

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF CONNECTICUT  
BRIDGEPORT DIVISION**

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	:	
In re:	:	
	:	CHAPTER 11
MAIN STREET BUSINESS	:	
MANAGEMENT, INC.	:	
	:	CASE NO. 15-51439 (JAM)
Debtor.	:	
	x	

**JOINT DISCLOSURE STATEMENT**

On October 14, 2015 (the “Petition Date”), Main Street Business Management, Inc. (the “Company”), a Connecticut corporation, filed a voluntary petition for reorganization pursuant to Chapter 11 of the United States Code (the “Code”) with the United States Bankruptcy Court for the District of Connecticut (the “Court”). The Company together with its principal, Gus Curcio, Sr., (“Curcio”) has filed, together with this Disclosure Statement, its proposed Plan of Reorganization (the “Plan”). Pursuant to Section 1125 of the Code, the Company and Curcio have prepared and filed this Joint Disclosure Statement (the “Statement”) along with the Plan for the Court’s approval for submission to the holders of claims and interests with respect to the Company and its assets. The purpose of this Statement is to provide the holders of claims against or interests in the Company with adequate information about the Company and the Plan to make an informed judgment about the merits of approving the Plan.

**NO REPRESENTATIONS CONCERNING THE COMPANY (PARTICULARLY AS TO THE VALUE OF ITS PROPERTY) ARE AUTHORIZED BY THE COMPANY OTHER THAN AS SET FORTH IN THIS STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE ACCEPTANCE OF THE PLAN WHICH**

**ARE OTHER THAN AS CONTAINED IN THIS STATEMENT SHOULD NOT BE RELIED UPON BY ANY CREDITOR. THE INFORMATION CONTAINED IN THIS STATEMENT HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. THE RECORDS KEPT BY THE COMPANY ARE NOT WARRANTED OR REPRESENTED TO BE WITHOUT ANY INACCURACY ALTHOUGH EVERY EFFORT HAS BEEN MADE TO BE ACCURATE. APPROVAL OF THIS DISCLOSURE STATEMENT BY THE COURT DOES NOT CONSTITUTE A RECOMMENDATION AS TO THE MERITS OF THE PLAN.**

**I.  
GENERAL HISTORY**

Main Street Business Management, Inc. was incorporated on December 23, 1977 for the purpose of providing services to enable and assist businesses in saving costs on utilities. The Company, on behalf of its clients (small businesses in Connecticut), was able to negotiate preferred pricing and payment plans to benefit its clients. In the last decade, the Company has purchased and obtained lease agreements on certain pieces of real estate in the greater Bridgeport, Connecticut area for the purpose of investment and to expand its business. The Company purchased two parcels of real property in Bridgeport and was a tenant at 2931 Fairfield Avenue, Bridgeport, Connecticut ("Fairfield Avenue") by virtue of the assignment to it of a written lease agreement originally between Sonic Enterprises, Inc. and Jetland, LLC n/k/a Fairfield Jetland LLC ("Jetland"). During the pendency of the case, the lease for the Fairfield Avenue parcel was deemed rejected and the parties reached a settlement which was approved by order of the Bankruptcy Court (the "Jetland Settlement").

The Debtor owns a three family house located on William Street in Bridgeport. The William Street property is currently vacant and needs substantial work to prepare it for

successful rental. The Debtor, together with Blue Star Construction LLC, a local construction company related to the Debtor by common ownership, intends to renovate and upgrade the William Street property to make it marketable as a rental producing property. The third parcel is a ten-acre parcel located on Hart Street in Bridgeport. The Hart Street Rear property was purchased from Manuel Moutinho, who took back a mortgage on the property to secure part of the purchase price. The Debtor believed that zoning approval to develop the Hart Street Rear property as a large condominium complex was imminent at the time of the purchase of the property. The zoning approval was not obtained and the Debtor is currently prosecuting a law suit against the City of Bridgeport to obtain zoning approval and further seeking damages against Moutinho and the City of Bridgeport for damages suffered as a result of a failed transaction caused by Mr. Moutinho's interference. The Debtor has discovered that there is environmental contamination of the Hart Street Rear property which requires remediation. The Debtor intends to invest the funds necessary to complete the environmental remediation on the Hart Street Rear property and segregate at least one, unaffected parcel of the property for marketing and sale. If possible, the Debtor will segregate as many as three (3) parcels from the Hart Street Rear property and, after obtaining any necessary zoning approvals and completion of any needed environmental remediation, market and sell the parcels. The Debtor's remaining assets include: (i) a time share interest in Orange Lakes Country Club in Orlando, Florida that it believes has a value of \$4,600 and (ii) receivables valued at approximately \$700,000.

Due primarily to prolonged periods during which its properties were without tenants and cash flow and the cost of the ongoing litigation with the City of Bridgeport and others, the Debtor's properties were subject to foreclosure actions. Accordingly, the Debtor was forced to file for Chapter 11 reorganization to restructure its debt to enable it to create the most value for it

and its creditors.

## **II. POST-PETITION PROCEEDINGS AND BUSINESS OPERATION**

After the Petition Date, the lease on the Fairfield Avenue property was deemed rejected and the owner of the property took possession. With respect to the William and Hart Street properties, the Company sought Court determination of the values of its properties for purposes of paying the allowed secured portion of its secured debt. The Court has granted the motions with respect to each of those properties. The Debtor has made monthly adequate protection payments to the City of Bridgeport pursuant to Stipulated Order Granting Adequate Protection dated April 1, 2016.

By motion dated June 22, 2016, the Debtor sought approval of a compromise and settlement of claims between it, Winter Bros. Waste Systems of CT, LLC, Winter Bros. Hauling of CT, LLC and Comlink, Inc. (the “Winter Bros. Settlement”). Pursuant to the terms of the Winter Bros. Settlement, in addition to payment to other parties, the Debtor’s estate would be paid \$1,000 and Comlink, Inc. would be paid \$92,000.00. The Office of the United States Trustee interposed an objection to the Winter Bros. Settlement based, in part, on the debt owed to the Debtor by Comlink, Inc. As of the Petition Date, Comlink, Inc. was indebted to the Debtor in the amount of \$71,884.85. Comlink, Inc. has now agreed to turnover and transfer to the Debtor the balance of the funds it owes the Debtor from the Winter Bros. Settlement in satisfaction of its obligation to the Debtor’s estate. In addition to the Comlink, Inc. receivable, the Debtor has receivables valued at approximately \$700,000 from fifteen (15) parties. The Debtor has collected \$30,421.82 from its receivables since the Petition Date and anticipates that it will be able to collect more than 50% of these receivables over time which funds would be available to fund the Plan.

