

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

In re:

Chapter 11

FIRST BRONX LLC,

Case No.: 14-22047-rdd

Debtor.

-----X

**DISCLOSURE STATEMENT FOR THIRD AMENDED PLAN
OF REORGANIZATION OF FIRST BRONX LLC, AS MODIFIED**

**ROBINSON BROG LEINWAND GREENE
GENOVESE & GLUCK P.C.**

Attorneys for the Debtor

875 Third Avenue, 9th Fl.

New York, New York 10022

Tel. No.: 212-603-6300

Robert M. Sasloff, Esq.

A. Mitchell Greene, Esq.

Dated: New York, New York
May 25, 2016

DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES OF THE PLAN AND MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. NO PERSON MAY GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DISCLOSURE STATEMENT REGARDING THE PLAN OR THE SOLICITATION OF ACCEPTANCES OF THE PLAN.

ALL CREDITORS AND HOLDERS OF EQUITY INTERESTS SHOULD READ THIS DISCLOSURE STATEMENT AND ALL EXHIBITS HERETO, INCLUDING THE PLAN, 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 AND THE EXHIBITS ANNEXED TO THE DISCLOSURE STATEMENT AND THE PLAN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF UNLESS ANOTHER TIME IS SPECIFIED HEREIN. THE TRANSMISSION OF THIS DISCLOSURE STATEMENT SHALL NOT CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION STATED SINCE THE DATE HEREOF. AFTER THE DATE HEREOF, THERE CAN BE NO ASSURANCE THAT (A) THE INFORMATION AND REPRESENTATIONS CONTAINED HEREIN WILL BE MATERIALLY ACCURATE, AND (B) THIS DISCLOSURE STATEMENT CONTAINS ALL MATERIAL INFORMATION.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE, AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NONBANKRUPTCY LAW. THIS DISCLOSURE STATEMENT WAS PREPARED TO PROVIDE HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS WITH "ADEQUATE INFORMATION" (AS DEFINED IN THE BANKRUPTCY CODE) SO THAT THEY CAN MAKE AN INFORMED JUDGMENT ABOUT THE PLAN.

THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, AS A STIPULATION OR AS A WAIVER, BUT, RATHER, AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS. THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING INVOLVING THE DEBTOR OR ANY OTHER PARTY, NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES, OR OTHER LEGAL EFFECTS OF THE LIQUIDATION OR THE PLAN ON HOLDERS OF CLAIMS AGAINST, OR EQUITY INTERESTS IN, THE DEBTOR.

The Debtor, **First Bronx LLC** (the “Debtor”), has filed its *Third Amended Plan of Reorganization for First Bronx LLC, as Modified* dated May 25, 2016 (the “Plan”), with the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”). This *Disclosure Statement for Third Amended Plan of Reorganization of First Bronx LLC, as Modified* (the “Disclosure Statement”) is being submitted for approval to the Bankruptcy Court for use in connection with the solicitation of acceptances of the Plan from holders of Claims against the Debtor pursuant to section 1125 of title 11 of the United States Code (the “Bankruptcy Code”).

A glossary of terms frequently used in this Disclosure Statement, is set forth in Article 1 of the Plan.

THE PLAN

The Plan provides for the members of the Debtor to make a significant capital contribution to fund the Plan, and the payment to certain creditors and funding from the rental income going forward. The Plan also provides for the restructuring of the Debtor’s secured obligations and the payment of 50% to the allowed unsecured creditors class from the cash on hand, the contribution from the members and from the operation of the Debtor’s business post-confirmation. The secured creditor’s claim will be reduced by the payment of the Contribution Amount¹ from the members. After the Effective Date, the rental income generated from the Property, including from the Billboard, will fund all future Plan payments. The new term of the Secured Creditor’s note will be five (5) years.

In the Debtor’s opinion, the treatment of claims under the Plan provides a greater recovery for Creditors than that which is likely to be achieved under other alternatives for the reorganization or liquidation of the Debtor.

Accordingly, the Debtor believes that Confirmation of the Plan is in the best interests of Creditors, and recommends that you vote to accept the Plan.

THE DEBTOR

The Debtor owns the real property and improvements thereon located at **700 East 134th Street, Bronx, New York**, which property is improved by an apartment building with residential units (the “Property”). The Debtor purchased the Property and operated it since 2005. The Property was the subject of a foreclosure proceeding in the Supreme Court for the State of New York, Bronx County. A receiver was appointed in the foreclosure proceeding, but had not taken possession. This action dealt with serious issues regarding the validity of the assignment of the mortgage and note to the current holder, Fannie Mae, which was ultimately determined against the Debtor and caused the filing of this Chapter 11 case.

¹Terms not otherwise defined shall have the meaning set forth in the Plan.

Also prior to the filing of this case, the Billboard Action was commenced against the Debtor in the Supreme Court of the State of New York, County of Bronx by Lamar Advertising of Penn, LLC d/b/a Lamar Outdoor Advertising (“Lamar”), under Index Number 21085/12. The dispute underlying the Billboard Action involves the ownership and usage of the signage and fixtures for the Billboard located on the roof of the Debtor’s Property. Due to the age and size of the Billboard, the resolution of this dispute was a considerable factor in the determination on whether to file this case in order to maintain the Estate’s interest in the Property and to protect the status quo with respect thereto while the Debtor reorganizes. The agreement with Lamar with respect to the Billboard had allegedly expired, and a dispute arose with regard to the removal and ownership of the Billboard. The Debtor is entering into a new lease of the Billboard with Lamar, a copy of which is annexed to the Plan. The Debtor believes that this lease, which was negotiated in its ordinary course of business, resolves the Billboard Action for the purposes of this lease.

SUMMARY

The table below provides a summary of the classification and treatment of Allowed Claims under the Plan. The figures set forth in the table below represent the Debtor’s best estimate of the aggregate amount of Allowed Claims in the Case. These estimates are based on an analysis of the Schedules filed by the Debtor, the Proofs of Claims filed by Creditors, and certain other documents of public record. There can be no assurance that Claims will be Allowed by the Bankruptcy Court in the amounts set forth below. The aggregate amount of Allowed Claims may be significantly lower than the amounts set forth below as the result of objections to Claims which may be brought by the Debtor or through stipulations which may be negotiated with various Creditors.

Class and Estimated Amount	Type of Claim or Equity Interest	Summary of Treatment
\$0.00	Administrative Claims (excluding Claims for professional compensation and reimbursement and Administrative Tax Claims, but including post-petition ordinary course liabilities)	Non-Voting. Subject to the provisions of Article 7 of the Plan with respect to Disputed Claims and the applicable Carve Out Amount provided for Administrative Claims in the Cash Collateral Order, each Administrative Claim, to the extent not previously paid, shall be paid by the Disbursing Agent in Cash in full on (i) the later of (x) the Effective Date, (y) the date payment of such Claim is due under the terms thereof or applicable law, or (z) three business days after such Claim becomes an Allowed Administrative Claim or (ii) as may be otherwise mutually agreed in writing between the Debtor and the Holder of such Claim; <i>provided, however</i> , that any Administrative Claim incurred by the Debtor in the ordinary course of its business shall be paid in full or

