Cram Down.

The Bankruptcy Code defines acceptance of a plan by a class of Claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in number of the allowed claims of that class that have voted or are deemed to have voted to accept or reject a plan. Classes 1, 2, 4, 5, 6, and 7 are impaired under the RCG Plan and are entitled to vote to accept or reject the RCG Plan. If some or all Classes vote to reject the RCG Plan, RCG may, in its discretion, seek confirmation of the RCG Plan.

6.2 Confirmation Hearing and Objections.

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after appropriate notice, to hold a hearing to consider confirmation of the RCG Plan. Accompanying this RCG Disclosure Statement is notice of the date and time fixed by the Bankruptcy Court for the Confirmation Hearing and for filing and serving objections to confirmation of the RCG Plan.

ANY OBJECTIONS TO CONFIRMATION OF THE RCG PLAN MUST BE FILED WITH THE BANKRUPTCY COURT AND SERVED IN ACCORDANCE WITH APPLICABLE BANKRUPTCY RULES AND PROCEDURES ESTABLISHED BY THE BANKRUPTCY COURT.

6.3 Confirmation.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the requirements of section 1129 of the Bankruptcy Code have been satisfied with respect to the

RCG Plan. If so, the Bankruptcy Court will enter an order confirming the RCG Plan. While RCG believes that all of these detailed legal requirements will be satisfied prior to the Confirmation Hearing, you should consult your legal advisors concerning such requirements.

(a) Bankruptcy Code Compliance; Classification of Claims.

Section 1123 of the Bankruptcy Code provides that a Chapter 11 plan must classify claims against a debtor. Under section 1122 of the Bankruptcy Code, a Chapter 11 plan may classify claims only into classes containing claims that are substantially similar to the other claims in the same class. The RCG Plan designates eight classes of Claims. RCG believes that the RCG Plan meets the classification requirements of the Bankruptcy Code. However, a holder of a Claim may challenge the classification of Claims, and the Bankruptcy Court could determine that a different classification is required for the RCG Plan to be confirmed. In such event, RCG would seek to modify the RCG Plan to provide for whatever classification might be required by the Bankruptcy Court and to use the acceptances received, to the extent permitted by the Bankruptcy Court, the Bankruptcy Code and the Bankruptcy Rules, to demonstrate acceptance by the affected Class or Classes. Any such reclassification could affect a Class' acceptance of the RCG Plan by changing the composition of such Class and the required vote for acceptance of the RCG Plan and potentially require a resolicitation of votes on the RCG Plan.

(b) Best Interests of Creditors and Liquidation Analysis.

With respect to each impaired Class of Claims, confirmation of the RCG Plan requires that each holder of a Claim (i) has accepted the RCG Plan; or (ii) would receive or retain under the RCG Plan property of a value that is not less than the value such holder would receive if the Debtor was to liquidate under Chapter 7 of the Bankruptcy Code. This often is referred to as the "best interests of creditors" test. Class 3 will be deemed to have accepted the RCG Plan. Class 8 Equity Interests are deemed to reject the Plan. Thus, the best interests test is relevant to Classes 1, 2, 4, 5, 6, and 7.

Accordingly, RCG has prepared the liquidation analysis attached hereto as **Exhibit 2** (the "*Liquidation Analysis*"). The Liquidation Analysis assumes that the Case would be converted to a case under Chapter 7 of the Bankruptcy Code, and a trustee appointed. The Liquidation Analysis also assumes that the Chapter 7 trustee would immediately begin the process of liquidating the Debtor's assets, including selling the Property pursuant to section 363 of the Bankruptcy Code, engaging in efforts to collect on the Debtor's existing accounts receivable, and realizing value on account of the Debtor's Avoidance Actions, if any. The Liquidation also assumes certain costs associated with the Chapter 7 trustee's efforts.

As set forth in the liquidation analysis attached to this RCG Disclosure Statement as **Exhibit 2**, holders of Claims will receive a greater recovery under the RCG Plan than would a chapter 7 liquidation. Indeed, under the RCG Plan, RCG will infuse capital to make Distributions to holders of Allowed Claims, but in a chapter 7 liquidation, holders of Secured Claims, including RCG, would receive substantially all of the Debtor's Assets, leaving little to nothing available for Distribution to unsecured claims.

In addition, under the RCG Plan, RCG will make Distributions to holders of Allowed Claims. Because a chapter 7 liquidation requires the appointment of a bankruptcy trustee, conversion of the Case to a case under chapter 7 of the Bankruptcy Code likely would result in substantial additional expenses and delay in liquidation of the Assets.

Ultimately, as demonstrated in the liquidation analysis attached hereto as **Exhibit 2**, the RCG Plan will result in a greater percentage recovery to creditors of the Debtor than would a liquidation under chapter 7 of the Bankruptcy Code. Accordingly, the Plan is in the “best interests” of each creditor in such Class even if such creditor does not accept the Plan.

(c) Acceptance by All Impaired Classes; Request for Confirmation Without Acceptance by All Impaired Classes / Cram Down.

As previously set forth, Classes 1, 2, 4, 5, 6, and 7 are impaired under the RCG Plan, and only Classes 1, 2, 4, 5, 6, and 7 are entitled to vote to accept or reject the RCG Plan. Class 3 is unimpaired and, therefore, conclusively presumed to have voted to accept the RCG Plan. Class 8 is Impaired under the RCG Plan. However, pursuant to section 1129(a)(10) of the Bankruptcy Code, acceptances of the Plan by Insiders are not considered in determining whether a class of Claims has accepted the Plan. Finally, Class 8 is impaired under the RCG Plan but deemed to have rejected the plan because Holders of Class 8 Equity Interests will receive no distribution under the RCG Plan on account of such Equity Interests.

Section 1129(b) of the Bankruptcy Code permits a bankruptcy court to confirm a plan not accepted by all impaired classes if such plan has been accepted by at least one class of impaired claims. RCG reserves the right to seek confirmation of the RCG Plan pursuant to section 1129(b). Section 1129(b) provides that, notwithstanding the failure of an impaired class to accept a Chapter 11 plan, the plan still may be confirmed through a procedure commonly known as “cram-down,” so long as the plan does not “discriminate unfairly” and is “fair and equitable” respecting each class of claims impaired that did not accept the plan. The condition that a plan be “fair and equitable” with respect to a non-accepting class of unsecured claims includes the requirement that either (i) such class receive or retain property under the plan of a value as of the effective date of the plan equal to the allowed amount of such claim; or (ii) no class junior to the non-accepting class will receive a distribution under the plan. A Class of equity interests may be crammed down if the RCG Plan does not discriminate unfairly against that Class and no junior interest is to receive or retain anything under the RCG Plan on account of such junior interest. The RCG Plan satisfies these requirements, in particular because all Classes of unsecured Claims (other than the RCG Unsecured Deficiency Claim which is being voluntarily subordinated under the RCG Plan and will receive the New Equity Interests in the Reorganized Debtor) will share equally in the Unsecured Claim Payment.

(d) Feasibility.

Section 1129(a)(11) provides that a Chapter 11 plan may be confirmed only if the Bankruptcy Court finds that the plan is feasible. A feasible plan is one that will not lead to a need for further reorganization or liquidation of the debtor, unless such reorganization or liquidation is proposed in the plan.

The RCG Plan satisfies the feasibility requirement of the Bankruptcy Code. Initially, RCG has committed \$525,000 which, together with the Debtor's cash on hand, will enable the Reorganized Debtor and RCG to meet each of their RCG Plan-related obligations. As of August 31, 2015, the Debtor had cash on hand of \$1,093,730.00, as set forth in the Debtor's monthly operating report for the month ended August 31, 2015. The Debtor's monthly operating reports also indicate that for the trailing 8-month period ended August 31, 2015, the Debtor's average net cash flow is approximately \$41,000 per month.⁵ This will yield additional cash as of the assumed February 1, 2016 Effective Date of \$205,000, for total cash on hand of approximately \$1,298,730.00. RCG estimates that the Debtor's real estate taxes due in 2015 will total approximately \$278,000.⁶ Thus, as of the assumed Effective Date of February 1, 2016, RCG estimates that the Debtor will have approximately \$993,730.00 in cash on hand, assuming the real estate taxes are paid in 2015. The Debtor's monthly operating reports also indicate that for the trailing 8-month period ended August 31, 2015, the Debtor's average monthly disbursements are approximately \$93,000.00, on average monthly gross income of approximately \$134,000. Accordingly, the RCG Plan assumes the Debtor will have miscellaneous operating expenses of \$110,000 based on the Debtor's historical performance, and contemplates an additional operating cash reserve of \$25,000 to bolster the Reorganized Debtor's liquidity. Based on these assumptions, the following table sets forth RCG's estimate of the Reorganized Debtors use of available resources to satisfy the payments due under the RCG Plan:

Estimated Effective Date Distributions

Cash on hand as of 8/31/15:	1,093,739.00
Estimated Net Cash Flows 9/15 to 1/16:	\$205,000.00
RCG New Equity Contribution:	\$525,000.00
Professional Compensation Claims:	(\$300,000.00)
Miscellaneous Administrative Expenses:	(\$110,000.00)
Operating Cash Reserve:	(\$25,000.00)
Real Estate Taxes due 12/31/15:	(\$278,000.00)
Priority Tax Claims:	(\$97.16)
U.S. Trustee Fees:	(\$10,000.00)
Jackson County Secured Claim:	(\$85,000.00)
Planet Fitness Claim:	(\$200,000.00)
Net Cash Available for Unsecured Claims:	<u>\$815,632.84</u>

Post emergence, the Reorganized Debtor's only expenses will be its operating costs, debt service on the RCG Secured Claim of \$8.35 million, and at the end of each calendar year, payment of the real estate taxes on Brywood Centre. The Debtor's historical performance demonstrates that the Reorganized Debtor's net monthly cash flows will be, conservatively, \$41,000 per year to service these obligations. Making interest-only payments at 5.0% *per*

⁵ This estimate is conservative, as the Debtor paid \$194,058 in legal fees in August 2015, likely due to the allowance of the Crane Heyman and Burke Warren interim fee applications. Accordingly, this is a non-recurring expense that caused the Debtor to have negative net cash flow in August 2015. By way of comparison, the Debtor's average monthly cash flow for 2014 was approximately \$49,500.00.