By virtue of the Jetland Settlement, the Debtor vacated the Fairfield Avenue property and Jetland paid to the Debtor's estate the sum of \$15,000 in settlement of Debtor's claims against it.

The Debtor is seeking to develop and market for rental its property at 71 William Street, Bridgeport ("William Street"). The Debtor will seek, through the Plan, approval of a loan from a related entity to fund the construction costs on the William Street property. The lender, Blue Star Construction LLC ("Blue Star") will perform the work on the William Street property. The loan, for the work to be performed on William Street is estimated to be in the amount of \$100,000, will be a construction loan accruing interest on the outstanding principal balance in the amount of 5% per annum with a five (5) year term. The Debtor anticipates that it will generate sufficient rental income from the William Street property to satisfy the loan. With respect to the Hart Street property, the Debtor will seek to split a portion of the property not subject to environmental contamination for the purpose of marketing and selling it. If possible, the Debtor will effectuate the split and market the parcel without necessity of zoning approval or environmental remediation. However, it is anticipated that zoning approval and environmental remediation may be necessitated before any part of the Hart Street property is ready for marketing and sale. The Debtor's principal and co-proponent of the Plan will fund remediation costs for the Hart Street Property. It is estimated that the remediation costs will be, in the aggregate, approximately \$400,000, which amount will be funded by Curcio over five (5) years as a capital contribution to the Debtor.

### **III. PRE-PETITION DEBT**

The following claims were taken from the Company's schedules and from the proofs of claims filed. Where they conflict, the amounts from the proofs of claim have been used.

**A. Secured Claims**

**1. Hart Street Rear, Bridgeport Connecticut**

a. The City of Bridgeport has a lien for real estate taxes.

b. MTAG Services, LLC has a lien for real estate taxes assigned to it by the City of Bridgeport.

c. Manuel Moutinho has a mortgage in the original principal amount of \$2,000,000.00. The Debtor disputes the validity and extent of Manual Moutinho's claim.

**2. 71-75 William Street, Bridgeport, Connecticut**

a. MTAG Services, LLC has a lien for real estate taxes assigned to it by the City of Bridgeport.

b. Aquarion Water Company has a lien for water use charges.

c. U.S. Bank Trust, N.A., as Trustee for LSF8 Master Participation Trust, by virtue of assignment, has a mortgage in the original principal amount of \$360,498.66.

**B. Priority Claims under Section 507(a)(8) of the Code**

1. The City of Bridgeport may have claims for real estate taxes on 71-75 William Street and Hart Street Rear not yet liened.

2. Aquarion Water Company may have claims on 71-75 William Street not yet liened.

3. The State of Connecticut may have a claim for corporate taxes in the amount of approximately \$900.

**C. Unsecured Debt**

There are approximately 27 creditors with claims in the aggregate approximate amount of \$6.6 million, which includes the unsecured claims for claimants subsequent to entry of the

Section 506 (b) orders of this Court.

**D. Equity Security Holders**

Gus Curcio, Sr. is the sole owner of the equity of the estate.

**IV.  
THE PLAN OF REORGANIZATION**

**A. Definitions**

1. **Code:** Code shall mean the Bankruptcy Reform Act of 1978 which has been codified as Title 11 of the United States Code.

2. **Confirmation:** Confirmation shall mean the date on which the Plan is confirmed by Order of the Court.

3. **Court:** Court shall mean the United States Bankruptcy Court for the District of Connecticut including the United States Bankruptcy Judge presiding therein.

4. **Effective Date of the Plan:** Effective Date of the Plan shall mean the first business day which is thirty (30) days following the last day on which an appeal from an Order of the Court confirming this Plan may be taken under applicable law and no such appeal has been taken or, if such an appeal has been taken, the first business day which is thirty (30) days following the date upon which such appeal has been exhausted and the Plan may proceed.

5. **Date of Confirmation of the Plan:** Date of Confirmation of the Plan shall mean that date upon which the Court approves the Company's Plan.

6. **Net Proceeds:** Net Proceeds from the sale of real estate shall be defined as the balance left over after payment in full of any encumbrances on said realty, a reasonable attorney's fee for the closing, closing costs and adjustments standard to the practice of the town where the property is located, payment of any capital gains taxes due on the sale and payment for any allowed administration expenses in this case.

**7. Voting, Cram Down and Confirmation**

**a. Voting**

In order to obtain confirmation of the Plan by the Court, the Plan must be accepted by the Creditors of Classes 1 – 6, assuming that their claims are allowed. Of those creditors in Classes 1 – 6 who have allowed claims and actually vote on the Plan, creditors holding at least two-thirds in dollar amount of the allowed claims and who constitute more than one-half in number of such voting creditors must vote for the Plan in order for the Plan to be confirmed.

Administrative claims are to be paid in full upon confirmation; they are not impaired under the Plan and are deemed to have accepted the Plan. Creditors within a class vote as part of a class.

**b. Cram Down**

If any class should fail to accept the Plan by the required majority, the Court may, under Section 1129(b) of the Code, nonetheless confirm the Plan if at least one impaired class has accepted the Plan and the Court finds that the Plan does not discriminate unfairly and is fair and equitable with respect to any impaired class which has not accepted the Plan. A plan is “fair and equitable” within the meaning of this section if it provides as to a dissenting class of secured creditors, retention of the lien securing the claim in the allowed amount of the claim, and payment of deferred cash payments totaling the allowed amount of such claim and having a value, as of the effective date of the Plan, of its collateral. As to a dissenting class of unsecured creditors, a Plan is “fair and equitable” if it receives property of a value, as of the effective date of the Plan, equal to the allowed amount of its claims, or the holders of claims in junior classes will receive or retain nothing under the plan. The rule that



junior classes receive or retain no property is sometimes called the “absolute priority rule.” However, an exception to this rule exists where either the plan provides for a liquidation or a junior class makes a “substantial” contribution of new money or property into the debtor as part of a plan of reorganization, and this exception may provide an opportunity to existing shareholders of the debtor who wish to retain an equity interest in the Company. The Company intends to invoke these “cram down” provisions against any class, secured or unsecured, that fails to accept the Plan.