Class and Estimated Amount	Type of Claim or Equity Interest	Summary of Treatment
		performed by the Reorganized Debtor in accordance with the terms and conditions of the particular transaction giving rise to such Administrative Claim and any agreements relating thereto.
\$ 0.00	Administrative Tax Claims	Non-Voting. Subject to the provisions of Article 7 of the Plan with respect to Disputed Claims, all Administrative Tax Claims held by governmental units shall be paid, in Cash, in full either (i) on or prior to the Effective Date, or (ii) upon such other terms as may be agreed to, in writing, between the Debtor and such governmental units on or before the Effective Date.
Approximately \$207,000.00 through May 23, 2016 (inclusive of prepetition retainer)	Administrative Claims for Professional Compensation and Reimbursement ²	Non-Voting. No later than three days prior to the Confirmation Date, each Professional shall provide the Debtor with an estimate of the total amount of compensation and expenses for which such Professional expects to seek final compensation pursuant to section 330 of the Bankruptcy Code. Such estimates shall include estimated sums for the preparation and prosecution of any application for final compensation. Each Person seeking an award by the Bankruptcy Court of Professional Fees shall file its final application for approval of its Professional Fees no later than the Administrative Bar Date (each, a “ <u>Final Application</u> ”). Each Holder of a Final Application that the Bankruptcy Court has approved (the “ <u>Court Approved Fees</u> ”) shall receive from the Disbursing Agent, in full satisfaction of such Court Approved Fees, Cash in the amount of such Court Approved Fees within the later of the Effective Date or three days of the entry of a Final Order Allowing such Court Approved Fees, including from the carve-out under the Cash Collateral Order, or as may be otherwise mutually agreed in writing between the Debtor and the party seeking to be paid Professional Fees.
\$10,000.00	Priority Tax Claims	Non-Voting. Subject to the provisions of Article 7 of the Plan with respect to Disputed Claims, in full satisfaction, release and discharge of Priority Tax Claims, and except as may be otherwise mutually agreed in writing between the Debtor and such governmental units, all Priority Tax Claims shall be paid by the Disbursing Agent in Cash in full on the Effective Date from the Cash on hand.
Class 1 \$0.00	Priority Non-Tax Claims	Unimpaired. Non-Voting. Subject to the provisions of Article 7 of the Plan with respect to Disputed Claims, in

² Any agreement with respect to the waiver and/or modification of fees will be disclosed to the Court and the Office of the United States Trustee.

Class and Estimated Amount	Type of Claim or Equity Interest	Summary of Treatment
		full satisfaction, release and discharge of the Priority Non-Tax Claims, each Holder of a Priority Non-Tax Claim shall receive, on the Effective Date, or as soon as practicable after each such Claim becomes an Allowed Claim, payment from the Disbursing Agent, (i) in Cash in the full amount of its Priority Non-Tax Claim, or (ii) as may be otherwise agreed in writing between the Debtor and the Holder of such Priority Non-Tax Claim from the sale of the Debtor's Property for the Cash on hand.
Class 2 Estimated to be approx. \$3,000,000.00	Fannie Mae Secured Claim	Impaired. Voting. Class 2-Fannie Mae Secured Claim. In full satisfaction, release and discharge of the Fannie Mae Allowed Secured Claim contended to be approximately \$3,006,000.00, the Holder of the Claim shall receive, on the Effective Date, or as soon thereafter as practicable, Cash in the amount of \$406,000.00, and the New Fannie Mae Note and the New Fannie Mae Security Documents, or as may be otherwise agreed in writing between the Debtor and the Holder of such Claim. The New Fannie Mae Note, as may be modified and amended as provided for herein, to be executed by the Reorganized Debtor, made payable to the order of Fannie Mae in the principal amount of the Allowed Fannie Mae Secured Claim, less any amounts paid by the Interest Holders on the Effective Date. The new note shall be secured with the same validity, extent and priority in the Property as held prior to the Petition Date. The new note shall bear interest at the rate of 4.5% per annum payable monthly in arrears with a 30-year amortization along with a balloon payment of the principal and interest due on the maturity date, which shall be the fifth (5 th) anniversary of the Effective Date and may be prepaid at any time without premium or penalty. In addition, the Security Documents shall provide that, upon Debtor's repayment of the loan, Debtor shall have the right to have the loan assigned by Fannie Mae (for mortgage tax savings purposes) and who shall cooperate with such assignment without charge to Debtor, provided Debtor pays Fannie Mae's reasonable legal fees associated with the assignment of mortgage. Upon confirmation of the Plan, the State Court Action shall be discontinued and the Receiver discharged.

Class and Estimated Amount	Type of Claim or Equity Interest	Summary of Treatment
Class 3 \$ 0 ³	Other Secured Claims	Unimpaired. Non-Voting. Class 3-Other Secured Claims. After satisfaction of all unclassified claims, Class 1 Claims and Class 2 Claim, subject to the provisions of Article 7 of the Plan with respect to Disputed Claims, in full satisfaction, release and discharge of each Other Secured Claim, each Holder of an Other Secured Claim shall receive, on the Effective Date, or as soon as practicable after each such Other Secured Claim becomes an Allowed Claim, (i) Cash, in the full amount of its Claim, or (ii) such other treatment as to which the Debtor and each Holder of such Other Secured Claim shall have agreed upon in writing from the Cash on hand and the proceeds of the sale of the Debtor's Property.
Class 4 Approximately \$125,000.00 in scheduled/filed claims.	Unsecured Claims	Impaired. Voting. Class 4 – Unsecured Claims. In full satisfaction, settlement, release and discharge of the Class 4 Unsecured Claims, the Holders of the Class 4 Allowed Unsecured Claims shall receive, on the Effective Date, or as soon as practicable after each such Claim becomes an Allowed Claim, payment from the Disbursing Agent, Cash equal to 50% of the Allowed Claim.
Class 5	Allowed Interests	Unimpaired. Non-Voting. Class 5 - Interests. Upon the Effective Date, the Interest Holders shall retain their Interests in the Debtor in consideration for: (i) the funding of the Contribution Amount ⁴ due hereunder, and (2) the guaranty by the Interest Holders of the fees of the Court-retained professionals in this case and payment of Allowed Unsecured Claims as provided for in the Plan.

CONFIRMATION OF THE PLAN

Pursuant to section 1128 of the Bankruptcy Code, the Bankruptcy Court has scheduled a hearing to consider Confirmation of the Plan, on July 7, 2016 at 10:00 a.m., Eastern Standard Time, in the United States Bankruptcy Court for the Southern District of New York, 300 Quarropas Street, White Plains, New York 10601. The Bankruptcy Court has directed that objections, if any, to Confirmation of the Plan be filed and served on or before

³ The Debtor believes that some of the Other Secured Claims may have already been paid and may object to or seek to consensually resolve such paid claims.

⁴ The amount of the Contribution Amount was calculated based upon the distribution paid to Insiders of the Debtor prior to the filing of the Debtor's Bankruptcy Case as detailed in the Debtor's Statement of Financial Affairs filed with this Court on January 27, 2014 and the Debtor believes represents new value under the Plan.

June 30, 2016 at 5:00 p.m., in the manner described under “ACCEPTANCE AND CONFIRMATION -- Confirmation Hearing.”

At the Confirmation Hearing, the Bankruptcy Court will determine whether the requirements of section 1129(a) of the Bankruptcy Code have been satisfied, in which event the Bankruptcy Court will enter an order confirming the Plan. The Debtor intends to seek Confirmation of the Plan at the Confirmation Hearing. In the event that any impaired Class of Claims does not accept the Plan, the Debtor may seek a “cram down” Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code. **The Debtor believes that the Plan satisfies all applicable requirements of section 1129(a) and section 1129(b) of the Bankruptcy Code.** See “ACCEPTANCE AND CONFIRMATION -- Requirements for Confirmation” for a description of such requirements.

With the entry of the Confirmation Order, pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise provided in the Plan, the distributions provided for in the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims against the Debtor or any of its assets or properties, including any Claim accruing after the Petition Date and before the Confirmation Date. As of the Effective Date, all holders of Claims shall be precluded from asserting any Claim against the Debtor or its assets or properties or other interests in the Debtor based on any transaction or other activity of any kind that occurred before the Confirmation Date except as otherwise provided in the Plan. Confirmation makes the Plan binding upon the Debtor, all Creditors and other parties regardless of whether they have accepted the Plan.

