IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

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In re: BAIA, LLC		Case No.: 16-26941 DER
	*	Chapter 11
	*	
In re: RIDGEVILLE PLAZA, INC.		Case No.: 16-26944 DER
	*	Chapter 11
	*	Jointly Administered Under:
		Case No.: 16-26941 DER
	*	Chapter 11

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JOINT DISCLOSURE STATEMENT PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE WITH RESPECT TO JOINT PLAN OF REORGANIZATION

(BAIA, LLC and Ridgeville Plaza, Inc.)

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BAIA, LLC and Ridgeville Plaza, Inc., as debtors-in-possession under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code")* Case Nos. 16-26941 and 16-26944 (collectively, the "Chapter 11 Cases"), hereby propose and file this Joint Disclosure Statement (the "Disclosure Statement") in connection with their Joint Chapter 11 Plan of Reorganization dated May 1, 2017 (the "Plan").

THIS DISCLOSURE STATEMENT IS DESIGNED TO PROVIDE ADEQUATE INFORMATION TO ENABLE HOLDERS OF CLAIMS AGAINST THE DEBTORS TO MAKE AN INFORMED JUDGMENT ON WHETHER TO ACCEPT OR REJECT THE PLAN. ALL HOLDERS OF CLAIMS ARE HEREBY ADVISED AND ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN, WHICH IS ANNEXED HERETO AS EXHIBIT A, OTHER EXHIBITS ANNEXED HERETO, AND OTHER DOCUMENTS REFERENCED AS FILED WITH THE COURT BEFORE OR CONCURRENTLY WITH THE FILING OF THIS DISCLOSURE STATEMENT. FURTHERMORE, THE PROJECTED FINANCIAL INFORMATION CONTAINED HEREIN HAS NOT BEEN THE SUBJECT OF AN AUDIT. SUBSEQUENT TO THE DATE HEREOF, THERE CAN BE NO ASSURANCE THAT: (A) THE INFORMATION AND REPRESENTATIONS CONTAINED HEREIN WILL CONTINUE TO BE MATERIALLY ACCURATE; AND (B) THIS DISCLOSURE STATEMENT CONTAINS ALL MATERIAL INFORMATION.

ALL HOLDERS OF CLAIMS SHOULD READ AND CONSIDER CAREFULLY THE MATTERS DESCRIBED IN THIS DISCLOSURE STATEMENT AS A WHOLE PRIOR TO VOTING ON THE PLAN. IN MAKING A DECISION TO ACCEPT OR REJECT THE PLAN, EACH CREDITOR MUST RELY ON ITS OWN EXAMINATION OF THE DEBTORS AS DESCRIBED IN THIS DISCLOSURE STATEMENT AND THE TERMS OF THE PLAN, INCLUDING THE MERITS AND RISKS INVOLVED. EVEN AFTER THE EFFECTIVE DATE, DISTRIBUTIONS UNDER THE PLAN MAY BE SUBJECT TO SUBSTANTIAL DELAYS FOR CREDITORS WHOSE CLAIMS ARE DISPUTED.

NO PARTY IS AUTHORIZED BY THE DEBTORS TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS WITH RESPECT TO THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. NO REPRESENTATIONS OR INFORMATION CONCERNING THE DEBTORS, THEIR FUTURE BUSINESS OPERATIONS OR THE VALUE OF THEIR PROPERTIES HAVE BEEN AUTHORIZED BY THE DEBTORS OTHER THAN AS SET FORTH HEREIN. ANY INFORMATION OR REPRESENTATIONS GIVEN TO OBTAIN YOUR ACCEPTANCE OR REJECTION OF THE PLAN WHICH ARE DIFFERENT FROM OR INCONSISTENT WITH THE INFORMATION OR REPRESENTATIONS

* Capitalized terms not defined herein shall have the meanings ascribed to them in the Disclosure Statement.

CONTAINED HEREIN AND IN THE PLAN SHOULD NOT BE RELIED UPON BY ANY CREDITOR IN VOTING ON THE PLAN.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(b) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER APPLICABLE NONBANKRUPTCY LAW. PERSONS OR ENTITIES HOLDING OR TRADING IN, OR OTHERWISE PURCHASING, SELLING OR TRANSFERRING CLAIMS AGAINST, OR SECURITIES OF, THE DEBTOR, IF ANY, SHOULD EVALUATE THIS DISCLOSURE STATEMENT IN LIGHT OF THE PURPOSE FOR WHICH IT WAS PREPARED.

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS SUCH COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN.

WITH RESPECT TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER PENDING OR THREATENED ACTIONS, THE DISCLOSURE STATEMENT AND PLAN AND THE INFORMATION CONTAINED THEREIN SHALL NOT BE CONSTRUED AS AN ADMISSION OR STIPULATION, BUT RATHER AS STATEMENTS MADE IN SETTLEMENT NEGOTIATIONS GOVERNED BY RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND ANY OTHER RULE OR STATUTE OF SIMILAR IMPORT.

THIS DISCLOSURE STATEMENT AND PLAN SHALL NEITHER BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTORS OR ANY OTHER PARTY NOR BE CONSTRUED TO BE ADVICE ON THE TAX, SECURITIES OR OTHER LEGAL EFFECTS OF THE PLAN. EACH CREDITOR SHOULD, THEREFORE, CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL, AND TAX ADVISORS AS TO ANY SUCH MATTERS CONCERNING THE SOLICITATION, THE PLAN OR THE TRANSACTIONS CONTEMPLATED THEREBY.

This Disclosure Statement, the Plan annexed hereto as **Exhibit A** (and the exhibit annexed hereto), the accompanying form of Ballot, and the related materials delivered together herewith are being furnished by the Debtors to holders of Claims pursuant to Section 1125 of the Bankruptcy Code, in connection with the solicitation by the Debtors of votes to accept or reject the Plan (and the transactions contemplated thereby, as disclosed herein).

INTRODUCTION AND SUMMARY

Introduction

On December 30, 2016, BAIA, LLC ("BAIA") and Ridgeville Plaza, Inc. ("Ridgeville Plaza") (BAIA, together with Ridgeville Plaza, the "Debtors") filed voluntary petitions for relief under Chapter 11 of Title 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Maryland. On January 3, 2017, the Debtors filed a motion for order authorizing the joint administration of the Chapter 11 Cases, which was granted by the Bankruptcy Court on January 9, 2017. The Chapter 11 Cases are pending before the Honorable David E. Rice.

This Disclosure Statement is provided pursuant to Section 1125 of the Bankruptcy Code to all of the Debtors' known Creditors, Equity Interest Holders and other parties in interest, in connection with solicitation of the acceptance of the Plan, which has been filed with the Bankruptcy Court. The purpose of this Disclosure Statement is to provide such information as will enable a hypothetical, reasonable investor, typical of the holder of Claims against any interest in the Debtors, to make an informed judgment in exercising his, her or its right either to accept or reject the Plan.

The Debtors (the "Plan Proponents") seek the support of the Creditors for the reorganization of the business through the confirmation of the Plan. The Plan is described in greater detail below, and is attached as **Exhibit A** to this Disclosure Statement. Your acceptance of the Plan is important.

THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE EITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT OR AN ENDORSEMENT OF THE PLAN BY THE BANKRUPTCY COURT.

The Bankruptcy Court will hold a hearing on final approval of the Disclosure Statement and Confirmation of the Plan on ____________________ ____, 2017, at the hour of ____:00 a.m./p.m., in Courtroom 9D of the United States Bankruptcy Court, 101 W. Lombard Street, Baltimore, Maryland 21201.

THE PLAN PROPONENTS BELIEVE THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS, THEIR CREDITORS, AND THE ESTATE, AND OFFERS CREDITORS THE BEST OPPORTUNITY FOR A MEANINGFUL DISTRIBUTION ON ACCOUNT OF THEIR CLAIMS. THE PLAN PROPONENTS URGE ALL OF THE DEBTORS' CREDITORS TO VOTE IN FAVOR OF THE PLAN.

Voting Instructions

Your vote on the Plan is important. Non-acceptance of the Plan could lead to delays in distributions to Creditors. Your vote will help preserve the value of the Debtors' estate for the benefit of Creditors. A ballot is enclosed for use by Creditors. Whether or not you expect to be

present at the hearing to consider confirmation of the Plan, you are urged to fill-in, date, sign and mail, e-mail, or fax the ballot accompanying the Plan and this Disclosure Statement to Steven L. Goldberg and James M. Greenan, McNamee Hosea, 6411 Ivy Lane, Suite 200, Greenbelt, Maryland 20770, Fax (301) 982-9450, sgoldberg@mhlawyers.com; jgreenan@mhlawyers.com. For your ballot to count, it must be received prior to the date and time shown thereon.

TO BE COUNTED, ALL BALLOTS MUST BE SENT SO THAT THEY ARE ACTUALLY RECEIVED AT THE ABOVE ADDRESS NO LATER THAN 11:59 P.M. ON THE DATE IDENTIFIED IN THE ATTACHED ORDER APPROVING RESTATED DISCLOSURE STATEMENT. IF YOUR BALLOT IS NOT PROPERLY COMPLETED, SIGNED AND RETURNED AS DESCRIBED, IT WILL NOT BE COUNTED. IF YOUR BALLOT IS DAMAGED OR LOST, YOU MAY REQUEST A REPLACEMENT BALLOT BY CONTACTING COUNSEL FOR THE DEBTORS.