8. To the extent that the word “impaired” is used, impaired is defined in 11 U.S.C. § 1124 as follows except as to unfavorable treatment agreed upon by any class or claimant:

“A class of claims or interests is impaired under a plan unless, with respect to each claim or interest of such class, the plan

1. leaves unaltered, the legal, equitable and contractual rights to which such claim or interest entitles the holder of such claim or interest; or

2. notwithstanding any contractual provision or applicable law that entitles the holder of such claim or interest to demand or receive accelerated payment of such claim or interest after the occurrence of a default –

a. cures any such default that occurred before or after the commencement of the case under this title (11 U.S.C. § 101 *et. seq.*) other than a default of a kind specified in § 365 (b) (2) of this title 11 U.S.C. § 365 (b)(2) or of a kind that § 365 (b)(2) expressly does not require to be cured;

b. reinstates the maturity of such claim or

interest as such maturity existed before such default;

c. compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law;

d. if such claim or such interest arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to § 365 (b)(1)(A), compensates the holder of such claim or such interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such holder as a result of such failure; and

e. does not otherwise alter the legal, equitable or contractual rights to which such claim or interest entitles the holder of such claim or interest.”

**B. The major objectives of the Company’s Plan of Reorganization are:**

1. Payment to and protection of the interests of the secured creditors;
2. Payment of all obligations to the taxing authorities;
3. Payment of all priority and administrative claims;
4. Payment of an amount to unsecured creditors that is not less than such creditors

would receive in the event that the Company was liquidated on the effective date of the Plan.

The following is a brief summary of the Plan and should not be relied upon for voting purposes.

Creditors are urged to read the Plan in full. Creditors are further urged to consult with counsel or with each other in order to fully understand and evaluate the Plan.

All creditors who are listed in the Company's schedules filed with the Bankruptcy Court may vote on the Plan whether or not they have filed Proofs of Claim, except in those instances where the schedules reflect that that claim is disputed, unliquidated, contingent or where objections to claims have been filed. Further, all creditors who are listed in the schedules will receive payment pursuant to the Plan whether or not a Proof of Claim was filed, except in those instances where the schedules reflect that the Creditor's claim is disputed, contingent, or unliquidated. In the case where objections to claims have been made by the Company, payments will be made in accordance with the Plan upon a final decision by the Court as the allowed amount. Where a Proof of Claim is filed in an amount which is different from that set forth in the Company's schedules, or is filed as a claim which its schedules are disputed, contingent or unliquidated, the same may be subject to objection, and after a hearing thereon, may be either allowed, reduced or disallowed by the Court and the amount determined in that instance will establish the amount to be paid to the Creditors pursuant to the Plan.

**C. Claims and Interests Under the Plan**

**1. Administrative Claims**

Administrative expenses as defined in Section 503(b) of the Code include the claims of the Company's bankruptcy counsel, Neubert, Pepe & Monteith, P.C., which total is estimated to be \$50,000. The allowance of all of the above claims is required to be approved by the Court. These claims will be paid in full on the later of their allowance or confirmation of the Plan. Any entity herein may elect to receive a payment over a period of time or a difference treatment.

2. **Secured Claims**

a. **Class 1**

Class 1 consists of the City of Bridgeport for real estate tax liens on Hart Street Rear, Bridgeport, Connecticut.

b. **Class 2**

Class 2 consists of MTAG Services, LLC for the tax lien assigned from the City of Bridgeport on Hart Street Rear and 71-75 William Street, Bridgeport, Connecticut.

c. **Class 3**

Class 3 consists of the Aquarion Water Company for a lien on 71-75 William Street, Bridgeport, Connecticut.

d. **Class 4**

Class 4 consists of U.S. Bank Trust, N.A., as Trustee for LSF8 Master Participation Trust for a mortgage on 71-75 William Street, Bridgeport, Connecticut.

e. **Class 5**

Class 5 consists of Manuel Moutinho for a mortgage on Hart Street Rear, Bridgeport, Connecticut.

2. **Priority Claims under Section 507(a)(8) of the Code**

These are the claims for unliened real estate taxes claimed by the City of Bridgeport as well as taxes due the State of Connecticut.

3. **Unsecured Claims Class 6**

These are the claims of the present unsecured creditors and those creditors that become unsecured as the result of the application of Code Section 506(a).

4. **Claims of Equity Security Holder Class 7**

Gus Curcio, Sr. is the owner of the equity in the Debtor.

D. **Treatment of Claims and Interests Under the Plan**

1. **Administrative Claims**

These claims will be paid in full on the later of their allowance or confirmation of the Plan. Any administrative claim holder may elect to receive payment over a period of time or a different treatment.

2. **Priority Claims**

Priority claims will be paid in full on the Effective Date of the Plan.

3. **Secured Claims**

a. **Class 1 Impaired**

The City of Bridgeport's allowed secured claims regarding Hart Street Rear, Bridgeport, Connecticut shall be paid in full in monthly payments over the term of 5 years from the Petition Date with statutory interest as per Exhibit B annexed hereto or upon collection of the Debtor's Comlink, Inc. receivable whichever event shall first occur. Until paid, it shall retain its liens.

b. **Class 2 Impaired**

MTAG Services' allowed secured claim on Hart Street Rear and 71-75 William Street, Bridgeport, Connecticut shall be paid in full over the term of 5 years from the Petition Date with statutory interest as per Exhibit B annexed hereto or upon collection of the Debtor's Comlink, Inc. receivable whichever event shall first occur. Until paid, it shall retain its lien.

c. **Class 3 Impaired**

The allowed secured claim of the Aquarion Water Company on 71-75 William Street, Bridgeport, Connecticut shall be paid in full over the term of 5 years from the Petition Date with statutory interest as per Exhibit B annexed hereto or upon collection of the Debtor's Comlink, Inc. receivable whichever event shall first occur. Until paid, it shall retain its liens.

d. **Class 4 Impaired**

The allowed secured claim of U.S. Bank Trust, N.A., as Trustee for LSF8 Master Participation Trust in the amount of \$16,294.83 shall be paid in full in twelve equal monthly payments of principal and interest at the rate of 5% per annum. Until paid, it will retain its lien. To the extent that the claim of U.S. Bank Trust, N.A., as Trustee for LSF8 Master Participation Trust is partially unsecured by virtue of the Court's order under Section 506 of the Code, its allowed unsecured portion will be treated and paid as a Class 6 Claimant.