VOTING INSTRUCTIONS — SUMMARY

The following discussion summarizes more detailed voting instructions set forth in the section of this Disclosure Statement entitled “VOTING INSTRUCTIONS.” If you have any questions regarding the timing or manner of casting your ballot, please refer to the “VOTING INSTRUCTIONS” section of this Disclosure Statement and the instructions contained on the ballot that you received with this Disclosure Statement.

General. The Debtor has sent to all of their known Creditors who are in Classes impaired under the Plan a ballot with voting instructions and a copy of this Disclosure Statement. Creditors may refer to the above chart to determine whether they are impaired and entitled to vote on the Plan. Creditors should read the ballot carefully and follow the voting instructions. Creditors should only use the official ballot that accompanies this Disclosure Statement.

The Plan can be confirmed by the Bankruptcy Court and thereby made binding on you if it is accepted by (a) the Holders of two-thirds in amount and more than one-half in number of claims in each class who actually vote on the Plan. In the event the requisite acceptances are not obtained, the Bankruptcy Court may nevertheless confirm the Plan if (i) the Bankruptcy Court finds that the Plan accords fair and equitable treatment, and does not discriminate unfairly, with respect to the class rejecting it and (ii) at least one impaired class of creditors excluding insiders

has accepted the Plan. See “REQUIREMENTS FOR CONFIRMATION” and “EFFECT OF CONFIRMATION.”

As the preceding paragraph makes evident, a successful reorganization depends upon the receipt of a sufficient number of votes in support of the Plan. YOUR VOTE IS THEREFORE EXTREMELY IMPORTANT. Creditors should exercise their right to vote to accept or reject the Plan.

NOTICE TO HOLDERS OF CLAIMS AND INTERESTS

This Disclosure Statement is being furnished by the Debtor to the Debtor’s known Creditors pursuant to section 1125(b) of the Bankruptcy Code in connection with a solicitation of acceptances of a plan of reorganization by the Debtor. The Plan is filed with the Bankruptcy Court and is incorporated herein by reference. Parties in interest may view the Plan on the Internet at <http://www.nysb.uscourts.gov>.⁵

The purpose of this Disclosure Statement is to enable you, as a Creditor whose Claim is in a Class impaired under the Plan, to make an informed decision in exercising your right to accept or reject the Plan.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED BY THE DEBTOR. THE STATEMENTS AND OPINIONS SET FORTH HEREIN ARE THOSE OF THE DEBTOR, AND NO OTHER PARTY HAS ANY RESPONSIBILITY WITH RESPECT THERETO.

THIS DISCLOSURE STATEMENT CONTAINS IMPORTANT INFORMATION THAT MAY BEAR UPON YOUR DECISION TO OBJECT TO CONFIRMATION OF THE PLAN PROPOSED BY THE DEBTOR. PLEASE READ THIS DOCUMENT WITH CARE.

THE PLAN HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY BANKRUPTCY COURT, THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF THE PLAN OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

⁵ A password is necessary for access to view documents on the Internet.

The historical information concerning the Debtor has been prepared using the Debtor's books and records and certain filings made with the Bankruptcy Court. The estimates of Claims set forth herein may vary from the final amounts of Claims that will be Allowed by the Bankruptcy Court. While every effort has been made to ensure the accuracy of all such information, except as noted in the Disclosure Statement, the information presented herein is unaudited and has not been examined, reviewed or compiled by the Debtor's independent public accountants.

The projections annexed hereto are a presentation of possible future events based on certain assumptions regarding the operations of the Debtor. The projections were not prepared with a view toward public disclosure or compliance with the guidelines established by the Securities and Exchange Commission and were not prepared with a view towards compliance in all instances with the guidelines established by the American Institute of Certified Public Accountants regarding financial forecasts. The projections have not been prepared in accordance with generally accepted accounting principles in all instances. Further, such projections have not been examined, reviewed or compiled by the Debtor's independent public accountants.

While presented with numerical specificity, the projections are based upon a variety of assumptions which, although the Debtor believes are reasonable, may not be realized, and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Debtor. Consequently, the inclusion of the projections herein should not be regarded as a representation by the Debtor (or any other person) that the projections will be realized, and actual results may vary materially from those presented below. Due to the fact that such projections are subject to significant uncertainty and are based upon assumptions which may not prove to be correct, neither the Debtor nor any other person assumes any responsibility for their accuracy or completeness.

This Disclosure Statement contains a summary of certain provisions of the Plan and the transactions contemplated thereunder, and may contain descriptions of certain other related documents, if any. While the Debtor believes that these summaries are fair and accurate, such summaries are qualified to the extent that they do not set forth the entire text of such documents. Reference is made to the Plan and the documents referred to herein and therein, if any, for a complete statement of the terms and provisions thereof. In the event of any inconsistency between the terms of the Plan and this Disclosure Statement, the terms of the Plan shall be controlling. In reviewing the Plan and this Disclosure Statement, the reader should give special attention to "RISK FACTORS." No statements or information concerning the Debtor or its, are authorized by the Debtor other than as set forth in this Disclosure Statement, the Plan and the exhibits hereto.

Notwithstanding any provision of the Plan to the contrary, definitions and descriptions contained herein respecting pre-Petition Date documents, agreements, or claims are provided solely for the purpose of identification and classification thereof and do not constitute an admission by the Debtors of the existence, validity, allowance, or amount of any such claim,

document or agreement. The Debtors expressly reserve the right to challenge the existence, validity, allowance, or amount of any such claim, document or agreement.

The statements contained in this Disclosure Statement are made as of the date hereof unless another time is specified herein. The delivery of this Disclosure Statement shall not create, under any circumstances, an implication that there has been no change in the facts set forth herein since the date hereof.

This Disclosure Statement is intended for the sole use of Holders of Claims and Interests to make an informed decision about the Plan. Each holder of a Claim and Interest entitled to vote on the Plan should review this Disclosure Statement, the Plan and all exhibits hereto before casting a ballot. Holders of Claims and Interest are urged to consult with their own legal and financial advisors.

No solicitation of votes to accept or reject the Plan may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. No Person has been authorized to use or promulgate any information concerning the Debtor or its business or the Plan, other than the information contained in this Disclosure Statement and the exhibits hereto. You should not rely on any information relating to the Debtor or its business or the Plan other than that contained in this Disclosure Statement and the exhibits hereto.

RECOMMENDATION

In the Debtor's opinion, the treatment of Creditors under the Plan provides a greater recovery than is likely to be achieved under any other alternatives, including liquidation under Chapter 7 of the Bankruptcy Code. See "ALTERNATIVES TO THE PLAN." In particular, the Debtor believes that in a Chapter 7 liquidation, administrative costs will be greater, and depending upon the ultimate determination of the amount of Fannie Mae's Allowed Claim, only Fannie Mae would receive a payment on account of its Secured Claim in a chapter 7 liquidation. In that event, where there is a partial payment to Fannie Mae on account of its Secured Claim, the Unsecured Creditors will not receive any distribution on account of their Claims. Further, the Debtor believes that the value of any distribution in a chapter 7 liquidation case will be discounted by continued litigation of the State Court Action and attendant delays which will precede any such distribution.

THE DEBTOR BELIEVES THAT CONFIRMATION OF THE PLAN IS IN THE BEST INTERESTS OF CREDITORS AND THE INTEREST HOLDERS AND URGES EACH CREDITOR AND INTEREST HOLDER ENTITLED TO VOTE TO ACCEPT THE PLAN.

THE DEBTOR

The Debtor owns the Property, which is real Property and improvements thereon located at **700 East 134th Street, Bronx, New York.**

EVENTS LEADING TO CHAPTER 11

The Debtor has owned and operated the Property since 2005. The Property is improved by an apartment building and has a Billboard on top that has at times provided the Debtor with substantial income.