Acceptance of Plan

Each Holder of an Allowed Claim or an Allowed Equity Interest that is Impaired under the Plan may vote to accept or reject the Plan. The only Impaired Classes entitled to vote under the Plan are Classes 1 through 9.

An Impaired Class of Creditors is deemed to accept the Plan if at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims in that Class (who actually vote) vote on the Plan. Except as provided in the Bankruptcy Code, the acceptance of each Class of Impaired Creditors is required in order to confirm the Plan. **IF YOU FAIL TO VOTE ON THE PLAN, THE OUTCOME WILL BE DETERMINED BY OTHER CREDITORS. YOU WILL BE BOUND BY THE RESULT, EVEN IF YOU FAIL TO VOTE.** The requirements for confirmation of the Plan are discussed in greater detail below.

DESCRIPTION AND HISTORY OF DEBTORS' BUSINESS

A. Overview

BAIA is a Maryland Limited Liability Company with its principal place of business in Carroll County, Maryland. BAIA owns commercial real property commonly known as the Main Street Plaza, located at 1311 and 1401 South Main Street, Mount Airy, Maryland 21771 (collectively, the "BAIA Properties"). The BAIA Properties are leased to corporate and retail tenants.

Ridgeville Plaza is a Maryland corporation with its principal place of business in Carroll County, Maryland. Ridgeville Plaza owns commercial real property commonly known as the Gennaro Illiano Plaza, located at 206, 208 and 210 E. Ridgeville Boulevard (collectively, the "Ridgeville Plaza Properties"). The Ridgeville Plaza Properties consist of office and retail space, including two retail pad sites leased to Arby's and PNC Bank. The BAIA Properties, together with the Ridgeville Plaza Properties, are referred to collectively as the "Properties".

The Properties were constructed between 2000 and 2009 by Francesco Illiano, a restaurateur and commercial developer with strong roots in the Mount Airy Community. Mr. Illiano is the managing member of BAIA and majority stockholder of Ridgeville Plaza.

The Properties are "Class A" constructed properties, and represent some of Mount Airy's most successful and attractive retail/office centers. The properties have maintained strong occupancy rates since their opening, exceeding 93%. As of the date of this Disclosure Statement, the Ridgeville Plaza Properties are 100% occupied. The BAIA Properties are 95% occupied.

EVENTS LEADING TO CHAPTER 11 FILING

In March of 2016, the Debtors obtained a loan from SF IV Bridge IV, LP ("SF IV") to refinance existing debt secured by the Properties. The Debtors explored multiple financing options, and ultimately entered into a loan with SF IV in the original principal amount of $12,800,000.00 (the "Loan"). The Loan was intended to be a one-year loan, at which time SF IV agreed to assist the Debtors in obtaining refinancing.

The Loan accrued interest at the rate of twelve percent, though two percent was deferred to the end of the term. Due to the onerous loan terms and certain escrowed funds that SF IV failed to release to the Debtors, the Loan fell into default. SF commenced collection actions, including a foreclosure of the Properties. Once in default, the Loan began to accrue interest at the rate of 24%, resulting in contract and default interest of more than $2,400,000.00 since March of 2016, and penalties of nearly $500,000.00. SF IV exercised its rights under an Assignment of Leases and Rents, and issued letters of direction to tenants instructing them to deliver rents to SF IV. Despite diligent efforts, the Debtors were unable to obtain a replacement lender.

On December 30, 2016, the Debtors filed these voluntary Chapter 11 Cases in order to stay a scheduled foreclosure sale of the Properties and to preserve the value of the Properties for the Debtors' respective estates and Creditors.

SUMMARY OF EVENTS DURING THE BANKRUPTCY CASE

A. Retention of Professionals

Section 327(a) of the Bankruptcy Code provides that a debtor, with the court's approval, may employ one or more accountants or other professional persons that do not hold or represent an interest adverse to the estate and that are disinterested persons to represent or assist the debtor in carrying out its duties under the Bankruptcy Code.

On January 1, 2017, the Debtors sought approval of the Bankruptcy Court to retain the law firm of McNamee, Hosea, Jernigan, Kim, Greenan & Lynch, P.A., as their counsel. The application was granted pursuant to an order entered on January 19, 2017.

On March 13, 2017, the Debtors filed an application to employ William H. Arnold and Arnold Financial Consulting, LLC as Special Controller to the Debtors. At a hearing conducted on April 26, 2017, the Debtors withdrew the application.

On March 28, 2017, the Debtors sought approval of the Bankruptcy Court to retain Marcus & Millichap Real Estate Investment Services, Inc. as Real Estate Broker for the Debtors. The application is still pending. As set forth herein, the Debtors intend to sell one or more of the Properties in order to curtail the Secured debt against the Properties.

B. Cash Collateral of SF IV Bridge IV, LP

On January 3, 2017, the Debtors filed Motions for Entry of Interim Orders (I) Authorizing the Use of SF IV Bridge IV, LP's Cash Collateral, (II) Granting Adequate Protection Pursuant to 11 U.S.C. §§ 361 and 363 and (III) Scheduling a Final Hearing (the "Cash Collateral Motion"). On January 9, 2017, the Court entered Orders Granting the Cash Collateral Motion. The First Interim Cash Collateral Orders authorized the Debtors to use SF IV's cash collateral through and including January 31, 2017.

Second Interim Cash Collateral Orders were entered on February 6, 2017, authorizing the Debtors to use SF IV's cash collateral through and including February 28, 2017. Third Interim Cash Collateral Orders were entered on April 7, 2017, authorizing the Debtors to use SF IV's cash collateral through and including April 24, 2017. A hearing on the continued use of cash collateral was conducted on April 24, 2017, at the conclusion of which the Court authorized the continued use of cash collateral through June 24, 2017. By consent, the Debtors anticipate the entry of Fourth Interim Cash Collateral Orders.

The Debtors are funding adequate protection payments to SF IV and operations from rents derived from the Properties.

C. SF IV's Motions for Rule 2004 Examinations

On February 14, 2017, SF IV filed Motions for 2004 Examinations of BAIA, LLC, Main Street, LLC and ARG365, LLC. Main Street, LLC and ARG365, LLC are insiders of the Debtors. On March 7, 2017, the Bankruptcy Court entered Orders granting the Motions of SF IV for 2004 Examination. BAIA, Main Street, LLC and ARG365, LLC complied with their obligations under the Rule 2004 Examination Orders.

D. SF IV's Motion for Appointment of a Limited Examiner

On February 24, 2017, SF IV filed a Motion for the Immediate Appointment of a Limited Examiner. The Debtors consented to the entry of an Order appointing a Limited Examiner. Accordingly, the United States Trustee is expected to appoint a Limited Examiner in these Chapter 11 Cases.

E. Management of the Debtors Before and During the Bankruptcy

The Properties are managed by ARG365, LLC. ARG365, LLC is an insider of the Debtors. ARG365, LLC invoices tenants; maintains the Properties, including common areas; leases the Properties; and provides day to day management of the Properties. ARG365, LLC receives compensation of 3% of gross rents, as well as reimbursement of out-of-pocket expenses relating to the maintenance and repair of the Properties.

F. Post-Petition Operations

Since the Petition Date, the Debtors have provided timely adequate protection payments to SF IV. In January and February of 2017, the Debtors made adequate protection payments to SF IV in the amount of $45,333.00, respectively. In March, April and May of 2017, the Debtors made timely adequate protection payments to SF IV each in the amount of $65,000.00 per month.

Due to applicable bankruptcy law, the Debtors are prohibited from make adequate protection payments to Keith Gehle, who asserts a second priority lien in the approximate amount of $122,936.90 against the BAIA property located at 1311 S. Main Street (mortgage recorded in May of 2005); to Deborah Ann Mielke, assignee of Almedia Moxley, who asserts a second priority lien in the approximate amount of $275,000.00 against the BAIA property located at 1401 S. Main Street (mortgage recorded in October of 2007); and to United Bank, which asserts a junior lien on the BAIA Properties (mortgage recorded in June of 2009) and the Ridgeville Plaza Properties (mortgage recorded in December of 2015) in the approximate amount of $919,254.89.

ASSETS OF THE ESTATE

The Debtors' principal assets consist of the Properties, which are valued, in the aggregate, in excess of $17,900,000.00. The gross revenues of the Properties, as of April of 2017, are:

BAIA:

Property Address	*Total Monthly Rent (Including CAM)*
1311 S. Main Street	$81,275.94
1401 S. Main Street	$26,564.55
Total BAIA Revenues	**$107,840.49**

Ridgeville Plaza:

Property Address	*Total Monthly Rent (Including CAM)*
206, 208, 210 E. Ridgeville	$41,429.81
Total Ridgeville Revenues	**$41,429.81**

The Debtors' rent rolls as of April 2017 are attached hereto as **Exhibit B**.