e. **Class 5 Impaired**

The allowed secured claim of Manuel Moutinho shall be paid in full in sixty (60) equal monthly installments of principal and interest at the rate of 5% per annum. Until paid, he will retain his lien. To the extent that his claim is partially or wholly unsecured, its allowed unsecured portion will be treated and paid as a Class 6 Claimant. To the extent the Debtor obtains a judgment, settlement, or award against Manuel Moutinho in the State Court Litigation, any such judgment, settlement or award shall be set off against Manuel Moutinho's claim.

f. **Class 6 Impaired**

The unsecured creditors will be paid 15% of their allowed unsecured claims over the period of 72 months from the Effective Date of the Plan in annual distributions commencing the later of 60 days after the Effective Date of the Plan or upon allowance of the particular claim.

g. **Class 7 Not Impaired**

Gus Curcio, Sr. will retain his interest in the Debtor. Mr. Curcio will invest the amount necessary to effectuate environmental remediation of the Hart Street Rear property, estimated to be \$400,000. He will do so by capital contributions to the Debtor in the amount of \$80,000 per year for five years. The first annual contribution shall be made on the Effective Date. Mr. Curcio will waive his claims against the estate and will not receive any salary for his services to the Debtor until Plan payments are completed.

**V.**  
**FINANCIAL INFORMATION**

There have been no transfers of the Debtor's assets, other than in the ordinary course of business, therefore the Debtor does not believe it has any claims to pursue fraudulent transfers or conveyances.

**A. Executory Contracts**

All executory contracts not specifically rejected in the Plan or objected to prior to Confirmation shall be assumed by the confirmation of the Plan.

**B. Liquidation Value**

The face sheets of the appraisals of all of the Company's real estate are annexed hereto as Exhibit A. (Full copies of the appraisals are available on request from the Company's counsel.)

Also annexed hereto is Exhibit B which is a spreadsheet showing the values of the properties and a summary of the liens on the properties. As shown on the spreadsheet, the properties are valued at less than the amount of the alleged liens. The Company believes that creditors shall receive a higher recovery under the Plan that could be obtained through a liquidation of its assets. The Company notes that in a chapter 7 liquidation proceeding, the administrative costs of the chapter 7 proceeding, including any commission due to a chapter 7 trustee, would be paid prior to any distribution to unsecured creditors.

**C. Means of Effectuation of the Plan**

1. The Company has sought a determination from the Court as to the secured status of the liens on its real estate. The Court has granted and entered the order with respect to the real property located at 71-75 William Street, Bridgeport Connecticut, and granted the order but did not enter it with respect to encumbrances other than the mortgage held by Manuel Moutinho with respect to Hart Street Rear, Bridgeport, Connecticut. No decision on the valuation of the Manuel Moutinho mortgage was entered. On January 30, 2017, the appraisal company, Advisra Consulting LLC, appraised the Hart Street Rear property at a value of \$0 due largely to the environmental contamination at the property. The Company believes that as a result of the environmental conditions on the Hart Street Rear property, the lien of the Manuel Moutinho mortgage is wholly unsecured. The Company intends to seek zoning authority to split off one parcel from the Hart Street Rear property (which parcel is not affected by the environmental contamination) for market and sale. The proceeds from this sale will be used to fund Plan payments. The Company will also receive capital contributions from its principal in an amount at least equal to \$400,000 to fund the environmental remediation costs of the Hart Street Rear property (the remediation costs have been estimated to be \$400,000). During the remediation



period, the Company will continue to pursue its litigation against the City of Bridgeport and Moutinho for zoning approval and damages incurred as a result of wrongful interference in a business transaction. Any judgment entered in favor of the Debtor against Moutinho in the state court litigation shall be set off against amounts owing to Moutinho pursuant to the Plan. To the extent that the Debtor seeks to sell all or a portion of the Hart Street Rear property such sale or sales shall be pursuant to 11 U.S.C. § 1146 which provides, *inter alia*, that the transfer or delivery of an instrument under a plan confirmed under § 1129 may not be taxed under any law comprising a stamp tax or similar. The Debtor intends to seek an exemption from the imposition of any state or local conveyance taxes which might otherwise be imposed.

2. The Company intends to borrow from Blue Star Construction, LLC (“Blue Star”) up to \$100,000, to develop and improve the William Street property for the purpose of marketing the units for rental. The unsecured loan will be repaid over a five-year term at five percent (5%) interest rate per annum by virtue of monthly payments of principal and interest commencing on the first day of the month immediately succeeding completion of the rehabilitation of the William Street property. Upon completion of the William Street property rehabilitation, the property will be marketed for rent and the rental income shall be used to fund Plan payments and payment on the Blue Star loan.

3. The Debtor anticipates that it will collect a majority of its outstanding receivables and the collected funds will be available to fund the Plan. It has negotiated payment plans with eleven of its account debtors which the Company anticipates will result in the recovery of \$60,000 *per annum* from these account debtors for a period of sixty (60) months after the Effective Date of the Plan. The Debtor shall seek recoveries from the balance of its account debtors and any recoveries will be used to fund its Plan payments. The Debtor anticipates that it

will receive the balance of monies due from Comlink, Inc. upon approval of the Winter Bros. Settlement and will use proceeds from Comlink, Inc., as well as other receivables, to satisfy its obligations to holders of claims in Classes 1-3. In addition, the Debtor's ordinary income from its utilities service business, historically approximately \$50,000 - \$100,000 per year, will continue to be collected and used to fund the Plan. The Debtor intends to retain its timeshare interest and will make the unit available for rent at an amount in excess of the associated maintenance costs.

4. After Confirmation, the Company's Equity Holder shall continue to serve as the Company's President and sole Director. The Equity Holder shall waive any claims against the estate and not receive any compensation for his services until all distributions to Class 6 holders are made.

#### **D. Profit History and Projection**

In addition to the means for funding described above, the Company plans to make payments to creditors from its ordinary income. The income has historically been approximately \$50,000 - \$100,000 per annum and the Company believes it will be consistent. The reader is cautioned that profits are, of course, dependent on a variety of factors, not all of which are under the Company's control, including, but not limited to, the state of the economy. The Company reasonably expects that sufficient revenue will be generated in order for the Company to make the required payment under the Plan and that the Plan as proposed is in the best interests of its creditors. The attainment of the objective of providing unsecured creditors with value that is not less than what would be received in a liquidation is therefore dependent on the Company's future profitability.