Fannie Mae is the owner of the Loan Documents and all rights relating thereto, pursuant to: (i) an Allonge from the FDIC as Receiver for Washington Mutual Bank, F.A. (“WAMU”) to Fannie Mae, affixed to the Amended Note (defined below) (the “Allonge”); and (ii) an Assignment of Security Instrument dated June 11, 2012 and recorded in the Office of the City Register of the City of New York, Bronx County on June 21, 2012 as CRFN #2012000246218 (the “Assignment”). The Assignment was executed and delivered by JPMorgan Chase Bank, N.A. pursuant to a certain Limited Power of Attorney from the FDIC executed September 29, 2010 and recorded May 10, 2012 in the Office of the City Register of the City of New York, Bronx County as CRFN #2012000186288. On or about September 21, 2004, 70 East LLC (“70 East”) executed and delivered a Mortgage Note (“Note #1”) to Benjamin Funding Corp. (“Benjamin Funding”) in the amount of \$1,000,000.00 evidencing a loan made to 70 East by Benjamin Funding. On or about September 21, 2004, in connection with the extension or continuation of credit by Benjamin Funding, and as security for repayment of Note #1, 70 East executed, acknowledged and delivered to Benjamin Funding a Mortgage dated September 21, 2004 (“Mortgage #1”), which Mortgage #1 was recorded in the office of the City Register of the City of New York, Bronx County on October 26, 2004 as CRFN# 2004000663188, pursuant to which 70 East granted Benjamin Funding a mortgage on the Property. By Assignment of Mortgage dated September 23, 2004 (“Assignment #1”), Mortgage #1 was assigned by Benjamin Funding to Banknorth, N.A. (“Banknorth”), which Assignment #1 was recorded in the Office of the City Register of the City of New York, Bronx County on December 16, 2004 as CRFN# 2004000774972. On or about July 25, 2005 Mortgage #1 was further assigned by Banknorth to Benjamin Funding by an Assignment of Mortgage dated July 25, 2005 (“Assignment #2”), which Assignment #2 was recorded in the Office of the City Register of the City of New York, Bronx County on August 25, 2005 as CRFN# 2005000478609. On or about July 26, 2005 Mortgage #1 was further assigned by Benjamin Funding to BPD Bank (“BPD”) by an Assignment of Mortgage dated July 26, 2005 (“Assignment #3”), which Assignment #3 was recorded in the Office of the City Register of the City of New York, Bronx County on August 25, 2005 as CRFN# 2005000478610.

On or about July 29, 2005, 70 East executed and delivered a Gap Mortgage Note (“Note #2”) to BPD in the amount of \$350,000.00 evidencing a loan made by BPD to 70 East. On or about July 29, 2005, in connection with the extension or continuation of credit by BPD, and as security for repayment of Note #2, 70 East executed, acknowledged and delivered to BPD a Gap Mortgage dated July 29, 2005 (“Mortgage #2”), which Mortgage #2 was recorded in the Office of the City Register of the City of New York, Bronx County on August 25, 2005 as CRFN# 2005000478611, pursuant to which 70 East granted BPD a mortgage on the Property. On or about July 29, 2005, 70 East and BPD entered into a certain Amended and Restated

Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing (“Amended Mortgage #1”), pursuant to which Mortgage #1 and Mortgage #2 were consolidated into a single lien against the Property in the amount of \$1,350,000.00. Amended Mortgage #1 was recorded in the Office of the City Register of the City of New York, Bronx County on August 25, 2005 as CRFN# 2005000478612. By Assignment of Mortgage dated November 29, 2005 (“Assignment #4”), Amended Mortgage #1 was assigned by BPD to RCG Longview II L.P. (“RCG”), which Assignment was recorded in the Office of the City Register of the City of New York, Bronx County on January 18, 2006 as CRFN# 2006000029794. On or about November 29, 2005, the Debtor executed and delivered a Mortgage Note (“Note #3”) in the amount of \$700,000.00 evidencing a loan made by RCG to the Debtor. On or about November 29, 2005, in connection with the extension or continuation of credit by RCG to the Debtor, and as security for repayment of Note #3, the Debtor executed, acknowledged and delivered to RCG a Mortgage dated November 29, 2005 (“Mortgage #3”), which Mortgage #3 was recorded in the Office of the City Register of the City of New York, Bronx County on January 18, 2006 as CRFN# 2006000029795, pursuant to which the Debtor granted RCG a mortgage on the Property. On or about November 29, 2005, the Debtor and RCG entered into a certain Consolidation and Extension Agreement (“CEA”), pursuant to which Mortgage #3 and Amended Mortgage #1 were consolidated into a single lien against the Property in the amount of \$1,700,000.00. CEA was recorded in the Office of the City Register of the City of New York, Bronx County on January 18, 2006 as CRFN# 2006000029796. On or about November 27, 2006, RCG assigned the CEA to WAMU by an Assignment of Mortgage dated November 27, 2006 and recorded in the Office of the City Register of the City of New York, Bronx County on January 25, 2007 as CRFN# 2007000047544 (“Assignment #5”). On or about December 1, 2006, The Debtor executed and delivered a Promissory Note (“Note #4”) to WAMU in the amount of \$906,000.00 evidencing a loan made by WAMU to the Debtor. On or about December 1, 2006, in connection with the extension or continuation of credit by the Debtor to WAMU, and as security for repayment of Note #4, the Debtor executed, acknowledged and delivered to WAMU a Mortgage, Security Agreement, Assignment of Leases and Rents, and Fixture Filing dated December 1, 2006 (“Mortgage #4”), which Mortgage #4 was recorded in the Office of the City Register of the City of New York, Bronx County on January 25, 2007 as CRFN# 2007000047548, pursuant to which the Debtor granted WAMU a mortgage on the Property. On or about December 1, 2006, the Debtor and WAMU entered into a Note Consolidation, Modification and Extension Agreement (the “Note CEMA”), pursuant to which all of the previous notes were consolidated into a single indebtedness in the amount of \$2,606,000.00. On or about December 1, 2006, the Debtor executed and delivered to WAMU an Amended and Restated Promissory Note (the “Amended Note”) in the amount of \$2,606,000.00, which Amended Note amended and modified, among other things, the terms and conditions of the indebtedness due WAMU by the Debtor. On or about December 1, 2006, the Debtor and WAMU entered into a certain Mortgage Consolidation, Modification and Extension Agreement (“CEMA”), pursuant to which Mortgage #4 and the CEA were consolidated into a single lien against the Property in the amount of \$2,606,000.00. The CEMA was recorded in the Office of the City Register of the City of New York, Bronx County on January 25, 2007 as CRFN# 2007000047549. On or about December 1, 2006, concurrently with the delivery of the CEMA, the Debtor executed,

acknowledged, and delivered to WAMU, an Amended and Restated Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing (the “Amended Mortgage”), pursuant to which Mortgage #4 and CEA as consolidated were amended and restated in accordance with the terms of said Amended Note and recorded as Exhibit “B” to the CEMA. (All of the above-described instruments, documents or other agreements, including without limitation the Notes, Mortgages, Assignments, Allonge, Limited Power of Attorney and all other documents, instruments and agreements executed in connection therewith are referred to as the “Loan Documents”).

Before the Petition Date, the Debtor defaulted under the terms of the Loan Documents by, *inter alia*, failing to make all monthly payments to Fannie Mae that became due and payable under the Loan Documents commencing on November 1, 2011 and continuing thereafter as promised pursuant to the terms of Loan Documents. The Debtor’s failure to repay all amounts due and owing under the Loan Documents when due constituted Events of Default under the Loan Documents. After being given written notice of default and demand for payment by a date certain, the Debtor failed to pay the indebtedness due to Fannie Mae under the Loan Documents. Accordingly, Fannie Mae commenced an action in the Supreme Court of the State of New York, County of Bronx (the “State Court”), titled *Fannie Mae, as assignee of FDIC, as Receiver for Washington Mutual Bank, F.A., Plaintiff, vs. First Bronx LLC, et al., Defendants*, Index No. 380997/2012, seeking, *inter alia*, the entry of a money judgment and for foreclosure and sale of the Mortgage on the Property (the “State Court Action”).