The remaining assets of the Debtors consist of net recoveries of possible Avoidance Actions and Causes of Action, if any. The possible Avoidance Actions and Causes of Action are identified in the Debtors' respective Schedules and Statements of Financial Affairs, as amended.

SUMMARY OF THE PLAN

Introduction

The Plan will be funded from the sale of the BAIA property located at 1311 S. Main Street, from rents and, if necessary, from recoveries of Avoidance Actions and Causes of Action. Creditors are expected to receive a distribution equal to 100% of their Allowed Claims over a period of five (5) years, except as otherwise stated herein. A summary of the treatment of Claims and Equity Interests is set forth below. The Debtors reserve the right to object to the validity, priority or extent of Claims, as set forth in the Plan.

Class 1: (BAIA Secured Tax Claims) ($104,258.00). Class 1 consists of the Secured Tax Claim of Carroll County, Maryland in the amount of $104,258.00, plus accrued interest at the rate of six percent (6%), arising out of unpaid real property taxes against the BAIA Properties for the period of July 1, 2016 through June 30, 2017. This Class is Impaired.

Class 2: (Ridgeville Plaza Secured Tax Claims) ($41,065.00). Class 2 consists of the Secured Tax Claim of Carroll County, Maryland in the amount of $41,065.00, plus accrued interest at the rate of six percent (6%), arising out of unpaid real property taxes against the Ridgeville Plaza Properties for the period of 7/1/2016 through June 30, 2017. This Class is Impaired.

Class 3: (Secured Claim of SF IV Bridge IV, LP against BAIA and Ridgeville Plaza) ($15,235,403.71). Class 3 consists of the Secured Claim of SF IV Bridge IV, LP in the alleged amount of $15,235,403.71. The Class 3 Claim is secured by the Properties, a Security Agreement encumbering certain personal property identified therein, and an Assignment of Rents and Leases. The Debtors dispute the amount of the Class 3 Claim. This Class is Impaired.

Class 4: (Secured Claim of Keith Gehle against BAIA) ($122,936.90). Class 4 consists of the Secured Claim of Keith Gehle in the approximate amount of $122,936.90. The Holder of the Class 4 Claim is secured by a second priority lien against the real property known as 1311 S. Main Street, Mount Airy, MD 21771, by virtue of a mortgage dated February 18, 2005, and recorded among the land records for Carroll County, Maryland in Liber 4443 Folio 0320 on May 23, 2005. This Claim is Impaired.

Class 5: (Secured Claim of Deborah Ann Mielke, assignee of Almedia Moxley, against BAIA) ($275,000.00). Class 5 consists of the Secured Claim of Deborah Ann Mielke, assignee of Almedia Moxley, in the approximate amount of $275,000.00. The Holder of the Class 5 Claim is secured by a second priority lien against the real property known as 1401 S. Main Street, Mount Airy, MD 21771, by virtue of a mortgage dated October 16, 2007, and recorded among the land records for Carroll County, Maryland in Liber 5377 Folio 0328 on October 27, 2007. This Claim is Impaired.

Class 6: (Secured Claim of United Bank against BAIA and Ridgeville Plaza) ($919,254.89). Class 6 consists of the Secured Claim of United Bank in the approximate amount of $919,254.89. The Holder of the Class 6 Claim is secured by a junior lien against the BAIA Properties and the Ridgeville Plaza Properties, by virtue of an Indemnity Deed of Trust and Assignment of Leases and Rents against the BAIA Properties dated June 30, 2009, and recorded among the land records for Carroll County, Maryland in Liber 5898 Folio 0284 on July 10, 2009, as well as an Indemnity Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing against the Ridgeville Plaza Properties dated November 18, 2015, and recorded among the land records for Carroll County, Maryland in Liber 8175 Folio 0190 on December 10, 2015. This Class is Impaired.

Class 7: (General Unsecured Claims against BAIA) ($230,283.45). Class 7 consists of the General Unsecured Claims filed against and/or scheduled by BAIA in the aggregate amount of approximately $230,283.45. The Debtor or Reorganized Debtor (as the case may be) reserve the right to object to these Claims and nothing herein shall constitute an admission that these claims are Allowed. This Class is Impaired.

Class 8: (General Unsecured Claims against Ridgeville Plaza) ($30,524.00). Class 8 consists of the General Unsecured Claims filed against and/or scheduled by Ridgeville Plaza in the aggregate amount of approximately $30,524.00. The Debtor or Reorganized Debtor (as the case may be) reserve the right to object to these Claims and nothing herein shall constitute an admission that these claims are Allowed. This Class is Impaired.

Class 9: (Indemnification/Contribution Claim of Michael Murray against BAIA and Ridgeville Plaza) ($919,254.89). Class 9 consists of the Indemnification and/or Contribution Claim of Michael Murray in the approximate amount of $919,254.89, by virtue of a guaranty agreement executed and delivered in connection with the loan advanced by United Bank. This Class is Impaired.

Class 10: (Equity Interests in BAIA). As of the Petition Date, the membership interests in BAIA were owned by Main Street, LLC (83%), Norma Lee Dennis (1.0%), Darren Stores (.50%), David & Claudia Fegler (1.0%), David Rule (1.0%), Dr. McKane DDS PC (.50%), and Francesco & Mila Illiano (13%). On April 25, 2017, Murray Family Properties, LLC asserted a membership interest in BAIA in the amount of 16%, which is disputed. Class 10 is Impaired but cannot vote to accept or reject the Plan.

Class 11: (Equity Interests in Ridgeville Plaza). As of the Petition Date, the stock interests in Ridgeville Plaza were owned by Francesco & Mila Illiano (100%). On April 25, 2017, Murray Family Properties, LLC asserted a 20% stock interest (200 shares) in Ridgeville Plaza, and Michael Murray asserted a 10% stock interest (100 shares) in Ridgeville Plaza. Murray Family Properties, LLC and Michael Murray's asserted Equity Interest is disputed. Class 11 is Impaired but cannot vote to accept or reject the Plan.

The above summary is subject to the full text of the Plan, a copy of which is attached hereto as Exhibit A. To the extent that a conflict exists between this summary and the terms of the Plan, the text of the Plan controls.

Classification and Treatment of Clais and Equity Interests

The following is the designation of the Classes of Claims and Equity Interests under the Plan. Administrative Expense Claims have not been classified and are excluded from the following Classes in accordance with Bankruptcy Code section 1123(a)(1). A Claim or Equity Interest shall be deemed classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any portion or remainder of such Claim or Equity Interest qualifies within the description of such different Class. The Claims and Equity Interests identified below are subject to the right of the Debtors (or Reorganized Debtors) to object to the amount, validity or extent of such Claims or Equity Interests.

Treatment of Class 1
(BAIA Secured Tax Claim, $104,258.00).

Class 1 consists of the Secured Tax Claim of Carroll County, Maryland in the approximate amount of $104,258.00, plus accrued interest at the rate of six percent (6%). The Class 1 Secured Tax Claim shall be paid by BAIA in quarterly installments beginning on the Effective Date, and continuing on each successive quarter thereafter for a period of five years, *provided, however*, that if a sale of property owned by BAIA occurs during the term of the Plan, the Class 1 Secured Tax Claim shall be paid in full at closing from the proceeds of such sale.

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

Treatment of Class 2
(Ridgeville Plaza Secured Tax Claim, $41,065.00).

Class 2 consists of the Secured Tax Claim of Carroll County, Maryland in the approximate amount of $41,065.00, plus accrued interest at the rate of six percent (6%). The Class 2 Secured Tax Claim shall be paid by Ridgeville Plaza in quarterly installments beginning on the Effective Date, and continuing on each successive quarter thereafter for a period of five years *provided, however*, that if a sale of property owned by Ridgeville Plaza occurs during the term of the Plan, the Class 2 Secured Tax Claim shall be paid in full at closing from the proceeds of such sale.

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

Treatment of Class 3
(Secured Claim of SF IV Bridge IV, LP against BAIA and Ridgeville Plaza $15,235,403.71).

Class 3 consists of the Secured Claim of SF IV secured by the properties owned by BAIA and Ridgeville Plaza. As of the Petition Date, SF IV asserted a balance of $15,235,403.71 pursuant to a loan made by SF IV pursuant to (i) that certain Promissory Note dated March 15, 2016 in the original principal amount of $12,800,000; (ii) that certain Loan Agreement dated March 15, 2016

and (iii) a Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing from the Debtors to trustees for the benefit of SF IV dated March 15, 2016, and recorded among the Land Records of Carroll County, Maryland at Liber 8269, folio 039, encumbering the Properties; (iv) a Security Agreement dated March 15, 2016 encumbering certain personal property identified therein and (v) an Assignment of Rents and Leases encumbering the Properties dated March 15, 2016, which is recorded among the Land Records of Carroll County, Maryland at Liber 826, folio 077.