⁶ The Debtor's real estate taxes due in 2014 were \$276,417.20. RCG's calculation of the taxes due to be paid by December 31, 2015 is based on the estimated increase in property value and the millage rates from 2014.

annum, debt service will be \$417,500.00 per year, or \$34,791.67 per month. However, before paying this interest expense, the Reorganized Debtor will accrue an average of \$25,000 per month from its monthly cash flows to establish a reserve to pay the Brywood Centre real estate taxes, and only then make any payment on the monthly interest on RCG's Secured Claim from the remaining net monthly cash flow (which payments should average \$16,000 per month, based on the foregoing assumptions). The unpaid balance of the monthly interest charge (approximately \$18,791.67) will be accrued and, at the end of the year, after the real estate taxes are paid from the reserve, the accrued interest will be (a) paid or partially paid from cash on hand, with the remainder added to the RCG Secured Claim debt, or (b) be written off. Additionally, RCG will be the holder of the debt and can control the terms of payment. As an experienced operator of shopping facilities like Brywood Centre, RCG will manage the payment of the RCG Secured Claim to allow the Reorganize Debtor to maintain its liquidity, pay its bills as the come due post-emergence, and continue to operate outside of bankruptcy. Moreover, should an unanticipated capital need arises (such as Allowed Professional Compensation Claims that exceed RCG's estimate of \$300,000), RCG has access to additional capital reserves in excess of \$1 million and will provide a backstop for the Reorganized Debtor's capital needs.

RCG is a wholly owned subsidiary of RCG Ventures LLC "*RCG Ventures*", a privately funded real estate investment group that acquires and develops commercial real estate in the continental United States. The company's primary focus is value-add anchored shopping centers with the potential for long-term ownership. In addition, the company selectively enters into joint ventures with institutional partners. Founded in November of 2003, RCG Ventures has steadily grown its portfolio through direct investment. It is the combination of significant capital resources and operational expertise that gives RCG Ventures a competitive advantage in the industry. Over the past twelve years, RCG Ventures has acquired a total of 129 properties in 22 states, representing total invested capital of over \$850 million. At present, RCG Ventures and its principals own and control 91 assets, totaling approximately 9.4 million square feet, in 21 states.

RCG Ventures's management team is led by Michael McMillen, RCG Ventures CEO and co-founder with Michael Klump, RCG Venture's chairman. RCG Ventures's management team also includes: Brad Garner, Chief Financial Officer; Sonya Morris, Chief Operating Officer; Brett Lesley, Vice President – Leasing; Charles Swain, Vice President of Operations; and Randy Garfinkle, Director of Investments. Summary professional biographies for each of these individuals is attached hereto as Exhibit 3.

Based on the foregoing, the Reorganized Debtor will have adequate means as of the Effective Date to satisfy the payments contemplated by the RCG Plan, and going forward will have the means to avoid the need for the Reorganized Debtor to further reorganize under chapter 11 or to liquidate.

6.4 Plan Consummation.

The Plan will be consummated on the Effective Date. The target Effective Date is February 1, 2016. The Effective Date will occur on or about the first Business Day on which the conditions precedent to the effectiveness of the RCG Plan as set forth in the RCG Plan have been satisfied or waived pursuant to the RCG Plan.

ARTICLE 7.

CERTAIN RISK FACTORS TO BE CONSIDERED

Set forth below are certain risk factors relevant to creditors. These factors should not be regarded as constituting the only risks relevant to the RCG Plan and its implementation.

7.1 Amendments, Modification or Withdrawal of the Plan.

Alterations, amendments or modifications to the RCG Plan may be proposed in writing by RCG at any time prior to the Confirmation Date, provided that the RCG Plan, as altered, amended or modified satisfies the conditions of sections 1122 and 1123 of the Bankruptcy Code, and RCG shall have complied with section 1125 of the Bankruptcy Code. RCG also reserves the right to make such modifications at or prior to the Confirmation Hearing as are necessary to permit the RCG Plan to be confirmed under section 1129 of the Bankruptcy Code. A holder of a Claim that has accepted the RCG Plan shall be deemed to have accepted the RCG Plan as altered, amended or modified, provided that the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such holder.

After the Confirmation Date and prior to the Effective Date, RCG may make technical adjustments and modifications to the RCG Plan without further order of the Bankruptcy Court, provided that such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims.

RCG reserves the right to revoke or withdraw the RCG Plan at any time before entry of a Confirmation Order. In the event (a) RCG revokes or withdraws the RCG Plan at any time prior to the Confirmation Date, or (b) the Confirmation Order is not entered, the RCG Plan shall be deemed to be null and void. In such event, nothing contained in the RCG Plan or this RCG Disclosure Statement shall be deemed to constitute an admission of validity, waiver or release of any Claims by or against the Debtor or any person or to prejudice in any manner the rights of the Debtor or any person in any proceeding involving the Debtor.

7.2 Failure to Consummate the Plan.

There can be no assurance that the conditions to the Effective Date will be satisfied or waived. Accordingly, even if the RCG Plan is confirmed by the Bankruptcy Court, there can be no assurance that the RCG Plan will be consummated.

7.3 Alternative Chapter 11 Plans May Be Proposed.

Other parties in interest could seek authority from the Bankruptcy Court to propose an alternative Chapter 11 plan and indeed, it is anticipated that the Debtor will file an amended plan of reorganization concurrently with the RCG Plan.

ARTICLE 8.

RECOMMENDATION AND CONCLUSION

For the reasons set forth in this RCG Disclosure Statement, RCG believes that the confirmation and implementation of the RCG Plan is preferable to all other alternatives. Therefore, RCG urges all holders of Classes 1, 2, 4, 5, 6, and 7 Claims to vote to accept the RCG Plan.

Dated: September 25, 2015

Respectfully submitted,

RCG-KC BRYWOOD LLC, a Georgia limited liability company

By: **RCG Ventures Distressed Real Estate Opportunity Fund, LP**, a Georgia limited partnership

Its: Sole Member and Manager

By: **RCG Ventures Fund II GP, LLC**, a Georgia limited liability company

Its: Sole General Partner

By: 

Bradley R. Garner

Its: Executive Vice President

EXHIBIT 1

PLAN

**IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION**

In re:

T-L BRYWOOD LLC,

Debtor/Debtor-in-Possession.

Case No. 13-21804

Chapter 11

Judge J. Philip Klingeberger

**SECOND AMENDED PLAN OF
REORGANIZATION FOR T-L BRYWOOD, LLC PROPOSED BY
RCG-KC BRYWOOD, LLC, THE DEBTOR'S SENIOR SECURED CREDITOR**

David J. Fischer
Phillip W. Nelson
LOCKE LORD LLP
111 South Wacker Drive
Chicago, Illinois 60606
Telephone: 312-201-2000
Facsimile: 312-201-2555
david.fischer@lockelord.com
phillip.nelson@lockelord.com
Counsel for RCG-KC Brywood, LLC

Dated: September 25, 2015

TABLE OF CONTENTS

	Page
ARTICLE I	DEFINITIONS AND INTERPRETATION 1
ARTICLE II	UNCLASSIFIED CLAIMS 6
2.1	Professional Compensation Claims 6
2.2	Priority Tax Claims 6
2.3	U.S. Trustee Fees 7
ARTICLE III	CLASSIFICATION OF CLAIMS 7
3.1	Class 1 - RCG Secured Claim 7
3.2	Class 2 – RCG Unsecured Deficiency Claim 7
3.3	Class 3 – Jackson County Secured Claim 7
3.4	Class 4 – General Unsecured Claims 8
3.5	Class 5 – Planet Fitness Claim 8
3.6	Class 6 – Mesirov Note Claim 8
3.7	Class 7 - Insider Claims 8
3.8	Class 8 - Equity Interests 9
ARTICLE IV	MEANS FOR EXECUTION OF THE RCG PLAN 9
4.1	Source of Funds 9
4.2	Condition Precedent to Confirmation 9
4.3	Causes of Action 9
4.4	Vesting of Assets 9
4.5	Cancellation of Existing Securities 10
4.6	Issuance of New Equity Interests 10
4.7	Reorganized Debtor 10
4.8	Corporate Action 10
4.9	Power of Attorney 11
4.10	No Action Inconsistent with RCG Plan 11
4.11	Plan Modification 11
ARTICLE V	PROVISIONS GOVERNING DISTRIBUTIONS 12
5.1	Objections to Claims 12
5.2	Timing of Distributions 12
5.3	Disputed Claims 12

TABLE OF CONTENTS
(continued)

	Page
5.4 Delivery of Distributions	12
5.5 Distribution Minimum	12
5.6 Taxes	12
ARTICLE VI EXECUTORY CONTRACTS AND UNEXPIRED LEASES	13
6.1 List of Executory Contracts	13
6.2 Contracts and Leases Assumed.....	13
6.3 Contracts and Leases Not Assumed are Rejected.....	14
6.4 Bar Date for Rejection Damages	14
ARTICLE VII EFFECT OF CONFIRMATION	14
7.1 Setoffs and Recoupments.....	14
7.2 Insurance Preservation	14
7.3 Discharge and Injunction	14
7.4 Releases by Claim Holders	15
7.5 Releases by the Debtor.....	15
7.6 Exculpation	16
ARTICLE VIII MISCELLANEOUS	16
8.1 Notices	16
8.2 Retention of Jurisdiction.....	17

**FIRST AMENDED PLAN OF
REORGANIZATION FOR T-L BRYWOOD, LLC PROPOSED BY
RCG-KC BRYWOOD, LLC, THE DEBTOR'S SENIOR SECURED CREDITOR**

RCG-KC Brywood, LLC (“**RCG**”), successor by assignment to The PrivateBank & Trust Company (“**PrivateBank**”) proposes the following plan of reorganization (the “**RCG Plan**”) for T-L Brywood, LLC (the “**Debtor**”), for the resolution of the outstanding claims against, and equity interests in, the Debtor pursuant to chapter 11 of the Bankruptcy Code. Capitalized used in the RCG Plan and not otherwise defined herein shall have the meanings ascribed to such terms in Article I of the RCG Plan.