The Debtor filed an answer to the State Court Action complaint containing affirmative defenses and counterclaims which included issues regarding the validity of the assignment of the Loan Documents to Fannie Mae. Fannie Mae moved for the appointment of a receiver and the Debtor opposed. By Decision and Order Denying Stay dated December 18, 2013, the State Court denied Debtor’s motion for an order staying the appointment of a receiver based upon Debtor’s challenge to Fannie Mae’s standing as assignee and holder of the Loan Documents. The State Court also struck Debtor’s affirmative defenses and counterclaims.

As of the Petition Date, Fannie Mae’s causes of action against the Debtor in the State Court Action, and the Debtor’s unperfected appeal from the State Court’s December 18, 2013 Decision and Order Denying Stay were automatically stayed pursuant to Bankruptcy Code §362(a).

As previously described herein, as of the Petition Date, the Debtor was also a party to the Billboard Action, which could have had a substantial impact on this Case and the value of the Debtor’s Property. As of the Petition Date, this action was automatically stayed as well.

Events In Chapter 11

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. 11 U.S.C. §327(a).

On January 31, 2014, the Debtor sought authority from the Bankruptcy Court to retain the law firm of Robinson Brog Leinwand Greene Genovese & Gluck P.C., as its counsel. The application was granted pursuant to an Order entered on February 10, 2014 [Docket No. 10].

BAR DATE

In accordance with the requirements of section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, the Debtor has filed its Schedules of assets and liabilities, including schedules of all of its known creditors and the amounts and priorities of the Claims the Debtor believes are owed to such creditors. Pursuant to section 501 of the Bankruptcy Code, any creditor may file a Proof of Claim and, unless disputed, such filed Proof of Claim supersedes the amount and priority set forth in the Debtor's schedules. By order of the Bankruptcy Court dated March 12, 2014, April 25, 2014 was set as the last day for creditors to file Proofs of Claim in the Debtor's Chapter 11 case.

There can be no assurance that the Allowed Claims as determined by the Bankruptcy Court will be in the amounts and priorities stated in the Schedules filed by the Debtor or the Proofs of Claim filed by the Creditors.

OPERATING REPORTS

Pursuant to the requirements of the Office of the United States Trustee for the Southern District of New York, the Debtor has been preparing and filing monthly operating reports with the Bankruptcy Court. Copies of such reports may be obtained (i) from the Bankruptcy Court during normal business hours, (ii) upon written request made to counsel for the Debtor, or (iii) from the Bankruptcy Court's Electronic Case Filing System ("ECF")⁶ which may be accessed at the Bankruptcy Court's Internet website at www.nysb.uscourts.gov. Operating Reports have been filed through August 2014, with the balance to be filed shortly. The reports will show the Debtor was profitable although without debt service.

CASH COLLATERAL

The Debtor had initiated negotiations with former counsel to Fannie Mae for use of

⁶ Filing documents on the ECF requires a password which an attorney may obtain by contacting the Bankruptcy Court's technical assistance department, Monday through Friday, 9:00 a.m. to 4:00 p.m.

cash collateral soon after this Case was filed. Those negotiations were protracted while other issues were being discussed. In furtherance thereof, the parties extended the deadline for the filing of a Plan and/or the payments of adequate protection for a period of time. When Fannie Mae substituted counsel, negotiations were renewed regarding the use of cash collateral and a Stipulation was entered into with respect thereto. On October 7, 2014, the Debtor filed a motion seeking the approval of a Stipulation authorizing the use of cash collateral (the “Cash Collateral Motion”) [Docket No. 42].

FIRST PLAN

Debtor’s initial plan, negotiated with Fannie Mae, had provided for the sale of the Debtor’s Property at an auction, subject to certain conditions with respect thereto, but had not provided for the resolution of the Billboard Action. Debtor filed a disclosure statement in support, along with its initial plan, but this Court declined to approve it and advised the parties to essentially start over and deal with the Lamar Billboard issue before returning to the Court with a new plan.

FANNIE MAE MOTION TO TERMINATE CASH COLLATERAL

On May 29, 2015, Fannie Mae filed with the Court a motion to confirm termination or absence of stay, which motion sought to terminate the Debtor’s use of cash collateral and vacatur of the automatic stay. Debtor had not opposed the motion, but rather worked to resolve it, and formulated the Plan with Fannie Mae and Lamar.

BILLBOARD ACTION

After extensive negotiations initially between counsel, but ultimately by and between the principal of Lamar and the Debtor, a new Billboard lease agreement was reached between the parties. The Debtor has entered into the new Lamar lease in the ordinary course of business. The rental income from the new Lamar lease, together with the rental income derived from the balance of the Tenant Leases, will be sufficient to fund the Debtor’s Plan payments. A copy of the Lamar lease is annexed to the Plan, and, in an exercise of caution, the Debtor will request that the Court approve the lease in the Confirmation Order as part of the confirmation of the Plan.

POST-PETITION OPERATIONS

The Debtor has stabilized operations, paid its post-petition obligations in a timely manner, and is current with its adequate protection payments to Fannie Mae post-petition, and even paid a substantial catch-up payment as well as reimbursing it for advances it made unnecessarily post-petition.

With respect to the Debtor’s operations, the Debtor refers to the Operating Reports filed on the Docket of the Debtor’s Case.

THE DEBTOR'S EXCLUSIVITY AND FIRST PLAN AND DISCLOSURE STATEMENT

The Debtor has filed motions to extend its exclusive periods to file a Plan and Disclosure Statement and solicit acceptances and rejections with respect thereto. The Debtor's plan exclusivity expired on January 8, 2015.

SUMMARY OF THE PLAN

The following summary of the terms of the Plan is qualified in its entirety by reference to the provisions of the Plan, a copy of which is filed with the Clerk of the Bankruptcy Court and which is incorporated herein by reference.

CLASSIFICATION OF CLAIMS AND INTERESTS

Classification of claims is governed, in part, by sections 1122 and 1123(a) of the Bankruptcy Code. Section 1123(a) requires that a plan designate classes of claims, requires that the plan specify the treatment of any impaired class of claims, and requires that the plan provide the same treatment for each claim of a particular class, unless the holder of a claim receiving less favorable treatment consents to such treatment. 11 U.S.C. § 1123(a)(1), (3) and (4). Section 1122(a) of the Bankruptcy Code provides, subject to an exception for administrative convenience, that "a plan may place a claim or interest in a particular class only if such claim or interest is substantially similar to the other claims or interests of such class."

Article 3 of the Plan classifies the various Claims against and Interests in the Debtor into four classes of Claims and one class of Interests:

- Class 1 – Priority Non-Tax Claims
- Class 2 – Fannie Mae Secured Claim
- Class 3 – Other Secured Claims
- Class 4 – Unsecured Claims
- Class 5 – Interests

As set forth in Article 2 of the Plan, pursuant to section 1123(a)(1) of the Bankruptcy Code, certain Administrative Claims against the Debtor have not been classified. See "SUMMARY OF THE PLAN -- Treatment of Non-Classified Claims."

Class 1 is unimpaired under section 1124 of the Bankruptcy Code and therefore, under section 1126 of the Bankruptcy Code, the Holders of Class 1 Priority Non-Tax Claims shall not be entitled to vote on the Plan, but are deemed to have accepted the Plan. Class 2 is impaired and the Holders of Class 2 Secured Claim shall be entitled to vote on the Plan. Class 3 is unimpaired under section 1124 of the Bankruptcy Code and therefore, under section 1126 of the Bankruptcy Code, the Holders of Class 3 Other Secured Claims shall not be entitled to vote on the Plan, but are deemed to have accepted the Plan. Class 4 is impaired and the Holder

of the Class 4 Allowed Unsecured Claims shall be entitled to vote on the Plan. Class 5 is unimpaired under section 1124 of the Plan and therefore, under section 1126 of the Bankruptcy Code, shall not be entitled to vote on the Plan, but is deemed to have accepted the Plan.