The Class 3 Secured Claim of SF IV shall be Allowed in an amount determined by Order of the Bankruptcy Court, and shall be paid as follows: (i) the BAIA property located at 1311 S. Main Street shall be sold and the net proceeds, estimated to be $9,000,000.00, shall be paid to SF IV to reduce the Class 3 Allowed Secured Claim; (ii) beginning on the Effective Date, the balance of the Class 3 claim after the sale of 1311 S. Main Street (post-closing balance is estimated to be approximately $6,235,403.00) shall be amortized over three hundred (300) months, and shall accrue interest at the rate of 6.0% per annum; (iii) beginning on the Effective Date, the Debtors shall make monthly principal and interest payments to SF IV on the post-closing balance in the amount of Forty Thousand One Hundred Seventy Four Dollars ($40,174.00) per month; and (iv) the outstanding balance, if any, of the Class 3 Allowed Secured Claim shall be paid in full no later than the fifth (5th) anniversary of the Effective Date. In the event the 1311 S. Main Street Property is not sold on or before the Effective Date, the monthly payment under the Plan shall be calculated against the total amount of the Class 3 Allowed Claim, until such time as the property is sold. The Class 3 Allowed Secured Claim of SF IV may be prepaid without penalty. SF IV shall retain its liens until the Class 3 Allowed Secured Claim of SF IV is paid in full. The Debtors shall receive credit for any post-petition, pre-confirmation Effective Date payments made, which shall be applied as a credit against the Class 3 Allowed Secured Claim.

Class 3 is Impaired, and is entitled to vote to accept or reject the Plan.

Treatment of Class 4
(Secured Claim of Keith Gehle against BAIA, $122,936.90).

Class 4 consists of the Secured Claim of Keith Gehle. As of the Petition Date, Keith Gehle asserted a balance of $122,936.90 against BAIA pursuant to a loan made to BAIA in the original principal amount of $150,000.00, secured by a mortgage dated February 18, 2005 and recorded among the Land Records of Carroll County, Maryland at Liber 4443, folio 0320, secured by the real property and improvements located at 1311 S. Main Street, Mount Airy, Maryland 21771.

The Class 4 Secured Claim of Keith Gehle shall be Allowed in the amount of $122,936.90, and shall be paid as follows: (i) beginning on the Effective Date, the indebtedness shall be amortized over one hundred twenty (120) months at an interest rate of 6.0% per annum; (ii) BAIA shall make monthly principal and interest payments to Keith Gehle in the amount of One Thousand Three Hundred Sixty Six Dollars ($1,366.00) per month; and (iii) the outstanding balance, if any, of the Class 4 Allowed Secured Claim of Keith Gehle shall be paid in full no later than the fifth (5th) anniversary of the Effective Date, unless the Claimant agrees to different treatment. The Class 4 Allowed Secured Claim may be prepaid without penalty. Keith Gehle shall retain his liens until the Class 4 Allowed Secured Claim is paid in full.

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

Treatment of Class 5
(Secured Claim of Deborah Ann Mielke, assignee of Almedia Moxley against BAIA, $275,000.00).

Class 5 consists of the Secured Claim of Deborah Ann Mielke, assignee of Almedia Moxley. As of the Petition Date, Deborah Ann Mielke asserted a balance of $275,000.00 against BAIA pursuant to a loan made to BAIA in the original principal amount of $300,000.00, secured by a mortgage dated October 16, 2007, recorded among the Land Records of Carroll County, Maryland at Liber 5377, folio 0328 against the real property and improvements located at 1401 S. Main Street, Mount Airy, Maryland 21771.

The Class 5 Allowed Claim shall be paid as follows: (i) beginning on the Effective Date, the indebtedness shall be amortized over a period of two hundred and forty (240) months at an interest rate of 6.0% per annum; (ii) BAIA shall make monthly payments to Deborah Ann Mielke in the amount of One Thousand Nine Hundred Seventy Dollars ($1,970.00) per month; and (iii) the outstanding balance, if any, of the Class 5 Allowed Secured Claim of Deborah Ann Mielke shall be paid in full no later than the fifth (5th) anniversary of the Effective Date, unless the Holder of the Class 5 Claim agrees to different treatment. The Class 5 Allowed Secured Claim may be prepaid without penalty. Deborah Ann Mielke shall retain her liens until the Class 5 Allowed Secured Claim is paid in full.

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

Treatment of Class 6
(Secured Claim of United Bank against BAIA and Ridgeville Plaza, $919,254.89).

Class 6 consists of the Secured Claim of United Bank secured by the properties owned by BAIA and Ridgeville Plaza. As of the Petition Date, United Bank asserted a balance of $919,254.89 pursuant to a loan made by United Bank to Main Street, LLC pursuant to (i) that certain Promissory Note dated June 30, 2009 in the original principal amount of $2,755,000; (ii) an Indemnity Deed of Trust and Assignment of Leases and Rents from BAIA to the trustees for the benefit of United Bank dated June 30, 2009, recorded among the Land Records of Carroll County, Maryland at Liber 5898, folio 0284 on July 10, 2009, encumbering the BAIA Properties; and (iii) an Indemnity Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing against the Ridgeville Plaza Properties dated November 18, 2015, recorded among the land records for Carroll County, Maryland in Liber 8175 Folio 0190 on December 10, 2015.

The Class 6 Secured Claim of United Bank shall be Allowed in the amount of $919,254.89, and shall be paid as follows: (i) beginning on the Effective Date, the Promissory Note shall be amortized over two hundred forty (240) months at the rate of interest of 6.0% per annum; (ii) beginning on the Effective Date, the Debtors shall make monthly payments to United Bank in the amount of Six Thousand Five Hundred Eighty Four Dollars ($6,584.00) per month; and (iii) the outstanding balance, if any, of the Class 6 Allowed Secured Claim of United Bank shall be paid in full no later than the fifth (5th) anniversary of the Effective Date. The Class 6 Allowed

Secured Claim of United Bank may be prepaid without penalty. United Bank shall retain its liens until the Class 6 Secured Claim of United Bank is paid in full.

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

Treatment of Class 7
(General Unsecured Claims Against BAIA, $230,284.00).[2]

Class 7 consists of General Unsecured Claims filed against and/or scheduled by BAIA in the amount of approximately $230,284.00. In full and final satisfaction and discharge of each Allowed Class 7 Claim, each Holder of an Allowed Class 7 Claim shall receive payment in full, in quarterly installments beginning on the Effective Date and continuing on each successive quarter for a period of five years. Payments to the Holders of Class 7 Allowed General Unsecured Claims against BAIA shall be in full and final satisfaction of their Allowed Claims. The Debtor or Reorganized Debtor (as the case may be) reserves the right to object to these Claims and nothing herein shall constitute an admission that these claims are Allowed.

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

Treatment of Class 8
(General Unsecured Claims Against Ridgeville Plaza, $30,524.00).

Class 8 consists of General Unsecured Claims filed against and/or scheduled by Ridgeville Plaza in the amount of approximately $30,524.00. In full and final satisfaction and discharge of each Allowed Class 8 Claim, each Holder of an Allowed Class 8 Claim shall receive payment in full, in quarterly installments beginning on the Effective Date and continuing on each successive quarter for five years. Payments to the Holders of Class 8 Allowed General Unsecured Claims against Ridgeville Plaza shall be in full and final satisfaction of their Allowed Claims. The Debtor or Reorganized Debtor (as the case may be) reserves the right to object to these Claims and nothing herein shall constitute an admission that these claims are Allowed.

Class 8 is impaired, and is entitled to vote to accept or reject the Plan.

Treatment of Class 9
(Indemnification/Contribution Claim of Michael Murray against BAIA and Ridgeville, $919,254.89).

Class 9 consists of the Indemnification and/or Contribution Claim of Michael Murray in the approximate amount of $919,254.89. The alleged Indemnification and/or Contribution Claim arises out of a certain guaranty agreement executed and delivered by Michael Murray in connection with the loan advanced by United Bank, and secured by the Properties. United Bank has asserted a Claim in these Chapter 11 Cases, and is treated as a Class 6 Claim under the Plan. The Indemnification and/or Contribution Claim of Michael Murray is contingent and

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[2] Based on a cursory review of the claims register against BAIA, the Claim of Jeffrey Kopp in the amount of $142,291.08 is believed to be incorrect. BAIA believes the correct total of Class 7 Allowed General Unsecured Claims against BAIA will be $87,352.54.

unliquidated; it is also disputed by the Debtors. Although his respective proofs of claim are presently contingent and unliquidated, Michael Murray alleges that his claims range from $0.00 to $919,254.89, which is the approximate amount of the debt owed by the Debtors to United Bank.

The Indemnification and/or Contribution Claim of Michael Murray, to the extent Allowed after adjudication by the Court, shall be paid in full within two (2) years of the date this Class 9 Claim matures. Payment as set forth herein to the holder of the Class 9 Claim shall constitute full and final satisfaction of the Class 9 Claim. In the event that United Bank's claims are not paid in full pursuant to the Plan, the Class 9 Claim shall survive confirmation of these Chapter 11 Cases.

Class 9 is impaired, and is entitled to vote to accept or reject the Plan.

Treatment of Class 10
(Equity Interests in BAIA).

Class 10 consists of Equity Interests in BAIA. As of the Petition Date, the membership interests in BAIA were owned by Main Street, LLC (83%), Norma Lee Dennis (1.0%), Darren Stores (.50%), David & Claudia Fegler (1.0%), David Rule (1.0%), Dr. McKane DDS PC (.50%), and Francesco & Mila Illiano (13%). On April 25, 2017, Murray Family Properties, LLC asserted a membership interest in BAIA in the amount of 16%, which is disputed.