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

The following terms, when capitalized, shall have the meanings specified below, and such meanings shall equally be applicable to the singular and plural forms of such terms. Unless otherwise specified, all section, article and exhibit references in this RCG Plan are to the respective section in, article of or exhibit to this RCG Plan. The words “herein,” “hereof,” “hereto,” or “hereunder” and similar terms shall refer to this RCG Plan as a whole and not to any particular section of this RCG Plan. Any term used in this RCG Plan not defined herein but defined in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning ascribed to that term in the Bankruptcy Code or Bankruptcy Rules, as applicable. The headings in this RCG Plan are for convenience only and shall not otherwise affect the provisions of this RCG Plan.

1.1 “Accrued Professional Compensation” means, at any given moment, all accrued, contingent and/or unpaid fees and expenses (including, without limitation, Allowed Professional Compensation) for legal, financial advisory, accounting, and other services and reimbursement of expenses that are awardable and Allowed under sections 328, 330(a) or 331 of the Bankruptcy Code or otherwise rendered allowable prior to the Confirmation Date by any Retained Professionals in the Chapter 11 Case that the Bankruptcy Court has not denied by a Final Order, to the extent that any such fees and expenses have not been previously paid, regardless of whether a fee application has been filed for any such amount. To the extent that the Bankruptcy Court or any higher court denies or reduces by a Final Order any amount of a Retained Professional’s fees or expenses, then those reduced or denied amounts shall no longer constitute Accrued Professional Compensation.

1.2 “Allowed” or “Allowed Claim” means (a) any Claim, proof of which is timely filed by the applicable Claim bar date and for which no objection has been filed either pre-Effective Date or post-Effective Date, subject to the Post-Effective Date Claim Objection Deadline; or (b) any Claim that is allowed pursuant to the RCG Plan or a Final Order of the Bankruptcy Court. For the avoidance of doubt, any Claim that has been or is hereafter listed in the Debtor’s schedules as contingent, unliquidated or disputed, or for which no proof of Claim is or has been timely filed, is not considered Allowed and shall be expunged without further action by the Debtor or the Bankruptcy Court.

1.3 “**Asset**” means all assets of the Debtor of any nature whatsoever including, without limitation, all property of the Estate pursuant to section 541 of the Bankruptcy Code, Cash, Causes of Action, accounts receivable, tax refunds, claims of right, interests, Personal Property, Real Property, tangible and intangible, and all proceeds of the foregoing.

1.4 “**Ballot**” means the ballot form distributed with the RCG Disclosure Statement to each holder of a Claim eligible to vote on this RCG Plan in connection with the solicitations of acceptances of this RCG Plan.

1.5 “**Bankruptcy Code**” means the United States Bankruptcy Code, codified at title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as the same may be amended from time to time.

1.6 “**Bankruptcy Court**” means the United States Bankruptcy Court for the Northern District of Indiana, Hammond Division.

1.7 “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure.

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

1.9 “**Case**” means the Debtor’s case under chapter 11 of the Bankruptcy Code, Case No. 13-21804 (JPK).

1.10 “**Cash**” means cash, cash equivalents and other readily marketable securities or instruments including, without limitation, certificates of deposit and commercial paper of any entity.

1.11 “**Cash Collateral**” shall have the meaning set forth in section 363(a) of the Bankruptcy Code.

1.12 “**Causes of Action**” means any and all claims, actions, adversary proceedings, causes of action, liabilities, obligations, rights, suits, debts, sums of money, damages, judgments and demands whatsoever, whether pending or not pending, known or unknown, whether or not scheduled by the Debtor, disputed or undisputed, legal or equitable, absolute or contingent, that are pending or have accrued or are accruing to the Debtor or the Estate, or that may be pursued derivatively by or on behalf of the Debtor or the Estate, including, without limitation: (a) all rights, claims and causes of action under Chapter 5 of the Bankruptcy Code; and (b) the right to file one or more proofs of claim in the Tri-Land Properties Case based on transfers that the Debtor made to Tri-Land Properties.

1.13 “**Claim**” shall have the meaning set forth in Bankruptcy Code section 101(5).

1.14 “**Class**” means a category or group of holders of Claims designated in Article 3 of this RCG Plan pursuant to Bankruptcy Code section 1123(a).

1.15 “**Class A Voting Units**” means the class of membership interests in the Reorganized Debtor providing the holder thereof with a right to vote on any matters subject to a

vote by the members of the Reorganized Debtor, of which 1,000 Class A Voting Units will be authorized pursuant to the limited liability company operating agreement of Reorganized Debtor.

1.16 “Confirmation Date” means the date on which the Clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Case.

1.17 “Confirmation Hearing” means the hearing held by the Bankruptcy Court to consider confirmation of this RCG Plan pursuant to section 1129 of the Bankruptcy Code, as such hearing may be adjourned from time to time.

1.18 “Confirmation Order” means the order entered by the Court which confirms the RCG Plan.

1.19 “Debtor” means T-L Brywood LLC.

1.20 “Disputed Claim” means every Claim, or portion thereof, other than Professional Compensation Claims, which is (a) listed on the Debtor’s bankruptcy schedules as disputed; or (b) the subject of an objection, at any time prior to the Post-Effective Date Claim Objection Deadline, a contested matter or adversary proceeding in the Case, regardless of how such Claim may be listed on the Debtor’s schedules. For the avoidance of doubt, all Claims are hereby considered Disputed Claims unless otherwise expressly determined to be Allowed Claims as set forth in this RCG Plan.

1.21 “Distribution” means the payment of Cash required under this RCG Plan to be distributed to holders of Allowed Claims.

1.22 “Effective Date” means the first Business Day after the Confirmation Order is entered on the Case docket by the Bankruptcy Court.

1.23 “Equity Interest” means a membership interest in the Debtor prior to the Effective Date.

1.24 “Estate” means the Debtor’s estate created pursuant to section 541 of the Bankruptcy Code upon commencement of the Case.

1.25 “Face Value” means the principal amount of a Claim and which excludes interest, fees, and similar amounts or expenses.

1.26 “Final Order” means an order or judgment of the Bankruptcy Court or any other court of competent jurisdiction that has not been reversed, vacated or stayed, and as to which (a) the time to appeal or move for reargument or rehearing has expired, and as to which no appeal, reargument or rehearing shall be pending, or (b) if an appeal, reargument or rehearing has been sought, such order or judgment shall have been affirmed by the highest court to which such order or judgment was appealed, or reargument or rehearing shall have been denied or resulted in no modification of such order or judgment, and the time to take further appeal or move for reargument or rehearing shall have expired; provided, however, that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or an analogous rule shall not prevent an order from becoming a Final Order.

1.27 “General Unsecured Claim” means any unsecured Claim that is not a Priority Tax Claim, an RCG Unsecured Deficiency Claim, or a Planet Fitness Claim.

1.28 “Impaired”, when used with respect to a Claim or Interest, means a Claim or Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

1.29 “Insider” shall have the meaning set forth in section 101(31) of the Bankruptcy Code. For the avoidance of doubt, Insiders shall include, without limitation, Tri-Land Holdings, Inc., Tri Land Properties, Inc., Tri-Land Kansas City Investors, LLC, T-L Catonsville Pro, LLC, Richard Dube, John Andrews, and Hugh Robinson.

1.30 “Insider Claim” means each of those Claims listed on Schedule F of the Debtor’s Schedules in favor of Tri Land Properties, Inc. (in the amount of \$472,369.07), Tri-Land Holdings, Inc. (in the amount of \$364,002.00), and T-L Catonsville Pro, LLC (in the aggregate amount of \$187,294.52), totaling \$1,023,665.59 in the aggregate.

1.31 “Jackson County Secured Claim” means the Allowed Amount of the Secured Claim filed by the Jackson County Acting Director of Collection.

1.32 “Mesirow Note Claim” means those Claims listed on Schedule F of the Debtor’s Schedules identifying

MESIROW FINANCIAL INC.
IRA Dept. Attn: Mary Tait
353 North Clark Street
Chicago, IL 60654

in the column labeled “CREDITOR’S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER,” as identified on **Exhibit B** hereto, in the aggregate amount of \$811,609.59.

1.33 “Mortgage” means that certain Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement by and between the Debtor and PrivateBank dated as of December 7, 2009 and recorded on December 14, 2009 as Document No. 2009E0125351 with the Jackson County Recorder of Deeds.

1.34 “New Equity Contribution” means \$525,000.00, to be contributed to the Reorganized Debtor by RCG on the Effective Date.

1.35 “New Equity Interests” means the Class A Voting Units of the Reorganized Debtor authorized pursuant to the RCG Plan.

1.36 “Note” means that certain Promissory Note by and between the Debtor and PrivateBank dated as of December 7, 2009 in the amount of \$12,258,454.70, as amended from time to time.

1.37 “Organizational Documents” means the certificate of formation of Reorganized Debtor and the limited liability company operating agreement of Reorganized Debtor, each in form and substance acceptable to RCG.

1.38 “Personal Property” means the personal property belonging to the Debtor which secures the RCG Indebtedness including, without limitation, Cash Collateral.

1.39 “Petition Date” means March 12, 2012.

1.40 “Planet Fitness Claim” means the Claim identified in the proof of claim filed by PFKC, Inc. in the amount of \$200,000.00.