**E. Fees**

In accordance with Section 1129(a)(12) of the Code and 28 U.S.C. § 1930, all quarterly fees payable to the United States Trustee shall be paid by the Debtor in full on or before their respective due dates and shall continue to be assessed and paid until such time as a final decree is entered by the Court or the Court enters an order converting or dismissing this case. The Debtor shall also timely file monthly operating reports every month until such time as a final decree is entered by the Court or the Court enters an order converting or dismissing this case.

**F. Proposed Sale Pursuant to Section 1146 of the Bankruptcy Code.**

The sale of real estate proposed in the Plan shall be made pursuant to Section 1146 of the Bankruptcy Code, which provides that property transferred under a confirmed plan shall not be taxed under any law imposing a stamp tax or similar tax. The Debtor shall, therefore, seek an exemption from the imposition of state and local conveyance taxes upon the sale of real property and will request a finding in the Order confirming the Plan that no tax is due on the conveyance of real property pursuant to the Plan.

**G. Certain Federal Income Tax Consequences of the Plan**

**1. Federal Income Tax Consequences to the Debtor**

The tax consequences of the Plan on the Company are uncertain because the range of values that may be realized on the sale of the properties is unknown. In addition, there is uncertainty as to the amount of rental income that will be received. However, the Company will likely be subject to Federal income taxes, capital gains taxes and may be subject to alternative minimum taxes. The Plan provides for the payment of capital gains taxes prior to the distribution of the net proceeds from the sale of real estate.

Under the Plan, some creditors may not have their claims paid in full resulting in a discharge of indebtedness of the debtor. Under the Internal Revenue Code of 1986 (the “Tax Code”), a taxpayer generally must include in gross income the amount of indebtedness discharged during the taxable year. However, under Section 108 of the Tax Code, when the discharge of indebtedness is pursuant to a plan approved by the court in a case under Chapter 11 of the Bankruptcy Code, the amount of indebtedness is excluded from gross income. Instead, certain tax attributes of the debtor are reduced by the amount of indebtedness discharged and excluded from income. The tax attributes to be reduced are: net operating losses, certain credit carryovers, capital loss carryovers, the basis of the taxpayer’s property, and foreign tax credits.

## **2. Federal Income Tax Consequences to the Creditors**

In general, a creditor may realize and recognize gain or loss on the exchange of a claim in an amount equal to the difference between the holder's basis in the claim and the amount realized. Each creditor may recognize ordinary income to the extent it receives cash allocable to accrued interest income not previously included in their federal taxable income. Conversely, each creditor that had previously included accrued yet unpaid interest in their federal taxable income may recognize a loss to the extent such accrued unpaid interest is not paid in full. The proper allocation between principal and interest of amounts received for a claim not paid in full is unclear. Because the tax consequences of the Plan may vary based on individual circumstances, each holder of a claim is urged to consult with its own tax advisor as to the consequences of the Plan to it under federal and applicable state and local tax laws. The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Plan to the Debtors and to the holders of Unsecured Claims. The following summary does not address the U.S. federal income tax consequences to holders whose

Claims are unimpaired or otherwise entitled to payment in full in Cash under the Plan (e.g., Administrative Expense Claims, Priority Non-Tax Claims, and Other Secured Claims), or holders of Old Equity Interests that are extinguished without a distribution in exchange therefore.

The following summary is based on the Internal Revenue Code of 1986, as amended (the “Tax Code”), Treasury Regulations promulgated thereunder, judicial decisions, and published administrative rules and pronouncements of the Internal Revenue Service (the “IRS”), all as in effect on the date hereof. Changes in such rules or new interpretations thereof may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below.

The U.S. federal income tax consequences of the Plan are complex and are subject to significant uncertainties. The Debtors have not requested a ruling from the IRS or an opinion of counsel with respect to any of the tax aspects of the Plan. Thus, no assurance can be given as to the interpretation that the IRS will adopt. In addition, this summary generally does not address foreign, state or local tax consequences of the Plan, nor does it address the U.S. federal income tax consequences of the Plan to special classes of taxpayers (such as foreign taxpayers, broker-dealers, persons not holding their Claims, persons holding unsecured claims who are not the original holders of those Claims or who acquired such Claims at an acquisition premium, and persons who have claimed a bad debt deduction in respect of any Unsecured Claims).

**Accordingly, the following summary of certain U.S. federal income tax consequences is for informational purposes only and is not a substitute for careful tax planning and advice based upon the individual circumstances pertaining to a holder of a Claim.**

**IRS Circular 230 Notice:** To ensure compliance with IRS Circular 230, holders of Claims and Equity Interests are hereby notified that: (A) any discussion of federal tax issues contained or referred to in this Disclosure Statement is not intended or written to be used, and cannot be used, by holders of Claims or Equity Interests for the purpose of avoiding penalties that may be imposed on them under the Tax Code; (b) such discussion is written in connection with the promotion or marketing by the Debtors of the transactions or matters addressed herein; and (c) holders of Claims and Equity Interests should seek advice based on their particular circumstances from an independent tax advisor.

**3. Consequences to Holders of Allowed General Unsecured Claims Class 6**

In general, each holder of an Allowed General Unsecured Claim should recognize gain or loss in an amount equal to the difference between (x) the amount of Cash received by the holder in satisfaction of its Claim (other than any Claim for accrued but unpaid interest) and (y) the holder's adjusted tax basis in its Claim (other than any basis attributable to accrued but unpaid interest). Pursuant to the Plan, distributions to any holder of an Allowed General Unsecured Claim will be allocated first to the original principal amount of such Claim as determined for federal income tax purposes and then, to the extent the consideration exceeds such amount, to any portion of such Claim representing accrued original issue discount ("OID") or accrued but unpaid interest. However, there is no assurance that the IRS would respect such allocation for federal income tax purposes. In general, to the extent that an amount received by a holder of debt is received in satisfaction of accrued interest or OID during its holding period, such amount will be taxable to the holder as interest income (if not previously included in the holder's gross income). Conversely, a holder will generally recognize a loss to the extent any accrued interest was previously included in its gross income and is not paid in full. Each holder

is urged to consult its tax advisor regarding the allocation of consideration and the deductibility of losses realized in respect of Allowed General Unsecured Claims for federal income tax purposes.