Class 1 – Priority Non-Tax Claims. Class 1 consists of all Claims, other than Administrative Claims, Administrative Tax Claims, Priority Tax Claims, or Bankruptcy Fees, to the extent entitled to priority under section 507 of the Bankruptcy Code. Certain Claims for taxes and the payment of expenses incurred by the Debtor subsequent to the Petition Date are entitled to priority under section 507 of the Bankruptcy Code, and are treated elsewhere as non-classified Claims. See “SUMMARY OF THE PLAN -- Treatment of Non-classified Claims.” The Debtor does not believe that any such Priority Non-Tax Claims exist, as no entity filed a proof of claim asserting a priority claim that would fall within Class 1.

Class 2 – Fannie Mae Secured Claim. Class 2 consists of the Secured Claim of Fannie Mae.

Class 3 – Other Secured Claims. Class 3 consists of Other Secured Claims.

Class 4 - Unsecured Claims. Class 4 consists of all Unsecured Claims. Debtor estimates the Allowed Claims in this Class to aggregate approximately \$125,000.00.

Class 5 – Interests. Class 5 consists of all Allowed Interests in the Debtor.

TREATMENT OF CLAIMS CLASSIFIED UNDER THE PLAN

Article 4 of the Plan provides for the treatment of Claims classified in Article 3 of the Plan as follows:

Class 1 – Priority Non-Tax Claims. Unimpaired. Subject to the provisions of Article 7 of the Plan with respect to Disputed Claims, in full satisfaction, release and discharge of the Priority Non-Tax Claims, each Holder of a Priority Non-Tax Claim shall receive, on the Effective Date, or as soon as practicable after each such Claim becomes an Allowed Claim, payment from the Disbursing Agent, (i) in Cash in the full amount of its Priority Non-Tax Claim, or (ii) as may be otherwise agreed in writing between the Debtor and the Holder of such Priority Non-Tax Claim from the sale of the Debtor’s Property for the Cash on hand.

Class 2 – Fannie Mae Secured Claim. Impaired. Class 2 – Fannie Mae Secured Claim. In full satisfaction, release and discharge of the Fannie Mae Allowed Secured Claim, contended to be in the approximate amount of \$3,006,000.00, the Holder of such Claim shall receive, on the Effective Date, or as soon thereafter as practicable, Cash in the amount of \$ 406,000.00 and the New Fannie Mae Note and the New Fannie Mae Security Documents, or as may be otherwise agreed in writing between the Debtor and the Holder of such Claim. The Fannie Mae Note, as may be modified and amended as provided for herein, to be executed by the Reorganized Debtor, made payable to the order of Fannie Mae in the

principal amount of the Allowed Fannie Mae Secured Claim, less any amounts paid by the Interest Holders on the Effective Date. The new note shall be secured with the same validity, extent and priority in the Property as held prior to the Petition Date. The new note shall bear interest at the rate of 4.5% per annum payable monthly in arrears with a 30-year amortization along with a balloon payment of the principal and interest due on the maturity date, which shall be the fifth (5th) anniversary of the Effective Date and may be prepaid at any time without premium or penalty. In addition, the Security Documents shall provide that, upon Debtor's repayment of the loan, Debtor shall have the right to have the loan assigned by Fannie Mae (for mortgage tax savings purposes) and who shall cooperate with such assignment without charge to Debtor, provided Debtor pays Fannie Mae's reasonable legal fees associated with the assignment of mortgage. Upon confirmation of the Plan, the State Court Action shall be discontinued and the Receiver discharged.

Class 3-Other Secured Claims. In full satisfaction, release and discharge of each Other Secured Claim, each Holder of an Other Secured Claim shall receive, on the Effective Date, or as soon as practicable after each such Other Secured Claim becomes an Allowed Claim, (i) Cash, in the full amount of its Other Secured Claim, or (ii) such other treatment as to which the Debtor and each Holder of such Other Secured Claim shall have agreed upon in writing from the Cash on hand.

Class 4 – Unsecured Claims. In full satisfaction, settlement, release and discharge of the Class 4 Unsecured Claims, each Holder of a Class 4 Unsecured Claim shall receive, on the Effective Date, or as soon as practicable after each such Claim becomes an Allowed Claim, payment from the Disbursing Agent, of Cash equal to 50% of such Allowed Unsecured Claim.

Class 5 - Interests. Upon the Effective Date, the Interest Holders shall retain their Interests in the Debtor in consideration for: (i) the funding of the Contribution Amount due hereunder, and (2) their guaranty by the Interest Holders of the Court Approved Fees of the Court-retained professionals in this case and payment of the Allowed Unsecured Claims hereunder.

TREATMENT OF NON-CLASSIFIED CLAIMS

Pursuant to section 1123(a)(1) of the Bankruptcy Code, the Plan does not classify Administrative Claims entitled to priority treatment under section 507(a)(1) of the Bankruptcy Code or Claims of governmental units entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code. Article 2 of the Plan provides for the manner of treatment of such non-classified Claims.

Administrative Claims. Administrative Claims are the costs and expenses of administration of this Case, allowable under section 503(b) of the Bankruptcy Code, other than Bankruptcy Fees. Administrative Claims include Claims for the provision of goods and services to the Debtor after the Petition Date, the liabilities incurred in the ordinary course of

the Debtor's business (other than claims of governmental units for taxes or interest or penalties related to such taxes) after the Petition Date, Claims of professionals, such as attorneys, appraisers, and accountants, retained pursuant to an order of the Bankruptcy Court, for compensation and reimbursement of expenses under section 330 of the Bankruptcy Code, and tax claims for the period from the Petition Date to the Effective Date of the Plan.

Subject to the provisions of Article 7 of the Plan with respect to Disputed Claims, and the applicable carve-out amount provided for Administrative Claims in the Cash Collateral Order, Administrative Claims, other than for Taxes and Professional Fees, to the extent not previously paid, shall be paid by the Debtor in Cash in full on (i) the later of (x) the Effective Date, (y) the date payment of such Claim is due under the terms thereof or applicable law, or (z) three business days after such Claim becomes an Administrative Claim or (ii) as may be otherwise mutually agreed in writing between the Debtor and the holder of such Claim; provided, however, that any Administrative Claim incurred by the Debtor in the ordinary course of its business will be paid in full in accordance with the terms and conditions of the particular transactions giving rise to such Administrative Claim and any agreements relating thereto.

Article 2 of the Plan sets a final date for the filing of Administrative Claims against the Debtor. The Administrative Bar Date is the first Business Day which is at least 60 days after the Effective Date. In the event that the Plan is confirmed, the Debtor shall deliver a notice of such bar date to all parties-in-interest.

Professionals' Fees. Section 330 of the Bankruptcy Code sets the standard for the determination by the Bankruptcy Court of the appropriateness of fees to be awarded to Professionals retained by a Debtor in a case under the Bankruptcy Code. In general, "bankruptcy legal services are entitled to command the same competency of counsel as other cases. In that light, the policy of this section is to compensate attorneys and other professionals serving in a case under title 11 at the same rate as the attorney or other professional would be compensated for performing comparable service other than in a case under title 11." 124 Cong. Rec. H11091 (Daily ed. Sept. 28, 1978).