1.41 “Post-Effective Date Claim Objection Deadline” means the date that is sixty (60) days following the Effective Date.

1.42 “Priority Tax Claim” means a Claim of a governmental unit pursuant to sections 502(i) and 507(a)(8) of the Bankruptcy Code.

1.43 “Pro Rata” means the proportion that (a) the Allowed amount of a Claim or Equity Interest in a particular Class (or several Classes taken as a whole) bears to (b) the aggregate Allowed amount of all Claims or Equity Interests in such Class (or several Classes taken as a whole).

1.44 “Professional Compensation Claim” means any Claim for professional fees, expenses and other reimbursable costs incurred by professionals and entitled to priority under section 507(a)(2) of the Bankruptcy Code for services rendered and expenses incurred, subject to award by the Bankruptcy Court under section 330 of the Bankruptcy Code.

1.45 “Professional Fee Reserve Amount” means the amount of Cash reserved by the Reorganized Debtor to pay Allowed Professional Compensation Claims pursuant to the terms of the RCP Plan

1.46 “RCG Collateral” means the Personal Property, Real Property and any other collateral under the RCG Loan Documents securing the RCG Indebtedness.

1.47 “RCG Disclosure Statement” means the Disclosure Statement relating to this RCG Plan, including, without limitation, all exhibits and schedules thereto, that is approved by the Bankruptcy Court pursuant to sections 1125 and 1126(b) of the Bankruptcy Code.

1.48 “RCG Indebtedness” means the amount owed by the Debtor to RCG under the Note and secured by the Mortgage as the successor to PrivateBank. In addition, any amounts paid (a) either directly by RCG, or (b) from the RCG Collateral, to or for the benefit of an Entity holding an Allowed Claim, shall be deemed an addition to the RCG Indebtedness, except to the extent that RCG, in the exercise of its sole discretion, elects to be subrogated to the rights of any Entity which RCG pays, or which is paid from the RCG Collateral. For the avoidance of doubt, the RCG Indebtedness also shall include, to the extent permitted either under the Bankruptcy Code or applicable non-bankruptcy law, interest, fees (including, without limitation, attorneys’

fees), expenses, costs and all other amounts allowed under the RCG Loan Documents that have accrued after the Petition Date.

1.49 “RCG Loan Documents” means the Note and Mortgage, and all other documents evidencing, securing, or related to the RCG Indebtedness.

1.50 “RCG Plan” means this plan of reorganization proposed by RCG, together with any amendments, supplements or modifications thereto.

1.51 “RCG Secured Claim” means the Claim of RCG arising from the RCG Indebtedness in an amount equal to the fair market value of the RCG Collateral.

1.52 “RCG Unsecured Deficiency Claim” means the Claim of RCG arising from the RCG Indebtedness in the amount, if any, by which the RCG Indebtedness exceeds the RCG Secured Claim.

1.53 “Real Property” means the Debtor’s real property located at 63rd Street and Blue Ridge in Kansas City, Missouri, commonly known as the Brywood Centre, and which legally is described in Exhibit A attached hereto.

1.54 “Reorganized Debtor” means the Debtor, or any successor thereto, by merger, consolidation, assignment, or otherwise, on or after the Effective Date, to be owned one hundred percent (100%) by RCG.

1.55 “Retained Professional” means any Entity: (a) employed in this Chapter 11 Case pursuant to a Final Order in accordance with sections 327 and 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date, pursuant to sections 327, 328, 329, 330, or 331 of the Bankruptcy Code; or (b) for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

1.56 “Schedules” means the Debtor’s Schedule of Assets and Liabilities filed in this Case on April 19, 2012 [Docket No. 21].

1.57 “Secured Claim” means any Claim that is secured by a lien on the Personal Property or Real Property of the Debtor, to the extent such lien is valid, perfected and enforceable under applicable law and is not subject to avoidance under the Bankruptcy Code or non-bankruptcy law, and only to the extent of the value of such Personal Property or Real Property, as determined in accordance with section 506(a) of the Bankruptcy Code.

1.58 “Tri-Land Properties Case” means the bankruptcy case of Tri-Land Properties, currently pending before the Bankruptcy Court for the Northern District of Indiana, Case No. 12-22263.

1.59 “Tri-Land Properties” means Tri-Land Properties, Inc.

1.60 “Unimpaired” means any unimpaired Claim or Interest within the meaning of section 1124 of the Bankruptcy Code.

1.61 “*Unsecured Claim Payment*” means Cash in the amount of \$860,000.00.

**ARTICLE II
UNCLASSIFIED CLAIMS**

2.1 Administrative Claims

Subject to the provisions of sections 328, 330(a), and 331 of the Bankruptcy Code, except to the extent that a Holder of an Allowed Administrative Claim and the Debtor agree to less favorable treatment to such Holder, each Holder of an Allowed Administrative Claim will be paid the full unpaid amount of such Allowed Administrative Claim in Cash: (a) on the Effective Date or as soon as reasonably practicable thereafter or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter; (b) if an Administrative Claim is Allowed after the Effective Date, on the date such Administrative Claim is Allowed or as soon as reasonably practicable thereafter or, if not then due, when such Allowed Administrative Claim is due; (c) at such time and upon such terms as may be agreed upon by such Holder and the Debtor or the Reorganized Debtor, as the case may be; or (d) at such time and upon such terms as set forth in an order of the Bankruptcy Court; provided that, Allowed Administrative Claims that arise in the ordinary course of the Debtor’s or Reorganized Debtor’s business shall be paid in full in Cash in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to, such transactions; provided, further, that Allowed Administrative Claims do not include Claims filed after the applicable deadline set forth in the Confirmation Order (except as otherwise provided by a separate order of the Bankruptcy Court).

(a) General Administrative Claims

All requests for payment of an Administrative Claim that accrued on or before the Effective Date that were not otherwise paid in the ordinary course of business must be filed with the Bankruptcy Court and served on the Reorganized Debtor no later than the Administrative Claim Bar Date. A notice setting forth the Administrative Claim Bar Date will be filed on the Bankruptcy Court’s docket and served on all creditors and other parties in interest. Further notice of the Administrative Claim Bar Date will be provided as may be directed by the Bankruptcy Court. No request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order.

The Reorganized Debtor, in its sole and absolute discretion, may settle Administrative Claims in the ordinary course of its business without further Bankruptcy Court approval. The Reorganized Debtor may also choose to object to any Administrative Claim no later than ninety (90) days from the Administrative Claim Bar Date, subject to extensions by the Bankruptcy Court or on motion of a party in interest approved by the Bankruptcy Court.

Unless the Debtor or the Reorganized Debtor (or other party with standing) object to a timely-filed and properly served Administrative Claim, such Administrative Claim will be deemed allowed in the amount requested. In the event that the Debtor or the Reorganized Debtor object to an Administrative Claim, the parties may confer to try to reach a settlement and, failing

that, the Bankruptcy Court will determine whether such Administrative Claim should be allowed and, if so, in what amount.

Any requests for payment of Administrative Claims that are not properly filed and served by the Administrative Claim Bar Date shall not appear on the Claims Register maintained by the Clerk of the Court and shall be disallowed automatically without the need for any objection from the Debtor or the Reorganized Debtor or any action by the Bankruptcy Court.

(b) Professional Compensation Claims

All final requests for Professional Compensation and Reimbursement Claims shall be filed no later than sixty (60) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Bankruptcy Court orders, the Allowed amounts of such Professional Compensation and Reimbursement Claims shall be determined by the Bankruptcy Court.

To receive payment for unbilled fees and expenses incurred through the Effective Date, the Retained Professionals shall estimate their Accrued Professional Compensation (net of any unapplied retainer amounts) prior to and as of the Effective Date and shall deliver such estimate to the Debtor on or before the Effective Date. If a Retained Professional does not provide such estimate, the Reorganized Debtor may estimate the unbilled fees and expenses of such Retained Professional. Such estimate, however, will not be considered an admission or limitation with respect to the fees and expenses of such Retained Professional. The total amount so estimated as of the Effective Date shall comprise the Professional Fee Reserve Amount.

2.2 Priority Tax Claims

On the later of (a) the Effective Date, unless an objection to the Claim is pending, or (b) the date on which a Priority Tax Claim becomes an Allowed Claim, each such Allowed Priority Tax Claim, if any, shall receive, in full and final satisfaction, settlement, release and discharge of such Allowed Priority Tax Claim against the Debtor, Cash equal to the unpaid portion of such Priority Tax Claim.

2.3 U.S. Trustee Fees

The Debtor shall pay all United States Trustee quarterly fees under 28 U.S.C. § 1930(a)(6), plus interest due and payable under 31 U.S.C. § 3717 on all disbursements, including RCG Plan payments and disbursements in and outside the ordinary course of the Debtor's business, until the entry of a Final Order, dismissal of the Chapter 11 Case or conversion of the Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code.

**ARTICLE III
CLASSIFICATION OF CLAIMS**

The Claims and Interests in the RCG Plan are divided into the following classes:

<u>Class</u>	<u>Claim/Equity Interest</u>	<u>Status</u>	<u>Voting Rights</u>
1	RCG Secured Claim	Impaired	Entitled to Vote
2	RCG Unsecured Deficiency Claim	Impaired	Entitled to Vote
3	Jackson County Secured Claim	Unimpaired	Deemed to Accept
4	General Unsecured Claims	Impaired	Entitled to Vote
5	Planet Fitness Claim	Unimpaired	Not Entitled to Vote
6	Mesirow Note Claims	Impaired	Entitled to Vote
7	Insider Claims	Impaired	Entitled to Vote
8	Equity Interests	Impaired	Deemed to Reject

3.1 Class 1 - RCG Secured Claim

The holder of the RCG Secured Claim will receive payment in full in Cash of the unpaid portion of the RCG Secured Claim on a date that is no later than ten (10) years after the Effective Date; *provided, however*, that until the RCG Secured Claim is paid in full in Cash: (a) the prepetition security interest securing the RCG Secured Claim will remain in place and will continue with respect to substantially all of the Reorganized Debtor's assets; (b) the Reorganized Debtor shall continue to make scheduled, monthly interest payments to RCG on the RCG Secured Claim at 5.0% *per annum*; *provided further, however*, that before paying this interest expense, the Reorganized Debtor will accrue an average of \$25,000 per month from its monthly cash flows to establish a reserve to pay the Brywood Centre real estate taxes, and only then make any payment on the monthly interest on RCG's Secured Claim from the remaining net monthly cash flow, with unpaid balance of the monthly interest charge accruing and, at the end of the year, after the real estate taxes are paid from the reserve, the accrued interest will be (a) paid or partially paid from cash on hand, with the remainder added to the RCG Secured Claim debt, or (b) be written off, and RCG's election.