Class 10 Equity Interests in BAIA shall be extinguished upon the Effective Date, and New Interests shall be issued in the Reorganized Debtor. Each Equity Interest Holder shall have the right to purchase their equity interests in the Reorganized Debtor by making a new value contribution to the Plan in the amount of up to $15,000.00 (based upon the percentage of the Equity Interest Holder's pre-petition Equity Interest) to be used to fund expenses for Administrative Claims and/or the Plan Administrator. By way of example, to the extent Main Street, LLC desires to retain its Equity Interest in BAIA, LLC, Main Street, LLC would need to make a new value contribution of $12,450.00 ($15,000 x 83%).

As consideration for the new value contribution, new interests in the Reorganized Debtor shall be issued to the successful bidder/purchaser of the Equity Interests. The new value contribution allows the Equity holders to purchase the Equity Interest(s) in BAIA. The United States Supreme Court has held that such efforts must be subject to competing bids from the open market. Therefore, anyone may purchase the Equity Interest of the Reorganized Debtor by submitting a higher bid for such interest. Any party desiring to offer a higher bid should submit such bid, in writing, along with evidence of his/her ability to satisfy such bid, to the undersigned counsel for BAIA, **by noon (EDT) at least fourteen (14) days prior to the Confirmation Hearing**, and must appear at the Confirmation Hearing. The new value requirement and the ability to bid and any subsequent auction of the Equity Interest will only take place in the event that all Impaired Classes do not accept the plan. The highest and best bid will be accepted by the Bankruptcy Court and the successful bidder will become the owner of the Equity Interest in the Reorganized Debtor, and will purchase such Equity Interest subject to the terms of the Plan confirmed by the Court.

Additionally, pursuant to section 1121 of the United States Bankruptcy Code, the exclusivity period for the Debtor to file a plan of reorganization expired on May 1, 2017. Any Creditor who wishes to file a competing Disclosure Statement and Chapter 11 Plan of Reorganization in the Bankruptcy Court is, in accordance with applicable Bankruptcy law, free to do so.

Class 10 is Impaired, but is not entitled to vote because the Holders of Equity Interests in Class 10 will not retain or acquire any property under the Plan on account of their Equity Interests. As such, Class 10 is deemed to reject the Plan.

Treatment of Class 11
(Equity Interests in Ridgeville Plaza).

Class 11 consists of Equity Interests in Ridgeville Plaza. As of the Petition Date, the stock interests in Ridgeville Plaza were owned by Francesco & Mila Illiano (100%). On April 25, 2017, Murray Family Properties, LLC asserted a 20% stock interest (200 shares) in Ridgeville Plaza, and Michael Murray asserted a 10% stock interest (100 shares) in Ridgeville Plaza. Murray Family Properties, LLC and Michael Murray's asserted Equity Interest is disputed.

Class 11 Equity Interests in Ridgeville Plaza shall be extinguished upon the Effective Date, and New Interests shall be issued in the Reorganized Debtor. Each Equity Interest Holder shall have the right to purchase their equity interests in the Reorganized Debtor by making a new value contribution to the Plan in the amount of up to $10,000.00 to be used to fund expenses for Administrative Claims and/or the Plan Administrator.

As consideration for the new value contribution, 100% of the new common stock of the issued and outstanding Interests of the Reorganized Debtor shall be issued to the successful bidder/purchaser of the Equity Interests. The new value contribution allows the Equity holders to purchase the Equity Interest(s) in the Reorganized Debtor. The United States Supreme Court has held that such efforts must be subject to competing bids from the open market. Therefore, anyone may purchase the Equity Interest of the Reorganized Debtor by submitting a higher bid for such interest. Any party desiring to offer a higher bid should submit such bid, in writing, along with evidence of his/her ability to satisfy such bid, to the undersigned counsel for the Debtor, **by noon (EDT) at least fourteen (14) days prior to the Confirmation Hearing**, and must appear at the Confirmation Hearing. The new value requirement and the ability to bid and any subsequent auction of the Equity Interest will only take place in the event that all Impaired Classes do not accept the plan. The highest and best bid will be accepted by the Bankruptcy Court and the successful bidder will become the owner of the Equity Interest in the Reorganized Debtor, and will purchase such Equity Interest subject to the terms of the Plan confirmed by the Court.

Additionally, pursuant to section 1121 of the United States Bankruptcy Code, the exclusivity period for the Debtor to file a plan of reorganization expired on May 1, 2017. Any Creditor who wishes to file a competing Disclosure Statement and Chapter 11 Plan of Reorganization in the Bankruptcy Court is, in accordance with applicable Bankruptcy law, free to do so.

Class 11 is Impaired, but is not entitled to vote because the Holders of Equity Interests in Class 11 will not retain or acquire any property under the Plan on account of their Equity Interests. As such, Class 11 is deemed to reject the Plan.

Designation and Treatment of Unclassified Claims

Administrative Expenses

Except as set forth below, each holder of an Allowed Administrative Expense shall be entitled to payment in full in cash upon the later of (a) the Effective Date, (b) the date on which an order of the Bankruptcy Court allowing such Administrative Expense becomes a Final Order, or (c) the date, or dates, on which the Plan Proponents and the holder of such Allowed Administrative Expense agree or have agreed. Any final request for payment of an Administrative Expense must be filed no later than **thirty (30) days after the Effective Date**. The Administrative Claims Bar Date shall not constitute a bar to Professional Fee Claims, whether accruing prior to or after the Administrative Claims Bar Date. Requests for payment of Administrative Expenses shall be made by motion or application, as applicable, pursuant to the rules of the Bankruptcy Court. The failure to file a motion or application for the allowance of any Administrative Expense on or before the Administrative Claims Bar Date shall constitute a bar against the assertion or collection of any such Administrative Expense, and shall relieve the Debtors' Estate and the Reorganized Debtors from any liability, responsibility or obligation with respect to such Administrative Expense. Notwithstanding the foregoing, the Debtors may, in their sole discretion, pay Administrative Expenses incurred in the ordinary course of the Debtors' business without motion or Court order. Notice of any application or motion for the allowance or payment of any Administrative Expense Claim shall be given to the Debtors, Debtors' Bankruptcy Counsel, the Office of the United States Trustee and to Creditors and parties in interest who have requested notice pursuant to Bankruptcy Rule 2002. The Debtors estimate Administrative Expenses of less than $25,000.00

Professional Fee Claims

Professionals or other entities asserting a Professional Fee Claim for services rendered before the Effective Date must, unless previously filed, file and serve on Debtors' Bankruptcy Counsel, the Office of the United States, and to Creditors and parties in interest who have requested notice pursuant to Bankruptcy Rule 2002, an application for final allowance of such Professional Fee Claim no later than **thirty (30) days after the Effective Date**. Professional Fee Claims shall be paid on the later of: (a) the Effective Date; (b) the date on which an order of the Bankruptcy Court allowing such Administrative Expense becomes a Final Order; or (c) the date, or dates, on which the Debtors and the Professional(s) may agree. Any party in interest may object to a Professional Fee Claim. Any objections to the allowance of a Professional Fee Claim must be filed and served **no later than twenty-one (21) days after such Professional Fee Claim is filed and served**. All fees and expenses earned by Debtors' professionals subsequent to the Confirmation Date shall be paid by the Debtors as earned and billed without need for further approval of the Bankruptcy Court. The Debtors estimate Professional Fee Claims of approximately $60,000.00.

Statutory Fees and Continuing Duties to the Office of the U.S. Trustee

The Debtors and Reorganized Debtors, as applicable, shall pay to the United States Trustee, at the time such payments are due, all fees owed under 28 U.S.C. § 1930(a)(6) for disbursements by the Debtors from the Petition Date through the date on which the case is closed or converted to a case under Chapter 7. The Debtors and Reorganized Debtors, as applicable, will be responsible for disbursing any such payments to the Office of the U.S. Trustee as owed, and reporting such disbursements under applicable rules.

Assumption and Rejection of Executory Contracts and Unexpired Leases

Unless previously rejected by order of the Bankruptcy Court pursuant to section 365 of the Bankruptcy Code, or by operation of law, or assumed through the provisions of the Plan, on the Effective Date, all Executory Contracts and Unexpired Leases shall be rejected pursuant to Bankruptcy Code section 365. The Confirmation Order shall constitute an order of the Bankruptcy Court approving such assumptions and rejections pursuant to section 365 of the Bankruptcy Code**. Notwithstanding the foregoing, absent an Order of the Bankruptcy Court to the contrary, the Confirmation Order shall constitute an assumption of all tenant leases of the Debtors**. No cure payments are believed to be due to the counter-parties of the Executory Contracts and Unexpired Leases.

In addition to the foregoing, all insurance policies shall remain in full force and effect unless otherwise validly terminated, and issuers of such policies of insurance shall remain responsible for claims in accordance with the terms and provisions of such insurance policies. The insurance policies that have expired as of the Confirmation Date (whether entered into prior or subsequent to the Petition Date) are not executory contracts subject to assumption or rejection. The issuers of insurance policies shall be responsible for continuing coverage obligations under such insurance policies, regardless of the payment status of any retrospective or other insurance premiums. To the extent that any insurance policy is determined to be an executory contract, the Plan shall constitute a motion to assume the insurance policy and, subject to the occurrence of the Effective Date, the entry of the Confirmation Order shall constitute approval of such assumption pursuant to section 365(a) of the Bankruptcy Code.