With respect to Professionals' Fees, the Plan provides that, subject to the approval of compensation and reimbursement of expenses pursuant to sections 330 and 331 of the Bankruptcy Code, the Debtor shall pay the Administrative Claims held by Bankruptcy Professionals as follows:

No later than three (3) days prior to the Confirmation Date, each Professional shall provide the Debtor with an estimate of the total amount of compensation and expenses for which such Professional expects to seek final compensation pursuant to section 330 of the Bankruptcy Code. Such estimates shall include estimated sums for the preparation and prosecution of any application for final compensation.

All Professionals shall file final applications for approval of compensation and reimbursement of reasonable and necessary expenses pursuant to section 330 of the Bankruptcy Code no later than the Administrative Bar Date. Any such application timely filed shall be deemed to be an Administrative Claim, subject to the entry of a Final Order by the Bankruptcy Court approving such application. Objections to any Professional's application for compensation or reimbursement must be timely filed and served upon such Professional, and upon the Liquidating Debtor in accordance with the Bankruptcy Rules or as may be agreed between the Professional and the objecting party. Any such objection not timely filed and served shall be deemed to have been waived.

Each Holder of a Final Application that the Bankruptcy Court has approved (the "Court Approved Fees") shall receive from the Disbursing Agent, in full satisfaction of such Court Approved Fees, Cash in the amount of such Court Approved Fees within the later of the Effective Date or three days of the entry of a Final Order Allowing such Court Approved Fees from the Cash on hand.

Administrative Tax Claims. Subject to the provisions of Article 7 of the Plan with respect to Disputed Claims, all Allowed Administrative Tax Claims shall be paid, in Cash, in full either (i) on or prior to the Effective Date, or (ii) upon such other terms as may be agreed to, in writing, between the Debtor and such governmental units on or before the Effective Date from the Cash on hand.

Priority Tax Claims. In full satisfaction, release and discharge of Priority Tax Claims, and except as may be otherwise mutually agreed in writing between the Debtor and such governmental units, all Priority Tax Claims shall be paid by the Disbursing Agent in Cash in full, together with interest on the Effective Date from the Cash on hand.

Bankruptcy Fees and Court Charges. All outstanding Bankruptcy Fees, all Bankruptcy Court charges, and any applicable interest thereon, shall be paid by the Reorganized Debtor, in full, in Cash on the Effective Date, and thereafter when due, until the closing, conversion or dismissal of this Case, whichever is earlier, including as provided in the Cash Collateral Order.

DISPUTED CLAIMS AND INTERESTS

Article 7 of the Plan contains a mechanism for resolving disputes concerning the amount of certain Claims or Interests asserted against the Debtor by any Entity.

Time to Object. Unless otherwise ordered by the Bankruptcy Court for cause, objections to the allowance of any Claim may be filed no later than the later to occur of (i) 60 days after the Effective Date or (ii) 60 days after the date proof of such Claim or Interest or a request for payment of such Claim is filed. Until the earlier of (i) the filing of an objection to a Proof of Claim or (ii) the last date to file objections to Claims as established by the Plan or by Final Order, Claims shall be deemed to be Disputed in their entirety if, (i) the amount specified

in a Proof of Claim exceeds the amount of any corresponding Claim listed in the Schedules; (ii) any corresponding Claim listed in the Schedules has been scheduled as disputed, contingent or unliquidated; or (iii) no corresponding Claim has been listed in the Schedules.

DISTRIBUTIONS UNDER THE PLAN

Article 7 contains provisions governing the making of distributions on account of Claims. In general, any payments, distributions or other performance to be made pursuant to the Plan on account of any Allowed Claim shall be deemed to be timely made if made on or within five days following the later of (i) the Effective Date or (ii) the expiration of any applicable objection deadline with respect to Disputed Claims or (iii) such other times provided in the Plan. All Cash payments to be made by the Debtor pursuant to the Plan shall be made by check drawn on a domestic bank. To the extent that any distribution is not paid on the Effective Date, funds in an amount necessary to satisfy any such unpaid claim shall be maintained in an escrow account for distribution thereafter.

Disbursing Agent. The Reorganized Debtor shall be the Disbursing Agent to make distributions under the Plan, which shall distribute all Cash or other property to be distributed under the Plan and may employ or contract such third parties as may be necessary to assist in or perform the distribution of the property under the Plan. Pending the final distribution of all sums distributable under the terms of the Plan (including the delivery to the Debtor of unclaimed distributions pursuant to section 7.14 of the Plan), the Disbursing Agent shall have full authority to sign checks on any bank account of the Reorganized Debtor to the extent necessary to make any payment or distribution contemplated by the Plan.

Timing of Distributions Under the Plan. Subject to sections 7.6 and 7.8 of the Plan, any payments, distributions or other performance to be made pursuant to the Plan on account of any Disputed Claim, shall be deemed to be timely made if made on or within five days following the later of (i) the expiration of any applicable objection deadline with respect to such Disputed Claim or (ii) such other times provided in the Plan.

Method of Payment. Unless otherwise expressly agreed, in writing, all Cash payments to be made pursuant to the Plan shall be made by check drawn on a domestic bank.

Claims Objection Deadline. Unless otherwise ordered by the Bankruptcy Court for cause, the Debtor or the Reorganized Debtor may file and serve any objection to any Claim or Interest at any time, but in no event after the later to occur of (i) 60 days after the Effective Date, or (ii) 60 days after the date proof of such Claim or Interest or a request for payment of such Claim is filed.

Prosecution of Objections. After the Confirmation Date, only the Debtor/Reorganized Debtor shall have authority to file, settle, compromise, withdraw or litigate to judgment objections to Disputed Claim. The Reorganized Debtor may comprise any objections to Disputed Claims without further order of the Court ~~or post-Effective Date agreement.~~

No Distribution Pending Allowance. Notwithstanding any other provision of the Plan, no payment or distribution of any kind shall be made with respect to any portion of a Disputed Claim unless and until all objections to such Claim are resolved by Final Order or post-Effective Date agreement.

Escrow of Cash Distributions. (a) On any date that distributions are to be made under the terms of the Plan, the Debtor/Reorganized Debtor shall make available any and all Cash required under the Plan to be disbursed on that date, and the Disbursing Agent shall deposit in one or more segregated accounts, Cash equal to 100% of the Cash that would be distributed on such date on account of Disputed Claims as if each such Disputed Claim were an Allowed Claim but for the pendency of a dispute with respect thereto, including, but not limited to (i) Disputed Claims that may be entitled to treatment as Administrative Claims or as Priority Non-Tax Claims pursuant to sections 503 and 507 of the Bankruptcy Code, (ii) claims of governmental units for any tax, (iii) any disputed Cure Amount, and (iv) any amount due but not payable on the Effective Date on account of Administrative Claims or claims entitled to priority pursuant to section 503 and 507 of the Bankruptcy Code. The Disbursing Agent shall also segregate any interest, dividends or other proceeds of such Cash, if any. Such Cash, together with any interest, dividends or proceeds thereof, if any, shall be held in trust for the benefit of the Holders of all such Disputed Claims pending determination of their entitlement thereto.

(b) The Reorganized Debtor shall have the right to seek an Order of the Bankruptcy Court, after notice and hearing, estimating or limiting the amount of Cash that must be so deposited on account of any Disputed Claim. Any Creditor whose Claim is so estimated shall have no recourse to any assets theretofore deposited on account of any Disputed Claim if the Allowed Claim of that Creditor as determined by Final Order exceeds the amount so deposited. Such Creditor shall have recourse first, to the undistributed assets in the Disputed Claims Reserve (on a Pro Rata basis with other Creditors of the same Class who are similarly situated) that exceed the aggregate amount of all Disputed Claims allowed by Final Order, or not yet resolved, and second any unpaid amount shall be an obligation of the Reorganized Debtor.

Distribution After Allowance. Within 5 days after the entry of a Final Order resolving an objection to a Disputed Claim, the Disbursing Agent shall distribute all Cash, including any interest, dividends or proceeds thereof, if any, to which a Holder is then entitled with respect to any formerly Disputed Claim that has become an Allowed Claim.