Class 1 is Impaired and entitled to vote to accept or reject the RCG Plan.

3.2 Class 2 – RCG Unsecured Deficiency Claim

On or as soon as reasonably practicable after the Effective Date, RCG, or any designee named by RCG, shall receive, in full and final satisfaction, settlement, release and discharge of such RCG Unsecured Deficiency Claim, one hundred percent (100%) of the New Equity Interests in the Reorganized Debtor.

Class 2 is Impaired and entitled to vote to accept or reject the RCG Plan.

3.3 Class 3 - Jackson County Secured Claim

On or as soon as reasonably practicable after the Effective Date, the holder of the Jackson County Secured Claim shall receive, in full and final satisfaction, settlement, release and discharge of such Jackson County Secured Claim, Cash equal to the unpaid portion of such Jackson County Secured Claim. The Jackson County Secured Claim also may be paid on such other terms as may be agreed to between the holder of such Jackson County Secured Claim and RCG.

Class 3 is Unimpaired and is deemed to vote to accept the RCG Plan.

3.4 Class 4 – General Unsecured Claims

On or as soon as reasonably practicable after the Effective Date, each holder of an Allowed Class 4 General Unsecured Claim shall receive, in full satisfaction, settlement, release and discharge of such Allowed Class 4 General Unsecured Claim, Cash equal to such Claim's *Pro Rata* share of the Unsecured Claim Payment up to the unpaid portion of the Face Value of such Allowed General Unsecured Claim.

Class 4 is Impaired and entitled to vote to accept or reject the RCG Plan.

3.5 Class 5 – Planet Fitness Claim

On the Effective Date, the Reorganized Debtor shall assume the Lease for Brywood Centre Kansas City, Missouri dated August 2, 2011 by and between the Debtor and PFKC, Inc., and any amendments or supplements thereto, and the holder of the Planet Fitness Claim shall receive payment in full of the \$200,000.00 cure amount due under the lease on or as soon as reasonably practicable after the Effective Date.

Class 5 is Unimpaired and is deemed to vote to accept the RCG Plan.

3.6 Class 6 – Mesirow Note Claims

On or as soon as reasonably practicable after the Effective Date, each holder of a Class 6 Mesirow Note Claim that is finally Allowed by the Bankruptcy Court after resolution of all objections thereto shall receive Cash equal to such Claim's *Pro Rata* share of the Unsecured Claim Payment up to the unpaid portion of the Face Value of such Allowed Mesirow Note Claim.

Class 6 is Impaired and entitled to vote to accept or reject the RCG Plan.

3.7 Class 7 – Insider Claims

On or as soon as reasonably practicable after the Effective Date, each holder of a Class 7 Insider Claim that is finally Allowed by the Bankruptcy Court after resolution of all objections thereto shall receive shall receive Cash equal to such Claim's *Pro Rata* share of the Unsecured Claim Payment up to the unpaid portion of the Face Value of such Allowed Insider Claim.

Class 7 is Impaired and entitled to vote to accept or reject the RCG Plan.

3.8 Class 8 – Equity Interests

On the Effective Date, existing Equity Interests shall be cancelled and shall not receive or retain any Distribution under this RCG Plan.

Class 8 is Impaired and is deemed to vote to reject the RCG Plan.

**ARTICLE IV
MEANS FOR EXECUTION OF THE RCG PLAN**

4.1 Source of Funds. All Cash necessary for RCG to make payments of Cash pursuant to the RCG Plan shall be obtained from the following sources: (a) the Debtor's Cash on hand, which shall be transferred to the Reorganized Debtor on the Effective Date; (b) New Equity Contribution to be provided by RCG to the Reorganized Debtor on the Effective Date; and (c) the proceeds of Causes of Action. No later than 10 Business Days prior to the Confirmation Hearing, RCG will deposit the New Equity Contribution with its counsel, Locke Lord LLP ("**Locke Lord**"), in Locke Lord's client-trust account, as a means of allowing the Court to verify that the New Equity Contribution is available to fund the RCG Plan if confirmed.

4.2 Condition Precedent to Confirmation. Confirmation of the RCG Plan is subject to entry of the Confirmation Order, which shall be in form and substance satisfactory to RCG.

4.3 Causes of Action.

(a) As of the Effective Date, any and all Causes of Action that are pending, that have accrued or that are accruing to the Debtor or the Estate shall vest in the Reorganized Debtor, pursuant to Section 4.4 hereof, and the Reorganized Debtor shall retain all of the Causes of Action of the Debtor and its Estate, including, without limitation, fraudulent transfer and preferential transfer claims under Chapter 5 of the Bankruptcy Code.

(b) The Reorganized Debtor shall have the authority and standing to prosecute such Causes of Action on behalf of and for the benefit of the Estate and the Debtor's creditors, including the authority to compromise, discontinue, abandon or dismiss any or all such Causes of Action without Bankruptcy Court approval; provided, however, that any settlement of a Cause of Action shall be subject to approval by the Bankruptcy Court pursuant to Bankruptcy Rule 9019.

(c) Proceeds of such Causes of Action, if any, shall be distributed as follows: (a) first to holders of Allowed Claims in accordance with the RCG Plan until those Allowed Claims are paid in full, and (b) then, to RCG, to reimburse it for the \$525,000 New Equity Contribution provided to the Estate on the Effective Date to fund this RCG Plan.

(d) Confirmation of this RCG Plan does not release any Cause of Action, and the Confirmation Order shall not have any *res judicata* or collateral estoppel effect on the Reorganized Debtor's prosecution of any Cause of Action.

4.4 Vesting of Assets. On the Effective Date, all property of the Estate shall vest in the Reorganized Debtor free and clear of all liens, Claims, encumbrances, charges and other interests. From and after the Effective Date, the Reorganized Debtor may operate the Debtor's business pursuant to the terms of the RCG Plan and may use, acquire and dispose of property free and clear of any restrictions imposed by the Bankruptcy Code.

4.5 Cancellation of Existing Securities. On the Effective Date, any Equity Interest in Debtor shall be cancelled, retired and eliminated from the membership interests which the Debtor shall be authorized to issue and the holders of any Equity Interest in Debtor prior to the

Effective Date shall have no rights with respect to such cancelled, retired and eliminated Equity Interests.

4.6 Issuance of New Equity Interests. In accordance with this RCG Plan, on the Effective Date, the Reorganized Debtor is authorized to, and shall issue, to RCG, or any designee named by RCG, 100 percent (100%) of the New Equity Interests in the Reorganized Debtor, which shall collectively consist of all of the issued and outstanding membership interests of the Reorganized Debtor. On the Effective Date, the Reorganized Debtor is authorized to, and shall issue one thousand (1,000) Class A Voting Units to RCG or its designee without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any entity.

Without limiting the effect of section 1145 of the Bankruptcy Code, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of this RCG Plan, including, without limitation, any of the Organizational Documents or any other agreement or document related to or entered into in connection with any of the foregoing, shall become, and shall remain, effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any entity (other than as expressly required by such applicable agreement).

Any New Equity Interests issued in accordance with this RCG Plan shall not be registered under the Securities Act of 1933, as amended.

4.7 Reorganized Debtor.

(a) Management. The powers of the Reorganized Debtor shall be exercised by or under the authority of, and the business and affairs of the Reorganized Debtor shall be managed under the direction of, a manager or managers to be appointed by RCG, as the holder of all of the issued and outstanding Class A Voting Units.

(b) Units. The equity of Reorganized Debtor shall consist of one thousand (1,000) Class A Voting Units.

4.8 Corporate Action. On the Effective Date, all matters provided for herein that would otherwise require approval of the members or managers of the Debtor or Reorganized Debtor, including without limitation, the authorization (a) to cancel the Equity Interests in Debtor, (b) to issue or cause to be issued the New Equity Interests in Reorganized Debtor, (c) for documents and agreements to be effectuated pursuant to this RCG Plan, the election or appointment as the case may be, of managers and officers of the Reorganized Debtor pursuant to this RCG Plan and the Organizational Documents and (d) the qualification of the Reorganized Debtor as a foreign limited liability company or entity wherever the conduct of business by such entity requires such qualification, shall be deemed to have occurred and shall be in effect from and after the Effective Date pursuant to the applicable limited liability company law of the states in which the Debtor and the Reorganized Debtor are organized, without any requirement of further action by the members or managers of the Debtor or Reorganized Debtor.

4.9 Power of Attorney. Debtor and Reorganized Debtor hereby designate and appoint RCG, and each of its designees or agents, as attorney-in-fact of such Debtor and Reorganized Debtor, irrevocably and with power of substitution, with authority to do and perform all such acts and things as RCG may reasonably deem to be necessary, proper or convenient in connection with consummating the transactions set forth in this RCG Plan.

4.10 No Action Inconsistent with RCG Plan. On and after the Effective Date, no Person shall take any action inconsistent with or contrary to the terms of the RCG Plan. No later than three (3) Business Days after the Effective Date, a representative of the Debtor shall provide to the Reorganized Debtor all of the Debtor's books and records including, without limitation, copies of all insurance policies, unexpired leases, tax bills and assessments, and utility invoices.