Rejection Claims

Any Rejection Damage Claim arising from the rejection of an Executory Contract or Unexpired Lease by operation of the Plan must be asserted by the filing of a Proof of Claim with the Bankruptcy Court, and the service of such Proof of Claim on the Debtors' Bankruptcy Counsel. Such Proof of Claim must be filed with the Bankruptcy Court, and received by Debtors' Bankruptcy Counsel no later than the Rejection Claims Bar Date. Any Allowed Rejection Damage Claim shall be treated, as applicable, as a Class 7 or Class 8 Claim in accordance with Article IV of the Plan. The failure to file or deliver a Rejection Damage Claim by the Rejection Claims Bar Date shall constitute a bar against the assertion or collection of any such Claim, and shall relieve the Debtors and the Debtors' Estate from any liability, responsibility or obligation with respect to such Claim. Without limiting the generality of the foregoing, no distribution shall be made pursuant to the Plan with respect to any Rejection Damage Claim that is not filed and delivered by the Rejection Claims Bar Date.

Effects of Confirmation of Plan

Discharge of Claims and Interests. Except as otherwise expressly provided by the Plan, the Confirmation of the Plan (subject to the occurrence of the Effective Date) shall discharge the Debtors to the extent provided in Section 1141(d) of the Bankruptcy Code from all debts that arose on or before the Confirmation Date, and all debts of the kind specified in Sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not a Proof of Claim is filed or is deemed filed, whether or not such Claim is Allowed, and whether or not the holder of such Claim voted with respect to the Plan. Except as otherwise expressly provided by the Plan, all property of the Debtors' estate shall, upon entry of the Confirmation Order, be vested in the Reorganized Debtors and will be retained by the Reorganized Debtors on the Effective Date. All such property shall be free and clear of all Claims and the Interest of Creditors and other parties-in-interest, except as otherwise set forth in the Plan.

ACCEPTANCE AND CONFIRMATION OF PLAN

Except as discussed below, a prerequisite to the Confirmation of the Plan is the acceptance of the Plan by each Impaired Class. A Class is Impaired unless, with respect to each Claim or Equity Interest in such Class, the Plan: (1) leaves unaltered the legal, equitable, and contractual rights to which such Claim or Equity Interest entitles the holder of such Claim or Equity Interest; or (2) notwithstanding any contractual provision or applicable law that entitles the holder of such Claim or Equity Interest to demand or receive accelerated payment of such Claim or Equity Interest after the occurrence of a default, (a) cures any such default that occurred before or after the commencement of the Chapter 11 Case (other than "ipso facto" defaults as specified in Section 365(b)(2) of the Bankruptcy Code); (b) reinstates the maturity of such Claim or Equity Interest as such maturity existed before such default; (c) compensates the holder of such Claim or Equity Interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; and (d) does not otherwise alter the legal, equitable, or contractual rights to which such Claim or Equity Interest entitles the holder of such Claim or Equity Interest.

In order for the Debtors to carry a designated Class for purposes of confirmation of the Plan, the affirmative vote of holders of Claims in each such Class that hold at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims in that Class who actually vote on the Plan, other than a holder who has been designated by the Court as in bad faith having accepted or rejected the Plan, or whose acceptance or rejection was not solicited or procured in good faith or in accordance with the provisions of Chapter 11 of the Bankruptcy Code is required. If the requisite acceptances from holders of Allowed Claims in each Class of Claims are obtained, and the Plan is confirmed, the Plan will be binding on all holders of Claims and Equity Interests, including those who did not vote or who voted to reject the Plan (or those who are deemed to reject the Plan).

The Plan Proponents reserve the right to seek to confirm the Plan pursuant to the cramdown provisions of Section 1129(b) of the Bankruptcy Code. As a condition to confirmation, the Bankruptcy Code generally requires that each Impaired Class of Claims or Equity Interest accepts a plan of reorganization. In the event that an Impaired Class does not accept the Plan, the Bankruptcy Court may nonetheless confirm the Plan if (i) the Plan satisfies all other

requirements of Section 1129(a) of the Bankruptcy Code, and (ii) the Plan does not "discriminate unfairly" and is "fair and equitable" with respect to each Impaired Class that has not accepted the Plan.

A plan of reorganization does not discriminate unfairly if (a) the legal rights of a non-accepting Class are treated in a manner that is consistent with the treatment of other Classes whose legal rights are identical with those of the non-accepting Class, and (b) no Class receives payments in excess of that which it is legally entitled to receive for its Claims or Interests. The Plan Proponents believe that the Plan satisfies these requirements with respect to each Class.

The Bankruptcy Code establishes different tests for Secured Creditors, Unsecured Creditors and Equity Interest Holders to determine if the Plan is "fair and equitable." The tests may be summarized as follows:

(a) Secured Creditors: either (i) each Impaired Secured Creditor retains its liens securing its Secured Claim and receives on account of its Secured Claim deferred cash payments having a present value as of the Effective Date equal to the amount of its Allowed Secured Claim, (ii) each Impaired Secured Creditor realizes the "indubitable equivalent" of its Allowed Secured Claim, or (iii) the property securing the Claim is sold free and clear of liens with such liens to attach to the proceeds, and the liens against such proceeds are treated in accordance with clause (i) or (ii), above.

(b) Unsecured Creditors: either (i) each Impaired Unsecured Creditor receives or retains under the Plan property of a value equal to the amount of its Allowed Unsecured Claim, or (ii) the holders of Claims and Equity Interests that are junior to the Claims of the non-accepting Class do not receive any property under the Plan on account of such Claims and Equity Interests.

(c) Equity Interest Holders: either (i) each Equity Interest holder will receive or retain under the Plan property of a value equal to the greater of (a) the fixed liquidation preference or redemption price, if any of his/her Equity Interest or (b) the value of his/her Equity Interest, or (ii) the holders of Equity Interests that are junior to the non-accepting Class will not receive any property under the Plan.

The Plan Proponents believe that the Plan is "fair and equitable" to Equity Interest Holders, Unsecured Creditors and Secured Creditors.

The Plan Proponents reserve all rights to modify or withdraw the Plan at any time prior to the Effective Date.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The alternatives to the confirmation and consummation of the Plan include (1) the preparation and presentation of an alternative plan of reorganization and (2) the liquidation of the Debtors under Chapter 7 of the Bankruptcy Code. The Plan Proponents believe that neither alternative provides a greater return to Unsecured Creditors.

Alternative Plans of Reorganization

The Plan Proponents do not believe that an alternative plan would be viable or in the best interest of the Estate, Creditors or parties-in-interest. The Plan Proponents believe that the Plan provides Creditors a greater recovery than would result from a liquidation of all the Properties in these Chapter 11 Cases or in Chapter 7. The Plan commits all available revenues earned by the Reorganized Debtors for the benefit of holders of Allowed Claims. The proceeds earned from the sale of the 1311 S. Main Street Property and from the receipt of rents will be used to fund the payments to all Creditors as provided herein. Accordingly, the Plan Proponents do not believe that a liquidation of all Debtors' Properties or a rejection of the Plan in favor of a theoretical alternative would result in a greater distribution to any class of Creditors or Equity Interest Holders. To the contrary, the pursuit of a non-consensual plan likely would result in the diminution of distributions to General Unsecured Creditors. Rejection of the Plan likely would lead to litigation, delay and increased expense. The Plan Proponents firmly believe that the Plan is the best option for maximizing returns to Creditors.

Liquidation Under Chapter 7 of the Bankruptcy Code

If the Plan or any other Chapter 11 plan for the Debtors cannot be confirmed under Section 1129(a) of the Bankruptcy Code, the Case may be converted to Chapter 7 of the Bankruptcy Code, in which event a trustee would be appointed (or subsequently elected) to liquidate any remaining assets of the Debtors for distribution to creditors pursuant to chapter 7 of the Bankruptcy Code. A Chapter 7 trustee would substantially increase both costs and time necessary to fully administer the Estate. Likewise, in addition to fees of professionals retained by a Chapter 7 trustee, the Chapter 7 trustee would also charge a fee tied to the value of all assets administered by the Chapter 7 trustee in accordance with Section 326(a) of the Bankruptcy Code, which are elevated to the highest priority of payment under the Bankruptcy Code, and which will not be charged by the post-confirmation Debtors.

After consideration of the effects that a Chapter 7 liquidation would have on the ultimate proceeds available for distribution to Creditors, including the Chapter 7 trustee's investment of substantial time and resources to investigate the facts underlying the Claims filed against the Estate, the Debtors have determined that confirmation of the Plan will provide each holder of an Allowed Claim with a recovery that is not less than such holder would receive pursuant to liquidation of the Debtors under Chapter 7. The Debtors also submit that the value of any distributions to each Class of Allowed Claims in a Chapter 7 case would likely be less than the value of distributions under the Plan because such distributions in a Chapter 7 case would not benefit from, among other things, the continued revenues and appreciation of the Debtors and their Properties as a going concern.