Where gain or loss is recognized by a holder of an Allowed General Unsecured Claim, the character of such gain or loss as long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the holder, whether the Claim constitutes a capital asset in the hands of the holder and how long it has been held, whether the Claim was originally issued at a discount or a premium, whether the Claim was acquired at a market discount, and whether and to what extent the holder previously had claimed a bad debt deduction in respect of that Claim.

**4. Information Reporting and Withholding**

All distributions to holders of Claims under the Plan are subject to any applicable tax withholding, including employment tax withholding. Under U.S. federal income tax law, interest, dividends, and other reportable payments may, under certain circumstances, be subject to “backup withholding” at the then applicable withholding rate. Backup withholding generally applies if the holder (a) fails to furnish its social security number or other taxpayer identification number (“TIN”), (b) furnishes an incorrect TIN, (c) fails properly to report interest or dividends, or (d) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is a United States person that is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and the appropriate information is supplied to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, the following: (1) certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds; and (2) certain transactions in which the taxpayer's book-tax differences exceed a specified threshold in any tax year. Holders are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the holders' tax returns.

**The foregoing summary has been provided for informational purposes only. All holders of Claims receiving a distribution under the Plan are urged to consult their tax advisors concerning the federal, state, local and foreign tax consequences applicable under the Plan.**

Dated: March 3, 2017  
New Haven, Connecticut

THE DEBTOR,  
MAIN STREET BUSINESS  
MANAGEMENT, INC.

THE DEBTOR,  
MAIN STREET BUSINESS  
MANAGEMENT, INC.

By: /s/Gus Curcio, Sr.  
Gus Curcio, Sr.  
Its President

/s/Gus Curcio, Sr.  
Gus Curcio, Sr., Individually

By: /s/Douglas S. Skalka  
Douglas S. Skalka (ct00616)  
NEUBERT, PEPE & MONTEITH, P.C.  
195 Church Street  
New Haven, CT 06510  
(203) 821-2000  
dskalka@npmlaw.com



# EXHIBIT A



## **APPRAISAL OF REAL PROPERTY**

### **LOCATED AT:**

71 WILLIAM ST BPT.  
BRIDGEPORT VOLUME 9269 PAGE 59 7-28-2015  
Bridgeport, CT 06608

### **FOR:**

MAIN STRET MANAGEMENT BUSINESS INC.  
P.O. BOX 524  
STRATFORD, CT 06615

### **AS OF:**

10-23-2015

### **BY:**

Scott Corner IFA..  
P.O. BOX 511  
STRATFORD CT 06615

SCOTT CORNER

SCOTT CORNER - IFA  
P.O. BOX 511  
STRATFORD CT. 06615

10-23-2015 DATE OF INSPECTION & VALUE

MAIN STRET MANAGEMENT BUSINESS INC.  
P.O. BOX 524  
STRATFORD, CT 06615

Re: Property: 71 WILLIAM ST BPT.  
Bridgeport, CT 06608  
Owner: MAIN STRET MANAGEMENT BUSINESS INC.  
File No.: 71 WILLIAM ST BPT.

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership,

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Scott Corner IFA..

## SUMMARY OF SALIENT FEATURES

SUBJECT INFORMATION	Subject Address	71 WILLIAM STREET
	Legal Description	BRIDGEPORT VOLUME 9269 PAGE 59 7-28-2015
	City	Bridgeport
	County	FAIRFIELD
	State	CT
	Zip Code	06608
	Census Tract	09001-0739.00
	Map Reference	14860
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	N/A
CLIENT	Borrower/Client	MAIN STRET MANAGEMENT BUSINESS INC.
	Lender	MAIN STRET MANAGEMENT BUSINESS INC.
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	3,350
	Price per Square Foot	\$
	Location	AVERAGE
	Age	1907
	Condition	POOR
	Total Rooms	12
	Bedrooms	6
	Baths	3
APPRAISER	Appraiser	Scott Corner IFA..
	Date of Appraised Value	10-23-2015
VALUE	Final Estimate of Value	\$ 40,000

Property Description

71 William St

City Bridgeport

State CT

Zip Code 06608

Legal Description

BRIDGEPORT VOLUME 9269 PAGE 59 7-28-2015

County FAIRFIELD

Assessor's Parcel No.

37-620-26

Tax Year 2014

R.E. Taxes \$ 6,812

Special Assessments \$ N/A

Borrower

MAIN STRET MANAGEMENT BUSIN

Current Owner

MAIN STRET MANAGEMENT BUS

Occupant:

☐ Owner

☐ Tenant

☒ Vacant

Property rights appraised

☒ Fee Simple

☐ Leasehold

Project Type

☐ PUD

☐ Condominium (HUD/VA only)

HOA \$

N/A /Mo.

Neighborhood or Project Name

EAST SIDE

Map Reference

14860

Census Tract

09001-0739.00

Sale Price \$

N/A

Date of Sale

N/A

Description and \$ amount of loan charges/concessions to be paid by seller

N/A

Lender/Client

MAIN STRET MANAGEMENT BUSINESS

Address

P.O. BOX 524 , STRATFORD, CT 06615

Appraiser

Scott Corner IFA..

Address

P. O. 511, Stratford, Ct 06615

Location

☐ Urban

☒ Suburban

☐ Rural

Predominant occupancy

☒ Owner

Single family housing PRICE \$ (000)

35

Low

5

Present land use %

One family

40

Land use change

☒ Not likely

☐ Likely

Built up

☒ Over 75%

☐ 25-75%

☐ Under 25%

☐ Tenant

100

High

100

2-4 family

40

☐ In process

Growth rate

☐ Rapid

☒ Stable

☐ Slow

☒ Vacant (0-5%)

Predominant

Commercial

10

To:

Property values

☐ Increasing

☒ Stable

☐ Declining

☐ Vac.(over 5%)

75

60+

Multi-family

10

Demand/supply

☐ Shortage

☒ In balance

☐ Over supply

Marketing time

☐ Under 3 mos.

☒ 3-6 mos.

☐ Over 6 mos.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood boundaries and characteristics:

NORTH BY THE BOSTON AVE. EAST BY CITY LINE AND THE TOWN OF STRATFORD. WEST BY THE DOWNTON SECTION AND THE HARBOR SOUTH BY THE EAST END SECTION OF THE CITY.

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):

See attached addenda.

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):

See attached addenda.

Project Information for PUDs (If applicable) - - Is the developer/builder in control of the Home Owners' Association (HOA)?