4.11 Plan Modification.

(a) Alterations, amendments or modifications to this RCG Plan may be proposed in writing by RCG at any time prior to the Confirmation Hearing, provided that the RCG Plan, as altered, amended or modified satisfies the conditions of sections 1122 and 1123 of the Bankruptcy Code, and RCG shall have complied with section 1125 of the Bankruptcy Code. RCG also reserves the right to make such modifications at or prior to any Confirmation Hearing as are necessary to permit this RCG Plan to be confirmed under section 1129 of the Bankruptcy Code.

(b) A holder of a Claim that has accepted the RCG Plan shall be deemed to have accepted the RCG Plan as altered, amended or modified, provided that the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such holder.

(c) After the Confirmation Date and prior to the Effective Date, RCG may make technical adjustments and modifications to the RCG Plan without further order of the Bankruptcy Court, provided that such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims.

(d) RCG reserves the right to revoke or withdraw the RCG Plan at any time before entry of a Confirmation Order. In the event (i) RCG revokes or withdraws the RCG Plan at any time prior to the Confirmation Date, or (ii) the Confirmation Order is not entered, the RCG Plan shall be deemed to be null and void. In such event, nothing contained in the RCG Plan or the RCG Disclosure Statement shall be deemed to constitute an admission of validity, waiver or release of any Claims by or against the Debtor or any person or to prejudice in any manner the rights of the Debtor or any person in any proceeding involving the Debtor.

ARTICLE V
PROVISIONS GOVERNING DISTRIBUTIONS

5.1 Objections to Claims. Through and including the Post-Effective Date Claim Objection Deadline, RCG shall have the authority to object to (a) any liabilities listed on the Debtor's schedules, and (b) any Claim otherwise timely filed in the Case.

5.2 Timing of Distributions. RCG shall make Distributions to holders of Allowed Claims at such times as RCG deems appropriate in the exercise of its sole discretion, but in no event later than five (5) Business Days after becoming an Allowed Claim.

5.3 Disputed Claims. Should any Disputed Claim become an Allowed Claim, RCG shall make a Distribution to the holder of such Allowed Claim in accordance with the provisions of this RCG Plan.

5.4 Delivery of Distributions.

(a) Cash Distributions by check shall be mailed to each holder of an Allowed Claim entitled to receive such Distributions under this RCG Plan at the address listed on the Debtor's schedules, unless a more recent address was provided to the Debtor on the proof of Claim filed by such holder of an Allowed Claim or in writing prior to or after the Effective Date delivered to the Debtor or the Reorganized Debtor, as the case may be, and to RCG.

(b) If any Distribution is returned as undeliverable, RCG shall not be required to make further Distributions to such holder of an Allowed Claim unless and until RCG and the Reorganized Debtor are notified of such holder's then current address, at which time all previously undelivered Distributions shall be made to such holder, without interest. Nothing in this RCG Plan shall require RCG to attempt to locate any holder of an Allowed Claim.

(c) RCG shall have no obligation to make a Distribution to a holder of an Allowed Claim if RCG and the Reorganized Debtor are not notified of the then-current address of such holder within ninety (90) days of the date of such Distribution. Any such Distributions unclaimed after ninety (90) days of the date of such Distribution shall be considered unclaimed property under section 347(b) of the Bankruptcy Code.

(d) Each holder of an Allowed Claim shall be required to provide to RCG such holder's federal identification number. No Distribution shall be required to be made absent receipt of such information.

5.5 Distribution Minimum. RCG shall not be obligated to make a Distribution of less than \$20.00 in Cash.

5.6 Taxes.

(a) Withholding Taxes. Any federal or state withholding taxes or other amounts required to be withheld under applicable law shall be deducted and withheld from any Distributions. All holders of Allowed Claims shall be required to provide any information necessary to effect the withholding of such taxes. Notwithstanding the foregoing, each holder of an Allowed Claim that is to receive a Distribution under this RCG Plan shall have the sole and exclusive responsibility to satisfy and pay any tax obligations imposed on such holder by any governmental unit, including income, withholding and other tax obligations, on account of such Distribution.

(b) Transfer Taxes. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers from the Debtor to any Person pursuant to the RCG Plan in the United States of

America shall not be subject to any stamp tax or similar tax, and the Confirmation Order shall direct the appropriate state or local government officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation of any of the documents referred to herein without the payment of any such tax or governmental assessment.

ARTICLE VI EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.1 List of Executory Contracts. Twenty-one (21) days prior to the Confirmation Hearing, the Debtor shall provide to RCG a list of executory contracts and unexpired leases by and among the Debtor and any counterparty, or entered into on behalf or for the benefit of the Debtor and the counterparty that are to be rejected pursuant to this RCG Plan. Upon receipt of such list, RCG, in its sole discretion, may determine to assume such executory contract or unexpired lease and have such contract or lease assigned to the Reorganized Debtor in accordance with this Article VI.

6.2 Contracts and Leases Assumed.

(a) Assumption and Assignment. Subject to the provisions of Section 6.1, the following executory contracts and unexpired leases shall be assumed and assigned to the Reorganized Debtor notwithstanding any provision in such contract or lease prohibiting assignment:

(i) All policies of insurance in effect as of the Effective Date that are executory contracts; and

(ii) All unexpired real property leases with tenants relating to the Real Property including, without limitation, the Lease for Brywood Centre Kansas City, Missouri dated August 2, 2011 by and between the Debtor and PFKC, Inc.

(b) Cure Amounts. Except to the extent that different treatment has been agreed to by a counterparty to an executory contract or unexpired lease, within seven (7) days of the Confirmation Hearing, RCG shall file and serve with the Bankruptcy Court a list of cure amounts associated with executory contracts and unexpired leases to be assumed and provide notice to the counterparty by overnight courier. Any party that fails to object to the cure amount associated with such executory contract or unexpired lease shall forever be barred, estopped and enjoined from disputing the cure amount and asserting a Claim against the Debtor or Reorganized Debtor arising under section 365 of the Bankruptcy Code. Should a party object to the cure amount, the cure payment shall be made following entry of a Final Order resolving the dispute. RCG, acting for and on behalf of the Debtor, reserves its right to reject any executory contract or unexpired lease subject to a dispute regarding the cure amount until such time as a Final Order is entered resolving the dispute.

6.3 Contracts and Leases Not Assumed are Rejected. All executory contracts and unexpired leases not expressly assumed or rejected (a) in this RCG Plan, (b) by order of the Bankruptcy Court entered prior to the Confirmation Date, or (c) by RCG at any time after the filing of this RCG Plan but prior to the Confirmation Hearing, shall be deemed rejected as of the Confirmation Date.

6.4 Bar Date for Rejection Damages. If the rejection of an executory contract or unexpired lease pursuant to this RCG Plan results in damages to the counterparty of such contract or lease, the holder of the Claim arising out of the rejection of such contract or lease must file a proof of Claim with respect to such amounts with the Bankruptcy Court no later than thirty (30) days after service of notice of the Effective Date, which notice prominently shall state that such executory contracts and unexpired leases have been rejected. If a proof of Claim for such rejection damages is not filed within thirty (30) days after service of notice of the Effective Date, such counterparty shall be forever barred from asserting a Claim for such damages.

ARTICLE VII EFFECT OF CONFIRMATION

7.1 Setoffs and Recoupments. Except as otherwise provided in the RCG Plan, the Debtor may, but shall not be required to, set off, counterclaim or recoup against any Claim and the payments or other Distributions to be made pursuant to the RCG Plan in respect of the Claim, claims of any nature that the Estate may have against the holder of the Claim, but neither the failure to do so nor the allowance of any Claim under the RCG Plan shall constitute a waiver or release by the Debtor of any claim that the Estate may have against the holder. Setoffs, counterclaims or recoupments arising from events after the Petition Date shall reduce the payouts under any Allowed Claim dollar for dollar. Setoffs, counterclaims or recoupments arising from pre-petition events shall reduce the payout amount of the Allowed Claim proportionately with reduction in the Allowed Claim. If a setoff, counterclaim or recoupment asserted by the Debtor or RCG exceeds the amount of any Claim, the holder of the Claim shall not be entitled to any Distribution under the RCG Plan, and the Reorganized Debtor reserves its right to recover any excess setoff, counterclaim or recoupment from the holder of such Claim

7.2 Insurance Preservation. Nothing contained in this RCG Plan, including any releases, shall diminish or impair the enforceability of any policies of insurance that cover claims against the Debtor or any other person.

7.3 Discharge and Injunction. As of the Effective Date, in consideration for the obligations of the Debtor, the Reorganized Debtor and RCG under this RCG Plan, each holder of a Claim shall be deemed to have forever released and waived all Claims, demands, debts, rights, causes of action, remedies or liabilities against the Debtor and RCG. Except as otherwise provided by this RCG Plan, as of the Effective Date, all Persons that hold Claims shall be permanently enjoined from taking any of the following actions against the Debtor, RCG and their respective attorneys, accountants, financial advisors, agents and other professionals, on account of any Claim: (a) commencing or continuing in any manner any action or other proceeding respecting a Claim; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order respecting a Claim; (c) creating, perfecting or enforcing any lien or encumbrance respecting a Claim; (d) asserting a right of setoff, subrogation or recoupment of any kind respecting a Claim, the Debtor's assets or other property of the Estate; and (e) commencing or continuing any action that does not comply with or is inconsistent with this RCG Plan.

7.4 Releases by Claim Holders. Except as expressly provided in this RCG Plan, at all times on and after the Effective Date, through and including the date of entry of a Final Decree

closing the Case, all persons who have been, are or may be holders of Claims against the Debtor arising prior to the Effective Date shall be enjoined from taking any of the following actions against or affecting the Debtor, its Estate or its property, including the Assets, with respect to such Claims (other than actions brought to enforce any rights or obligations under the RCG Plan):

- (a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against the Debtor or its Estate, including, without limitation, all suits, actions and proceedings that are pending as of the Effective Date, except upon consent of RCG;
- (b) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree or order against the Debtor, its Estates or Assets;
- (c) asserting any right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due the Debtor, its Estate or Assets; and
- (d) proceeding in any manner in any place whatsoever against the Debtor, its Estate or Assets that does not conform to or comply with the provisions of the RCG Plan.