A copy of the Debtors' Liquidation Analysis is attached hereto as **Exhibit C**.

IMPLEMENTATION OF PLAN

Feasibility. The Plan will be funded from the sale of the 1311 S. Main Street Property, operating revenues and payments received from net recoveries from Avoidance Actions and Causes of Action. Attached hereto as **Exhibit D** are financial projections for the Debtors over

the five (5) year term of the Plan. Based upon the attached projections, the Debtors submit that the Plan satisfies the financial feasibility requirement imposed by the Bankruptcy Code.

Revesting of Assets. Except as expressly provided in the Plan, on the Effective Date, all assets of the Debtors shall be revested in the Reorganized Debtors as provided in section 1141 of the Bankruptcy Code free and clear of all liens, security interests, recording taxes, and other interests, choate or inchoate, resulting from all Claims and Equity Interests of all Creditors, Interest Holders and parties-in-interest. For the avoidance of doubt, the Holders of Allowed Secured Claims shall retain their liens until such Secured Claims are paid in accordance with the terms of the Plan.

Distributions. The Reorganized Debtors shall make all distributions under the Plan in cash made by check drawn on a domestic bank or by wire transfer from a domestic bank. Subject to the provisions of Bankruptcy Rule 2002(g) and except as otherwise provided under the Plan, the Reorganized Debtors will make distributions to Holders of Allowed Claims at each Holder's address set forth on the Schedules filed with the Bankruptcy Court unless superseded by a different address set forth in a timely filed proof of Claim filed by the Holder or if the Reorganized Debtors have been notified in writing of a change of address at the following address. The Reorganized Debtors will make all distributions of cash required under the Plan.

Plan Administrator's Post-Effective Date Role:

(a) The Debtors, with notice to Creditors and parties-in-interest, shall select a Plan Administrator to investigate and purse Avoidance Actions and Causes of Actions. If the Plan Administrator were to resign or become unable to serve, the Debtors, or Reorganized Debtors, shall select a new Plan Administrator on fourteen (14) days' notice to Creditors and parties-in-interest.

(b) The Plan Administrator shall have the power and authority to engage professionals, including counsel to assist the Plan Administrator in the performance of the Plan Administrator's duties, without further notice or order of the Bankruptcy Court. All fees and expenses incurred by the Plan Administrator shall be paid first from a $25,000.00 reserve for the benefit of the Plan Administrator, and then from the net recovery of Avoidance Actions and Causes of Action.

(c) Except as set forth in Article 7.03(b) of the Plan, the Debtors and Reorganized Debtors shall have no liability or obligation with respect to the actions taken by the Plan Administrator, or for the fees and expenses incurred by the Plan Administrator. The Reorganized Debtors shall reasonably cooperate with the Plan Administrator by providing information that may reasonably be requested.

(d) As of the Effective Date, the Plan Administrator shall be the sole person authorized to represent the Debtors' Estate in prosecuting, settling, and/or otherwise resolving all Avoidance Actions and Causes of Action, for the benefit of Holders of Allowed Claims, without further notice or Order of the Bankruptcy Court, provided, however, any Causes of Action and Avoidance Actions which the Plan Administrator elects not to pursue shall be abandoned back to the Reorganized Debtors. The Plan Administrator shall be vested with all rights, powers, and

authority of the Debtors' Estate with respect to all Avoidance Actions and Causes of Action. Any such actions shall be brought on behalf of the Debtors' Estate, with all net proceeds recovered, after payment of all fees and expenses incurred by the Plan Administrator, to be distributed Pro Rata to the Holders of Allowed Class 7 and 8 Claims, respectfully, as and when the Plan Administrator, deems appropriate, in his/its discretion, taking into account the amount available to distribute, the costs of distribution, and the need to retain funds reasonably anticipated to be needed for the expenses of administration.

(e) The Plan Administrator agrees to cooperate with the Reorganized Debtors and its accountants by timely providing information to the Reorganized Debtors with respect to all receipts, income, disbursements and expenses of the Plan Administrator, to ensure that the Reorganized Debtors are able to timely complete and file their federal and state income tax returns, with inclusion of all information relevant to such returns relating to the activities of the Plan Administrator.

Corporate Action. On the Effective Date, all matters provided for under the Plan that would otherwise require approval of the members, stockholders, directors or comparable governing bodies of the Debtors, shall be deemed to have occurred and shall be in effect from and after the Effective Date pursuant to the applicable general corporation law (or other applicable governing law) of the state in which the Debtors are incorporated or organized, without any requirement of further action by the members, stockholders or directors (or other governing body) of the Debtors. On the Effective Date, or as soon thereafter as is practicable, (i) the Debtors' articles of incorporation and bylaws, or if applicable operating agreement, shall be amended as necessary to comply with the provisions of Section 1123(a)(6) of the Bankruptcy Code and otherwise in a manner not inconsistent with the Plan, and (ii) the Debtors shall execute and deliver all documents, instruments and agreements that are necessary to implement the Plan.

Setoffs. The Debtors may, but shall not be required, to set off against any Claims (for purposes of determining the Allowed amount of such Claim on which distribution shall be made) of any nature whatsoever that the Debtors may have against the Holder of such Claim, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors and/or Plan Administrator of any such Claim the Debtors may have against the Holder of such Claim.

Small Distributions and Unclaimed Funds. The Debtors shall not be required to make a distribution on account of any Claim, which distribution would be less than $50.00 in amount. Subject to the notice provision set forth herein, any payment that is not negotiated one-hundred eighty (180) days after the date on which it is mailed may be stopped, and the funds made available for distribution to other Creditors pursuant to the Plan. Any payment that is returned as undeliverable may be voided, and the funds represented by such payment made available for distribution to other Creditors pursuant to the Plan. In the event that payment of an initial distribution is returned as undeliverable or is not negotiated within one-hundred eighty (180) days after it is mailed, the Debtors shall not be required to make any further distributions to such Creditor under the Plan, and the funds that otherwise would have been distributed to such Creditor may be made available, in the Debtors' discretion, as applicable, for distribution to other Creditors pursuant to the Plan.

<u>Preservation of Rights of Action</u>. On the Effective Date, the Debtors shall be deemed to transfer and assign to the Plan Administrator and its agents and/or assigns, the sole right to commence any and all Causes of Action and Avoidance Actions on behalf of the Estate, provided, however, any Causes of Action and Avoidance Actions which the Plan Administrator elects not to pursue shall be abandoned back to the Reorganized Debtors. Any recovery, after payment of fees and expenses, obtained from any such action shall be made available for distribution to Holders of Allowed Class 7 and 8 Claims, subject to Section 7.03 of the Plan. Except as otherwise expressly provided in the Plan, or in any contract, instrument, release or other agreement entered into in connection with the Plan, in accordance with Section 1123(b) of the Bankruptcy Code, the Plan Administrator may enforce any claims, rights, Causes of Action and defenses that the Debtors or their Bankruptcy Estates may hold against any person or entity, including, without limitation, Avoidance Actions or other actions arising under the Bankruptcy Code or any similar provisions of state law, or any other statute, legal theory or equitable doctrine. Subject to the Plan Administrator's investigation, the Debtors believes that certain Avoidance Actions may exist against one or more Creditors identified in the Debtor's Statement of Financial Affairs filed in the Chapter 11 Case, as amended, and as scheduled by the Debtors in the Debtors' schedules, as amended. The Plan Administrator intends to pursue any such claims no later than one-hundred eighty (180) days after the Effective Date, subject, however, to the right of the Plan Administrator to seek an extension of time to file such claims, rights, Causes of Actions and defenses by seeking such extension with approval of the Bankruptcy Court.

<u>Disputed Claim Procedure.</u>

(a) Authority to Prosecute Objections

After the Effective Date, the Debtors, Creditors and parties-in-interest shall be entitled to object to all Claims. Objections to Claims, if any, **must be filed no later than ninety (90) days after the Effective Date**, unless such deadline is extended by order of the Bankruptcy Court. Settlement of Disputed Claims shall be subject to notice to the Debtors, Debtors' Bankruptcy Counsel, the Plan Administrator, the Office of the United States, and to Creditors and parties in interest who have requested notice pursuant to Bankruptcy Rule 2002.

(b) No Distributions on Disputed or Disallowed Claims

Except as may otherwise be ordered by the Bankruptcy Court or authorized under the terms of the Plan, the Reorganized Debtors shall not make distributions to Holders of Disputed Claims until the Disputed Claim become an Allowed Claim. The Reorganized Debtors shall make no distributions to holders of Disallowed Claims.

(c) Late Claims Void

Unless otherwise expressly Allowed by Order of the Bankruptcy Court or otherwise provided by the Plan, any Claim filed after the applicable Claims Bar Date will be void and of no force or effect, and will receive no distributions under the Plan.