☐ Yes

☐ No

Approximate total number of units in the subject project

Approximate total number of units for sale in the subject project

Describe common elements and recreational facilities:

Dimensions

RECTANGULAR

Site area

.11 ACRE

Corner Lot

☐ Yes

☒ No

Specific zoning classification and description

RS-C

Zoning compliance

☐ Legal

☒ Legal nonconforming (Grandfathered use)

☐ Illegal

☐ No zoning

Highest & best use as improved:

☒ Present use

☐ Other use (explain)

Topography

ABOVE STREET LEVEL

Size

SIMILAR TO OTHER

Shape

RECTANGULAR

Drainage

AVERAGE

View

AVERAGE

Utilities

Public

Other

Off-site Improvements

Type

Public

Private

Landscaping

OVER GROWN

Electricity

☒

Street

ASPHALT

☒

☐

Driveway Surface

ASPHALT/POOR

Gas

☒

Curb/gutter

CONCRETE

☒

☐

Apparent easements

NONE KNOWN

Water

☒

Sidewalk

CONCRETE

☒

☐

FEMA Special Flood Hazard Area

☐ Yes

☒ No

Sanitary sewer

☒

Street lights

YES

☒

☐

FEMA Zone

X

Map Date

07/08/2013

Storm sewer

☒

Alley

NONE

☐

☐

FEMA Map No.

09001C0441G

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.):

SEE DEED IN CITY HALL LAND RECORDS. THE APPRAISER IS NOT AWARE OF ANY ENVIRONMENTAL CONDITIONS OR EASEMENTS ON THE SITE THAT WOULD AFFECT PROPERTY VALUE.

GENERAL DESCRIPTION

EXTERIOR DESCRIPTION

FOUNDATION

BASEMENT

INSULATION

No. of Units

3

Foundation

STONE\*

Slab

NONE

Area Sq. Ft.

Roof

☐

No. of Stories

3

Exterior Walls

V- SIDING\*

Crawl Space

NONE

% Finished

0

Ceiling

☐

Type (Det./Att.)

DETACH

Roof Surface

SHINGLE\*

Basement

FULL

Ceiling

Walls

☐

Design (Style)

3-FAMILY

Gutters & Dwnspts.

ALUM . \*

Sump Pump

UNKNOWN

Walls

Floor

☐

Existing/Proposed

EXISTING

Window Type

D-H\*

Dampness

UNKNOWN

Floor

None

☒

Age (Yrs.)

1907

Storm/Screens

NONE

Settlement

UNKNOWN

Outside Entry

Unknown

☐

Effective Age (Yrs.)

50

Manufactured House

NONE

Infestation

UNKNOWN

ROOMS

Foyer

Living

Dining

Kitchen

Den

Family Rm.

Rec. Rm.

Bedrooms

# Baths

Laundry

Other

Area Sq. Ft.

Basement

Level 1

Level 2

Finished area above grade contains:

12 Rooms;

6 Bedroom(s);

3 Bath(s);

3,350 Square Feet of Gross Living Area

INTERIOR

Materials/Condition

HEATING

KITCHEN EQUIP.

ATTIC

AMENITIES

CAR STORAGE:

Floors

WDWD

Type

NONE

Refrigerator

☐

None

☒

Fireplace(s) #

☐

None

☐

4

Walls

PLASTER/DRYWALL

Fuel

NONE

Range/Oven

☐

Stairs

☐

Patio

☐

Garage

# of cars

Trim/Finish

WOOD

Condition

N/A

Disposal

☐

Drop Stair

☐

Deck

☐

Attached

Bath Floor

TILE

COOLING

NONE

Dishwasher

☐

Scuttle

☐

Porch

1 380 SF

☒

Detached

Bath Wainscot

FIBERGLASS

Central

Fan/Hood

☐

Floor

☐

Fence

☐

Built-In

Doors

WOOD

Other

Microwave

☐

Heated

☐

Pool

☐

Carport

Condition

N/A

Washer/Dryer

☐

Finished

☐

Driveway

YES

Additional features (special energy efficient items, etc.):

See attached addenda.

Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.:

See attached addenda.

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.:

NONE KNOWN, APPRAISER WAS NOT ABLE TO INSPECT THE BASEMENT

71 WILLIAM ST BPT.

File No. 71 WILLIAM ST BPT.

UNIFORM RESIDENTIAL APPRAISAL REPORT

Valuation Section

COST APPROACH

ESTIMATED SITE VALUE = \$  
ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:  
Dwelling 3,350 Sq. Ft. @\$ = \$  
Sq. Ft. @\$ =  
=   
Garage/Carport Sq. Ft. @\$ =  
Total Estimated Cost New = \$  
Less Physical Functional External  
Depreciation = \$  
Depreciated Value of Improvements = \$  
"As-is" Value of Site Improvements = \$  
INDICATED VALUE BY COST APPROACH = \$

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): THE COST APPROACH HAS BEEN NOT DEVELOPED DUE TO THE CONDITION OF THE SUBJECT AND THE AGE.

SALES COMPARISON ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
71 William St		508 William St		57 Union Ave		235 Beardsley St	
Address Bridgeport, CT 06608		Bridgeport, CT 06608		Bridgeport, CT 06607		Bridgeport, CT 06607	
Proximity to Subject		0.42 MILES N		1.51 MILES SE		1.14 MILES SE	
Sales Price	\$ N/A	\$ 38,000		\$ 37,000		\$ 40,500	
Price/Gross Living Area	\$ 13.44	\$ 11.68		\$ 16.71			
Data and/or Verification Source		TOWN HALL/EXTERIOR INSPE M.L.S.		TOWN HALL/EXTERIOR INSPE M.L.S.		TOWN HALL/EXTERIOR INSPE M.L.S.	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
Sales or Financing Concessions		NONE KNOWN		NONE KNOWN		NONE KNOWN	
Date of Sale/Time		1-2015		9-2015		6-2015	
Location	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Leasehold/Fee Simple	Fee Simple	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	.11 ACRE	.09 ACRE		.10 ACRE		.09 ACRE	
View	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Design and Appeal	3-FAMILY	3 FAMILY/AVG.		3 FAMILY/AVG		3 FAMILY/AVG.	
Quality of Construction	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Age	1907	1882		1915		1914	
Condition	POOR	POOR		POOR		POOR	
Above Grade Room Count	Total Bdrms Baths 12 6 3	Total Bdrms Baths 14 6 3		Total Bdrms Baths 12 6 3		Total Bdrms Baths 12 6 3	
Gross Living Area	3,350 Sq. Ft.	2,828 Sq. Ft. +5,220		3,168 Sq. Ft.		2,424 Sq. Ft. +9,260	
Basement & Finished Rooms Below Grade	FULL UNFINISH	FULL UNFINISH		FULL UNFINISH		FULL UNFINISH	
Functional Utility	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	NONE	NONE		NONE		HA-GAS/NONE -9,000	
Energy Efficient Items	NONE KNOWN	NONE KNOWN		NONE KNOWN		NONE KNOWN	
Garage/Carport	OFF STREET	OFF STREET		OFF STREET		OFF STREET	
Porch, Patio, Deck, Fireplace(s), etc.	PORCH NONE	PORCH NONE.		PORCH NONE		NONE NONE	
Fence, Pool, etc.	NONE	NONE		NONE		NONE	
DAYS ON MARKET	NONE	5		49		96	
Net Adj. (total)		+ \$ 5,220		+ \$		+ \$ 260	
Adjusted Sales Price of Comparable		Net 13.7 % NONE Gross 13.7 % \$ 43,220		Net % NONE Gross % \$ 37,000		Net 0.6 % NONE Gross 45.1 % \$ 40,760	