7.5 Releases by the Debtor. Except as otherwise specifically provided in the RCG Plan, for good and valuable consideration, including the funding by RCG to facilitate the provisions contemplated by the RCG Plan, on and after the Effective Date, RCG is hereby expressly, unconditionally, irrevocably and generally released, acquitted and discharged by the Debtor and the Estate from any and all actions, Claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative Claims asserted on behalf of the Debtor, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereinafter arising, in law, equity, contract, tort or otherwise, by statute or otherwise, that the Debtor or the Estate, or on behalf of the holder of any Claim, arising in whole or in part from the Case including, without limitation, the events preceding the filing of the Case, the formation, negotiation and funding of the RCG Plan and the RCG Disclosure Statement, or other occurrence relating to the Debtor taking place on or before the Confirmation Date of the RCG Plan, other than Claims or liabilities arising out of or relating to any act or omission of RCG unknown to the Debtor as of the Petition Date that constitutes willful misconduct, fraud or gross negligence, in each case as determined by final order of a court of competent jurisdiction.

7.6 Exculpation. Except to the extent arising from willful misconduct or gross negligence, any and all Claims, liabilities, Causes of Action, rights, damages, costs and obligations held by any party against the Debtor, RCG and their respective attorneys, accountants, financial advisors, agents and other professionals, and their officers, directors and employees, if any, whether known or unknown, matured or contingent, liquidated or unliquidated, existing, arising or accruing, arising between the Petition Date and the Effective Date and related to the administration of the Case or the formulation, negotiation, prosecution or implementation of this RCG Plan or the RCG Disclosure Statement to be filed in connection therewith, or the dissemination of and solicitation of votes for this RCG Plan, shall be deemed fully waived, barred, released and discharged in all respects, except as to rights, obligations,

duties, claims and responsibilities preserved, created or established by the terms of this RCG Plan. This RCG Plan and the Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly, derivatively or otherwise, of any Claims, obligations, suits, judgments, damages, debts, rights, causes of action or liabilities released herein.

**ARTICLE VIII
MISCELLANEOUS**

8.1 Notices. All notices, requests and demands upon the Debtor or RCG, as applicable, shall be in writing and be deemed delivered when received by the following:

If to the Debtor:

T-L Brywood LLC
c/o Tri-Land Properties, Inc.
One Westbrook Corporate Center
Westchester, IL 60134

and

David K. Welch, Esq.
Brian P. Welch, Esq.
Crane, Heyman, Simon, Welch & Clar
135 S. LaSalle Street
Chicago, IL 60603

and

Louis J. Wade, Esq.
McDowell, Rice, Smith & Buchanan
Skelly Building
605 West 47th Street
Kansas City, MO 64112

If to RCG or the Reorganized Debtor:

Brad Garner
RCG Ventures
3060 Peachtree Road NW, Suite 400
Atlanta, Georgia 30305

and

David J. Fischer, Esq.
Locke Lord LLP
111 South Wacker Drive
Chicago, IL 60606

8.2 Retention of Jurisdiction. On and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over all matters arising in, arising under and related to the Case including, without limitation, the following purposes: (a) hearing and determining objections to Claims, including, without limitation, Professional Compensation Claims, (b) effectuating the terms of the RCG Plan and enforcing the Confirmation Order; (c) determining applications for allowance of compensation and reimbursement of expenses in connection with services rendered through the Effective Date; (d) determining motions for assumption, assignment or rejection of executory contracts and unexpired leases; (e) considering motions, adversary proceedings and contested matters pending as of the Effective Date; (f) modifying any provision of the RCG Plan to the full extent permitted by the Bankruptcy Code; and (g) enforcing all orders, judgments, injunctions and rulings entered in connection with the Case.

Dated: September 25, 2015

Respectfully submitted,

RCG-KC BRYWOOD LLC, a Georgia limited liability company

By: **RCG Ventures Distressed Real Estate Opportunity Fund, LP**, a Georgia limited partnership
Its: Sole Member and Manager

By: **RCG Ventures Fund II GP, LLC**, a Georgia limited liability company
Its: Sole General Partner

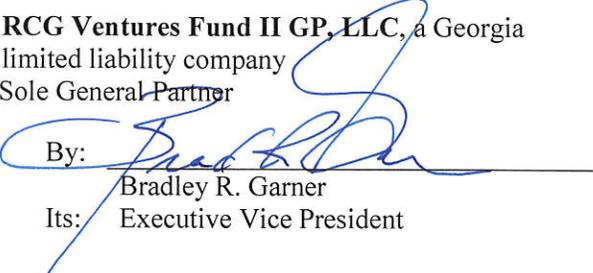
By: 
Bradley R. Garner
Its: Executive Vice President

EXHIBIT A
THE PROPERTY

Tract 1:

Lot 1, THE BRYWOOD CENTRE, a subdivision of land partly in Kansas City, partly in Raytown, and wholly in Jackson County, Missouri, recorded as Document No. 197210125473 in Plat Book 32 at Page 61.

Tract 2:

Lot 5, EXCEPT that part thereof in road, AND EXCEPT that part described as follows: Beginning at the Southwest corner of Lot 5, North 99 feet to the Northwest corner of said Lot; thence East along the North line of said Lot, 202 feet; thence South along a line 240 feet West of and parallel to the centerline of existing slab of Blue Ridge Cut-Off, a distance of 99 feet to the South line of said Lot; thence West along the South line a distance of 201.55 feet to the point of beginning, being in PRIMM'S ACRES, a subdivision partially in Kansas City, partially in Raytown, and wholly in Jackson County, Missouri, said lot being entirely in Raytown.

TAX ID NO.

45-310-05-036

45-310-05-038

45-310-05-039

45-310-05-041

45-310-05-021

Commonly Known As: Brywood Centre, 63rd Street and Blue Ridge, Kansas City, Missouri

EXHIBIT B

**PAGES FROM DEBTOR'S SCHEDULE F
IDENTIFYING MESIROW NOTE CLAIMS**

In re T-L Brywood LLC, a Delaware Limited Liability Company

Case No. 12-09582

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B I T O R	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No. KISSICK CONSTRUCTION COMPANY 8131 Indiana Avenue Kansas City, MO 64132		-					6,872.00
Account No. LIGHT BULBS, INC 14821 West 99th Lenexa, KS 66219		-	2/23/2012 Inv. No.0659986-IN				295.84
Account No. xx0911 MARKETPLACE MEDIA GROUP 115 South Grove Ave Suite 207 Elgin, IL 60120		-	11/30/2011				1,725.00
Account No. MESIROW FINANCIAL INC. IRA Dept. Attn: Mary Tait 353 North Clark Street Chicago, IL 60654		-	7/2/2010 Note Amount - Mesirow Financial Inc. Custodian, FBO Stuart L. Pinkert IRA Account #8866-6694				500,000.00
Account No. MESIROW FINANCIAL INC. IRA Dept. Attn: Mary Tait 353 North Clark Street Chicago, IL 60654		-	Interest Payable through 2/29 Mesirow Financial Inc. Custodian FBO Stuart L. Pinkert IRA Account #8866-6694				124,315.07
Subtotal (Total of this page)							633,207.91

Sheet no. 8 of 14 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

In re **T-L Brywood LLC, a Delaware Limited Liability Company**

Case No. **12-09582**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No. MESIROW FINANCIAL INC. IRA Department, Attn: Mary Tait 353 North Clark Street Chicago, IL 60654			7/2/2010 Note Amount- - Mesirow Financial Inc. Custodian Radley D. Pearsall Profit Sharing Plan FBO Radley Pearsall Account #8896-3554				100,000.00
Account No. MESIROW FINANCIAL INC. IRA Dept. Attn: Mary Tait 353 North Clark Street Chicago, IL 60654			Interest Payable through 2/29/ - Mesirow Financial Inc. Custodian Radley D. Pearsall Profit Sharing Plan FBO Radley Pearsall Account #8896-3554				24,863.01
Account No. MESIROW FINANCIAL INC. IRA Dept. Attn: Mary Tait 353 North Clark Street Chicago, IL 60654			7/2/2010 Note Amount- - Mesirow Financial Inc., Custodian , FBO Frank B. Chauner SEP IRA Account #8889-9425.				50,000.00
Account No. MESIROW FINANCIAL INC. CUSTODIAN FBO FR Mesirow Financial, Inc IRA Department AT Chicago, IL 60654			Interest Payable through 2/29- - Mesirow Financial Inc., Custodian , FBO Frank B. Chauner SEP IRA Account #8889-9425.				12,431.51
Account No. MISSOURI GAS & ENERGY PO Box 219255 Kansas City, MO 64121			2/29/2012 Inv. No.610343523				44.76

Sheet no. **9** of **14** sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

Subtotal
(Total of this page) **187,339.28**

EXHIBIT 2**LIQUIDATION ANALYSIS****I. Calculation of Net Estimated Proceeds Available for Allocation***Liquidation Proceeds*

Value of Real Estate (stipulated)	\$8,350,000.00
Cash on Hand (as of February 1, 2016)	1,020,730.00
Collectible Prepetition Receivables	\$27,323.92
Collection on Postpetition Receivables (less 25% discount for collectability)	\$242,234.67
Avoidance Action Collections	\$0.00
<i>Gross Proceeds</i>	\$9,640,288.59

Creditor Recovery Expenses

Chapter 7 Trustee Fees (3% of gross proceeds)	\$297,548.93
Other Wind-Down Expenses	\$15,000.00
Professional Fees	\$30,000.00
<i>Total Post-Petition Administrative Expenses</i>	\$342,548.93

Net Estimated Proceeds Available for Allocation \$9,297,739.66

II. Allocation of New Estimated Proceeds to Secured Claims

RCG Claim	\$12,260,000.00
Jackson County Tax Lien	\$85,000.00
<i>Total Secured Claims</i>	\$12,345,000.00

Net Estimated Proceeds After Secured Claims \$0.00

III. Allocation of Estimated Proceeds to Administrative, Priority, and Unsecured Claims*Administrative Claims*

Post-Petition Accounts Payable (as of February 1, 2016)	\$110,000.00
Chapter 11 Professional Claims	\$300,000.00
<i>Total Administrative Claims</i>	\$410,000.00

Net Estimated Proceeds After Administrative Claims \$0.00

General Unsecured Claims

RCG Unsecured Deficiency Claim	\$2,962,260.34
General Unsecured Claims	\$161,246.35
Planet Fitness	\$200,000.00
Mesirow Note Claims	\$811,609.59
Insider Claims	\$1,023,665.59
<i>Total General Unsecured Claims</i>	\$5,158,781.87

Estimated Recovery Percentage on Unsecured Claims **0.0%**

EXHIBIT 3

SUMMARY BIOGRAPHIES OF RCG MANAGEMENT TEAM

Michael McMillen – CEO and Co-Founder

Mr. McMillen began his career with Spectrum Realty Advisors (now Colliers) where he served as Senior Leasing Representative.