<u>Exculpation.</u> The Debtors and their respective officers and/or directors (including their respective Professionals)(collectively, the "Exculpation Parties") shall not have any liability to

any Holder of a Claim for any act or omission occurring after the Petition Date and through the Effective Date in connection with, related to, or arising out of the Chapter 11 Cases, including, without limitation, negotiations regarding or concerning the Plan, the pursuit of confirmation of the Plan, the consummation the Plan, or the administration of the Estate or the Plan or the property to be distributed under the Plan, except for willful misconduct or gross negligence, and, in all respects, the Exculpation Parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan. Nothing in the Plan shall constitute a waiver of any Avoidance Action or Cause of Action against an Exculpation Party for any act or omission occurring or arising prior to the Petition Date except as otherwise set forth in the Plan.

Retention of Jurisdiction. The United States Bankruptcy Court shall retain exclusive jurisdiction after Confirmation of the Plan of all matters arising from or related to the Plan, for as long as necessary for the purpose of §§105(a), 1127, 1142(b) and 1144 of the Bankruptcy Code and for, inter alia, the following purposes:

(a) hear and determine motions, applications, adversary proceedings, and contested matters pending or commenced after the Effective Date;

(b) hear and determine objections to Claims (whether filed before or after the Effective Date), or requests for estimation of any Claim, and to enter any order requiring the filing of proof of any Claim before a particular date;

(c) estimate any Claim at any time, including, without limitation, during litigation concerning any objection to such Claim, including any pending appeal;

(d) ensure that distributions to holders of Allowed Claims are accomplished as provided in the Plan;

(e) enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, or vacated;

(f) issue or construe such orders or take any action as may be necessary for the implementation, execution, enforcement and consummation of the Plan and the Confirmation Order, and hear and determine disputes arising in connection with the foregoing;

(g) hear and determine any applications to modify the Plan, to cure any defect or omission or to reconcile any inconsistency in the Plan, the Disclosure Statement, or in any order of the Bankruptcy Court including, without limitation, the Confirmation Order;

(h) hear and determine all applications for Professional Fee Claims;

(i) hear and determine other issues presented or arising under the Plan, including disputes among holders of Claims and arising under agreements, and the documents or instruments executed in connection with the Plan;

(j) hear and determine any action concerning the recovery and liquidation of the Estate's Assets, wherever located, including without limitation, litigation to liquidate and recover the Estate's Assets or other actions seeking relief of any sort with respect to issues relating to or affecting Estate Assets;

(k) hear and determine any action concerning the determination of Taxes, Tax refunds, Tax attributes, and Tax benefits and similar or related matters with respect to the Debtor or the Estate including, without limitation, matters concerning federal, state, and local Taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

(l) hear and determine any other matters related hereto and not inconsistent with Chapter 11 of the Bankruptcy Code; and

(m) enter the Final Decree.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes certain Federal income tax consequences to the Debtor and Debtors' holders of Claims and Equity Interests. This summary is based upon the Internal Revenue Code of 1986, as amended (the "Tax Code"), Treasury Regulations promulgated thereunder, judicial decisions and published administrative rulings and pronouncements of the IRS, as in effect on the date hereof. Legislative, judicial or administrative changes or interpretations enacted or promulgated hereafter could alter or modify the analysis and conclusions set forth below. Any such changes or interpretations may be retroactive and could affect significantly the Federal income tax consequences discussed below. This summary does not address foreign, state or local tax law, or any estate or gift tax consequences of the Plan, nor does it purport to address the Federal income tax consequences of the Plan to special categories of taxpayers who are holders of Claims (such as taxpayers who are not domestic corporations or citizens or residents of the United States, or are S corporations, banks, mutual funds, insurance companies, financial institutions, regulated investment companies, broker-dealers and tax-exempt organizations) and assumes that each Creditor holds its Claim directly.

The Federal income tax consequences of the Plan are complex and are subject to significant uncertainties. Debtor has not requested and will not request a ruling from the IRS with respect to any of the tax aspects of the Plan.

THE TAX CONSEQUENCES TO HOLDERS OF CLAIMS AND EQUITY INTERESTS MAY VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER. MOREOVER, THE TAX CONSEQUENCES OF CERTAIN ASPECTS OF THE PLAN ARE UNCERTAIN DUE TO THE LACK OF APPLICABLE LEGAL PRECEDENT AND THE POSSIBILITY OF CHANGES IN THE APPLICABLE TAX LAW. THERE CAN BE NO ASSURANCE THAT THE IRS WILL NOT CHALLENGE ANY OF THE TAX CONSEQUENCES DESCRIBED HEREIN, OR THAT SUCH A CHALLENGE, IF ASSERTED, WOULD NOT BE SUSTAINED. ACCORDINGLY, EACH HOLDER OF A CLAIM OR EQUITY INTEREST IS STRONGLY URGED TO CONSULT WITH ITS OWN TAX ADVISOR REGARDING THE FOREIGN, FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF THE PLAN.

Certain Federal Income Tax Consequences to Creditors. The Federal income tax consequences of the Plan to a Creditor will depend upon several factors, including but not limited to: (i) whether the Creditor's Claim (or portion thereof) constitutes a Claim for principal or interest; (ii) whether the Creditor is a resident of the United States for tax purposes (or falls into any of the special classes of taxpayers excluded from this discussion as noted above); and (iii) whether the Creditor has taken a bad debt deduction with respect to its Claim. In addition, if a Claim is a "security" for tax purposes, different rules may apply. **CREDITORS ARE STRONGLY ADVISED TO CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO THE TAX TREATMENT UNDER THE PLAN OF THEIR PARTICULAR CLAIMS.**

A Creditor receiving solely cash in exchange for its Claim will generally recognize taxable gain or loss in an amount equal to the difference between the amount realized and its adjusted tax basis in the Allowed Claim. The amount realized will equal the amount of cash to the extent that such consideration is not allocable to any portion of the Allowed Claim representing accrued and unpaid interest, as further discussed below.

The character of any recognized gain or loss (i.e., ordinary income, or short-term or long-term capital gain or loss) will depend upon the status of the Creditor, the nature of the Allowed Claim in the Creditor's hands, the purpose and circumstances of its acquisition, the Creditor's holding period of the Allowed Claim, and the extent to which the Creditor previously claimed a deduction for the worthlessness of all or a portion of the Allowed Claim.

A loss generally is treated as sustained in the taxable year for which there has been a closed and completed transaction, and no portion of a loss with respect to which there is a reasonable prospect of reimbursement may be deducted until it can be ascertained with reasonable certainty whether or not such reimbursement will be recovered.

A portion of the consideration received by a Creditor in satisfaction of an Allowed Claim may be allocated to the portion of such Claim (if any) that represents accrued but unpaid interest. If any portion of the distribution were required to be allocated to accrued interest, such portion would be taxable to the Creditor as interest income, except to the extent the Creditor has previously reported such interest as income.

In the event that a Creditor has not previously reported the interest income, only the balance of the distribution after the allocation of proceeds to accrued interest would be considered received by the Creditor in respect of the principal amount of the Allowed Claim. Such an allocation would reduce the amount of the gain, or increase the amount of loss, realized by the Creditor with respect to the Allowed Claim. If such loss were a capital loss, it would not offset any amount of the distribution that was treated as ordinary interest income (except, in the case of individuals, to the limited extent that capital losses may be deducted against ordinary income).

Federal Income Tax Consequences to Holders of Equity Interests Receiving No Distributions. Holders of allowed Equity Interests receiving no distributions will generally recognize loss in the amount of each such holder's adjusted tax basis in the Equity Interest. The

character of any recognized loss (i.e., ordinary income, or short-term or long-term capital gain or loss) will depend upon the status of the holder, the nature of the Equity Interest in the holder's hands, the purpose and circumstances of its acquisition, the holder's holding period, and the extent to which the holder had previously claimed a deduction for the worthlessness of all or a portion of the Equity Interest.

A loss generally is treated as sustained in the taxable year for which there has been a closed and completed transaction, and no portion of loss with respect to which there is a reasonable prospect of reimbursement may be deducted until it can be ascertained with reasonable certainty whether or not such reimbursement will be recovered.

Importance of Obtaining Professional Tax Assistance. No holder of a Claim or Equity Interest should rely on the tax discussion in this Disclosure Statement in lieu of consulting with one's own tax professional. The foregoing is intended to be a summary only and not a substitute for consultation with a tax professional. The Federal, state, local and foreign tax consequences of the Plan are complex and, in some respects, uncertain. Such consequences may also vary based upon the individual circumstances of each holder of a Claim or Equity Interest. Accordingly, each holder of a Claim or Equity Interest is strongly urged to consult with its own tax advisor regarding the Federal, estate, local and foreign tax consequences of the Plan.

CONCLUSION

The Plan Proponents respectfully urge all Creditors to vote for the Plan. The Plan Proponents believe that the Plan represents the best opportunity for Creditors to realize the maximum possible distribution on account of their Claims against the Debtor.

Dated: May 1, 2017

Respectfully submitted,

BAIA, LLC

/s/ Francesco Illiano
By: ______________________________
Francesco Illiano, its Managing Member

RIDGEVILLE PLAZA, INC.

/s/ Francesco Illiano
By: ______________________________
Francesco Illiano, its Authorized Officer

By and through their counsel:

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List of Exhibits to Disclosure Statement

Exhibit A	Debtors' Joint Plan of Reorganization
Exhibit B	Rent Rolls
Exhibit C	Liquidation Analysis
Exhibit D	Financial Projections