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): See attached addenda.

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 40,000

INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N/A = \$

RECONCILIATION

This appraisal is made ☒ "as is" ☐ subject to the repairs, alterations, inspections or conditions listed below ☐ subject to completion per plans & specifications.  
Conditions of Appraisal: See attached addenda.

Final Reconciliation: MOST WEIGHT WILL BE PLACED ON THE SALES COMPARISON APPROACH WITH SUPPORT FROM THE COST APPROACH, THE INCOME APPROACH TO VALUE HAS NOT BEEN APPLIED, THE PURCHASE OF THESE TYPES OF STRUCTURES ARE PURCHASE FOR OWNER OCCUPANCY AND NOT FOR THE PURPOSE OF EARNING INCOME. ( SEE FURTHER COMMENTS IN The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised )).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF 10-23-2015 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 40,000

APPRaiser: Signature Name Scott Corner IFA.. Date Report Signed 10-23-2015 State Certification # R.C.R. 1247 State CT Or State License #

SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature Name Date Report Signed State Certification # State CT Or State License #

☐ Did ☐ Did Not Inspect Property

**REAL PROPERTY APPRAISAL REPORT**



estimating the market value of the fee simple interest  
in certain real estate known as

**HART STREET REAR, BRIDGEPORT, CONNECTICUT**

reflecting market conditions as of July 29, 2015

Prepared For:  
Douglas S. Skalka, Esq.  
NEUBERT, PEPE & MONTEITH, P.C.  
195 Church Street  
13<sup>th</sup> Floor  
New Haven, Connecticut 06510

Albert W. Franke III, SRA, MRICS  
Lisa A. Bagley  
ADVISA CONSULTING, LLC  
P.O. Box 9680  
New Haven, Connecticut 06536

The foregoing transactions involve land purchased for open space. Despite their size and location differences, these transactions evidence a very close range of sale prices, from \$15,833 to \$23,184 per acre. We have selected an appropriate unit value of \$16,000 per acre to be applied to the land area of the subject property:

$\$16,000 \text{ per acre} \times 9.70 \text{ acres} = \$155,200.00$ , round to \$155,000.00

**Indicated value of the 9.70 acres of open space = \$155,000.00**

The value of the 0.21 acre building lot (\$37,500) is added to the value of the remaining 9.70 acres of open space (\$155,000), resulting in a market value for the entire property of \$192,500.00.

**INDICATED VALUE VIA SALES COMPARISON = \$192,500.00**

This value equates to an overall unit value of \$19,425 per acre and is considered reasonable.

**RECONCILIATION AND FINAL VALUE OPINION:** The only applicable approach to value, and that which has been developed herein, was the sales comparison approach. This approach was processed using average to good quality data from within subject's market area and yielded a value for the subject tract of \$192,500.00.

Therefore, on the basis of our inspection of the premises, research and analysis of all available data deemed pertinent, it is our opinion that the within described real property, as of July 29, 2015, had a market value of:

**ONE HUNDRED NINETY-TWO THOUSAND FIVE HUNDRED DOLLARS  
( \$192,500.00 )**

We hereby certify that we have no interest in this property, now or contemplated, and that our employment was in no way contingent upon the value indicated.

Respectfully submitted,  
ADVISRA CONSULTING, LLC



Albert W. Franke III, SRA, MRICS  
Certified General Real Estate Appraiser  
Connecticut Cert. No. RCG.0000835



Lisa A. Bagley  
Provisional Real Estate Appraiser  
Connecticut Lic. No. RSP.0001974



# EXHIBIT B

## Plan and Disclosure Statement

**Total Proposed Monthly Plan Payment \$3,610.64**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF CONNECTICUT  
BRIDGEPORT DIVISION**

	x	
	:	
In re:	:	
	:	CHAPTER 11
MAIN STREET BUSINESS	:	
MANAGEMENT, INC.	:	CASE NO. 15-51439 (JAM)
Debtor.	:	
	x	

**CERTIFICATE OF SERVICE**

I hereby certify that on March 3, 2017, the foregoing Disclosure Statement was filed electronically. Notice of this filing was sent by e-mail to all parties by operation of the Court's electronic filing system or by mail to anyone unable to accept electronic filing. Parties may access this filing through the Court's system.

Dated: March 3, 2017  
New Haven, Connecticut

THE DEBTOR,  
MAIN STREET BUSINESS  
MANAGEMENT, INC.

By: /s/Douglas S. Skalka  
Douglas S. Skalka (ct00616)  
NEUBERT, PEPE & MONTEITH, P.C.  
195 Church Street  
New Haven, CT 06510  
(203) 821-2000  
dskalka@npmlaw.com

**SERVICE LIST**

**Electronic Mail Notice List**

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- Juda J. Epstein contact@lawofficesjje.com
- James M. Nugent jmn@quidproquo.com, talba@harlowadamsfriedman.com
- U. S. Trustee USTPRegion02.NH.ECF@USDOJ.GOV

**Manual Notice List**

Holley L. Claiborn  
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150 Court Street, Room 302  
New Haven, CT 06510

Dahill Donofrio  
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Stratford, CT 06615

Joseph Rengensburger  
488 Shelton Avenue  
Shelton, CT 06484