Mr. McMillen served as Senior Leasing Representative of Regency Realty (NYSE: REG) / Branch Properties where he was responsible for several re-development projects and new developments in the Atlanta MSA.

In 2000, Mr. McMillen formed MCM Real Estate, Inc., a commercial real estate investment and consulting firm. Through MCM, Mr. McMillen acquired six multi-tenant retail properties containing over 500,000 square feet of retail space.

In November 2003, Mr. McMillen co-founded RCG Ventures, LLC where he serves as CEO and manages the day-to-day business operations, including oversight of the acquisitions team. Mr. McMillen also serves on the Investment Committee.

Mr. McMillen received a B.A. in Economics from Vanderbilt University and a M.B.A. with a focus in Real Estate and Corporate Finance from the Terry Graduate School of Business at the University of Georgia. Mr. McMillen also attended the London School of Economics.

Michael Klump – Chairman and Co-Founder

Mr. Klump's early experience included all phases of real estate and in 1992, Mr. Klump co-founded Equity Investment Group ("EIG"), a private REIT focused on the shopping center sector.

By 2002, EIG boasted a portfolio of 120 shopping centers, with nearly 15 million square feet in 31 states and was valued at approximately \$850 million. In December 2002, EIG sold 58 properties to New Plan Excel and has sold 55 additional properties to third party buyers.

In 2003, Mr. Klump co-founded Highland Equity Group ("HEG"), a real estate investment firm focused on single tenant properties in the sale-leaseback market. HEG acquired 40 properties representing approximately \$178 million of acquisitions.

In 2003, Mr. Klump also founded Argonne Capital Group, a private investment firm focused on making controlling investments in companies in the restaurant, retail and service industries.

Today, Argonne is one of the larger privately-held restaurant operators in the country with over 925 locations spanning 5 brands, including IHOP (250+ unit franchisee/licensee), Applebee's (115+ unit franchisee), Krystal (350+ unit franchisor), On The Border (150+ unit franchisor) and Stevi B's Pizza (40+ unit franchisor). With the firm's acquisition of Lube Stop, a 37 unit quick service oil change provider, Argonne has also expanded its holdings to include the broader automotive service sector. In aggregate, Argonne's portfolio employs over 25,000 people and generates in excess of \$1.5 billion in annual system-wide sales.

In November 2003, Mr. Klump co-founded RCG Ventures, LLC to focus on ownership opportunities in the multi-tenant retail real estate sector. Mr. Klump serves as Chairman of RCG. Mr. Klump received a B.A. from the University of Colorado.

Brad Garner – CFO

Mr. Garner serves as CFO for RCG Ventures, LLC and has over 20 years of commercial real estate experience.

Regency Realty/Branch Properties: Mr. Garner worked at Regency Realty (NYSE: REG)/Branch Properties as an Acquisitions Analyst/Senior Accountant. He was responsible for underwriting and analysis of new acquisition opportunities.

Equity One/IRT Properties: Mr. Garner was Vice President of Real Estate for Equity One (NYSE: EQY)/IRT Properties and was responsible for sourcing new acquisitions. In addition, he handled all asset dispositions and secured financing.

BVT Equity Holdings: Mr. Garner served as Vice President for BVT Equity Holdings, a German based real estate investment company. At BVT he was responsible for new investment opportunities and asset management of a retail portfolio of over two million square feet.

Match Properties: Mr. Garner was Managing Partner of Match Properties, an investment and development firm located in Atlanta, Ga. Match Properties focused on high quality in-fill retail and mixed-use properties throughout the Southeast.

RCG Ventures: In 2009, Mr. Garner joined RCG Ventures, LLC as Vice President-Asset Management with oversight of the Leasing and Property Management departments. Mr. Garner was promoted to CFO in October 2010.

Mr. Garner graduated from the University of Georgia with a B.B.A. in Accounting and holds his CPA license.

Sonya Morris – COO

Ms. Morris is the Chief Operating Officer for RCG Ventures, LLC and has over 17 years of experience in commercial real estate.

Heitman Retail Properties: Ms. Morris was employed with Heitman Retail Properties as a Property Accountant for a regional mall, totalling approximately 618,279 square feet.

Jones Lang LaSalle: Ms. Morris was employed with Jones Lang LaSalle as a Senior Property Accountant for 3 regional malls, totalling approximately 1.8 million square feet.

Spectrum Cauble Management (Now Colliers Spectrum): Ms. Morris was Head of Accounting at Spectrum Cauble Management for over 6 years, where she was responsible for a portfolio of approximately five million square feet. Her knowledge of accounting software includes MRI, DOS, Windows and Net Source, Skyline, CTI and RAISH.

RCG Ventures: In 2005, Ms. Morris joined RCG Ventures, LLC, as the Vice President of Accounting. Ms. Morris was promoted to COO in August 2014.

Ms. Morris graduated from the University of Findlay with a B.A. in Accounting.

Brett Lesley – Vice President - Leasing

Mr. Lesley is the Vice President of Leasing of RCG Ventures, LLC and has over 16 years of experience in commercial real estate.

Equity One/IRT Properties: Mr. Lesley worked at Equity One (NYSE: EQY)/IRT Properties for 3 years and was responsible for leasing a portfolio totaling 800,000 square feet.

Thomas Enterprises: Mr. Lesley worked at Thomas Enterprises for over 5 years and was responsible for leasing anchor, shop and “lifestyle” retail space in a portfolio of retail and mixed-use developments totaling approximately ten million square feet.

The Sembler Company: Mr. Lesley managed anchor tenant, shop and “lifestyle” leasing for multiple ground up developments throughout the southeast, totaling approximately five million square feet.

Madison Retail, LLC: Mr. Lesley was the Vice President at Madison Retail, LLC, where he oversaw the leasing and management of a portfolio in excess of one million square feet.

RCG Ventures: In November 2010, Mr. Lesley joined RCG Ventures, LLC, where he is the Vice President of Leasing and manages the entire leasing team.

Mr. Lesley is proficient at lease negotiation and execution with virtually all types of tenants, including anchor, lifestyle and small shop tenants, in power centers, mixed-use developments, and neighborhood centers throughout the Southeast. He has been responsible for over fifteen million square feet of retail developments.

Mr. Lesley graduated from the University of Mississippi with a B.A. in History.

Charles Swain – Vice President of Operations

Mr. Swain is Vice President of Operations for RCG Ventures, LLC and has over 18 years of experience in commercial real estate.

Marcus Hotels & Resorts: Mr. Swain served as District Director for the Marcus Corporation for 5 years with responsibilities for the daily operations, marketing, site selection and development of 14 hotels throughout the northeastern US.

Equity Investment Group: Mr. Swain served as Regional Director of Property Management for Equity Investment Group for 4 years, where he was responsible for oversight of portfolio of approximately 50 retail shopping centers.

Colliers International: Mr. Swain served as Partner of Colliers International Atlanta and President of the Real Estate Management Services for 14 years. His responsibilities included oversight of property management, facilities management, construction management, accounting and asset management services for a portfolio of 34,000,000 square feet valued in excess of \$1,000,000,000.

RCG Ventures: In 2014, Mr. Swain joined RCG Ventures, LLC as Vice President of Operations with oversight of the Property Management and Construction departments.

Mr. Swain attended the College of Charleston and Asheville Buncombe College in pursuit of a Hospitality Degree.

Randy Garfinkle – Director of Investments

Mr. Garfinkle serves as Director of Investments for RCG Ventures, LLC and has over 11 years of commercial real estate experience.

Zapolski + Rudd: Mr. Garfinkle served as legal counsel and directed acquisition and asset management activities for the west coast headquarters of Zapolski + Rudd. During Mr. Garfinkle's tenure, the firm's portfolio was valued at more than \$250 million.

Parker Poe Adams & Bernstein: Mr. Garfinkle worked as an attorney within the law firm's Real Estate and Commercial Development practice group. Mr. Garfinkle advised real estate developers on various commercial real estate projects, including the acquisition, development and leasing of retail, office, hospitality and mixed-use properties.

TD Bank, N.A.: Mr. Garfinkle was Vice-President – Asset Manager in the Special Assets Department of TD Bank, N.A. While at TD Bank, Mr. Garfinkle managed and negotiated the sale of 65 commercial real estate properties.

RCG Ventures: In 2012, Mr. Garfinkle joined RCG Ventures, LLC and directs the acquisition, disposition and financing activities of RCG's multi-tenant retail shopping center portfolio.

Mr. Garfinkle earned his J.D. from Santa Clara University School of Law and a B.S. from the University of Colorado.