Investment of Segregated Cash. To the extent practicable, the Disbursing Agent may invest any Cash segregated on account of a Disputed Claim, disputed Interest, undeliverable distribution, or any proceeds thereof (i) in a manner that will yield a reasonable net return taking into account the safety of the investment or (ii) in any manner permitted by section 345 of the Bankruptcy Code; *provided, however*, that the Disbursing Agent shall be under no obligation to so invest such Cash or proceeds and shall have no liability to any party

for any investment made or any omission to invest such Cash or proceeds. Segregated Cash shall be maintained in an authorized depository.

Distribution After Disallowance. Subject to section 7.7 of the Plan, the Cash segregated on account of Disputed Claims, including the allocable portion of the net return yielded from any investment thereof, if any, remaining after all Disputed Claims have been resolved by Final Order shall revert to the Reorganized Debtor.

Surrender of Instruments; Execution of Satisfactions and Releases. (a) Notwithstanding any other provision of the Plan, no Creditor that holds a note or other instrument evidencing such Creditor's Claim may receive any distribution with respect to such Claim unless and until the original note or other original instrument evidencing such Claim shall have been validly surrendered to the Disbursing Agent at the sole cost and expense of the Debtor.

(b) Any Cash or property to be distributed pursuant to the Plan on account of any such Claim shall, pending such surrender, be treated as an undeliverable distribution pursuant to section 7.13 of the Plan.

(c) Notwithstanding the preceding subsection, in the event any Creditor is unable to surrender a note or other instrument evidencing a Claim against the Debtor that has been destroyed, lost or stolen, such entity may receive a distribution with respect to such Claim by presenting to the Disbursing Agent, in a form acceptable to the Disbursing Agent: (i) proof of such entity's title to such Claim; (ii) an affidavit to the effect that the same has been lost and after diligent search cannot be located; and (iii) such indemnification as may be required by the Disbursing Agent and all other entities deemed appropriate by the Disbursing Agent from any loss, action, suit or any claim whatsoever which may be made as a result of such entity's receipt of a distribution under the Plan.

(d) All questions as to the validity, form or eligibility of any note or other instrument evidencing a Claim so surrendered shall be resolved by Final Order of the Bankruptcy Court. The Disbursing Agent shall not be under any duty to give notification of defects in such tender or shall incur liability for failure to give notification of such defects.

Delivery of Distributions. Except as provided in sections 7.13, 7.14 and 7.15 of the Plan, distributions to Holders of Allowed Claims and Allowed Interests shall be made: (1) at the addresses set forth on the respective Proofs of Claim or Proofs of Interests Filed by such Holders; (2) at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim; or (3) at the address reflected in the Schedules if no Proof of Claim or Proof of Interest is filed and the Disbursing Agent has not received a written notice of a change of address.

Undeliverable Distributions. (a) If the distribution to the Holder of any Claim or Interest is returned to the Disbursing Agent as undeliverable, no further distribution shall be

made to such Holder unless and until the Disbursing Agent is notified in writing of such Holder's then current address. Undeliverable distributions shall remain in the possession of the Disbursing Agent until the earlier of (i) such time as a distribution becomes deliverable or (ii) such undeliverable distribution becomes an unclaimed distribution pursuant to section 7.14 of the Plan.

(b) Until such time as an undeliverable distribution becomes an unclaimed distribution pursuant to section 7.14 of the Plan, within 30 days after the end of each calendar quarter following the Effective Date, the Disbursing Agent shall make distributions of all Cash and other property that has become deliverable during the preceding quarter. Each such distribution shall include the net return yielded from the investment of any undeliverable Cash, if any, from the date such distribution would have been due had it then been deliverable to the date that such distribution becomes deliverable.

(c) Nothing contained in the Plan shall require the Reorganized Debtor or Disbursing Agent to attempt to locate any Holder or an Allowed Claim of an Allowed Interest.

Unclaimed Distributions. Any Cash or other property to be distributed under the Plan shall revert to the Reorganized Debtor if it is not claimed by the entity entitled thereto before the later of (i) one year after the Effective Date; (ii) one year after such scheduled payment to such entity under Article 4 of this Plan; or (iii) one year after an Order allowing the Claim of that entity becomes a Final Order, and such entity's claim shall be reduced to zero.

Set-offs. The Disbursing Agent may, but shall not be required to, set-off against the distributions to be made pursuant to the Plan the claims, obligations, rights, causes of action and liabilities of any nature that the Reorganized Debtor may hold against the Holder of an Allowed Claim, *provided, however*, that neither the failure to effect such a set-off nor the allowance of any claim hereunder shall constitute a waiver or release by the Reorganized Debtor (or the Disbursing Agent) of any such claims, obligations, rights, causes of action and liabilities that the Reorganized Debtor or the Disbursing Agent has or may have against such Holder. To the extent the Disbursing Agent elects to effectuate a set-off, the Disbursing Agent shall notify the Holder of the Allowed Claim in writing at least ten (10) days prior to effectuating the set-off. To the extent the Holder of an Allowed Claim objects to the set-off, a written objection shall be provided to the Disbursing Agent no later than three (3) days prior to the set-off date or the objection shall be waived. Upon delivery of a written objection to the Disbursing Agent, whether by hand, mail, facsimile, electronic mail or otherwise, no set-off may be effected until the objection is resolved, and the Reorganized Debtor shall distribute any undisputed portion, if any, of the distribution otherwise payable to the Holder.

DISTRIBUTIONS WITH RESPECT TO DISPUTED CLAIMS

During the pendency of any objection to any Claim, no distribution under the Plan will be made to the holder of such Claim. However, there will be set aside and reserved on behalf of such disputed Claim such cash or property as the holder thereof would be entitled

to receive in the event such Claim was an Allowed Claim on the date of such distribution. The Debtor may seek an order of the Bankruptcy Court estimating or limiting the amount of Cash or property that must be deposited in respect of any such disputed Claims. Cash held in reserve for disputed Claims will be held in trust for the benefit of the holders of such Claims.

Within 15 days after the entry of a Final Order resolving an objection to a Disputed Claim, the Disbursing Agent shall distribute all Cash or other property, including any interest, dividends or proceeds thereof, to which a holder is then entitled with respect to any formerly Disputed Claim that has become an Allowed Claim. To the extent practicable, the Disbursing Agent shall hold such cash in a segregated account in accordance with section 345 of the Bankruptcy Code, and may invest any cash or other property segregated on account of a Disputed Claim, Disputed Interest, undeliverable distribution, or any proceeds thereof; however, the Disbursing Agent shall be under no obligation to so invest such Cash or proceeds and shall have no liability to any party for any investment made or any omission to invest such Cash, other property or proceeds. Any segregated amounts remaining after all Disputed Claims have been resolved will be retained by Debtor.

COMPLIANCE WITH TAX REQUIREMENTS

In connection with the Plan, the Disbursing Agent shall comply with all withholding and reporting requirements imposed by federal, state and local taxing authorities and distributions under the Plan shall be subject to such withholding and reporting requirements provided, however, that the transfer of any Cash, property or other interest under the Plan shall not be subject to any federal, state or local tax to the fullest extent provided under section 1146 of the Bankruptcy Code.

EFFECTIVE DATE

The Effective Date of the Plan shall be the first Business Day after which all of the conditions to the Effective Date, specified in section 11.1 of the Plan, have been satisfied, which are the an Order Confirming the Plan that is reasonably satisfactory to the Debtor having been entered.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

On the Effective Date, except as provided herein or in a Plan Supplement, all Executory Contracts and Unexpired Leases to which Debtor is a party, if any, including, without limitation, all Leases, shall be deemed assumed and assigned to the Reorganized Debtor in accordance with Section 365 of the Bankruptcy Code.

Rejection Claims. Allowed Claims arising from the rejection of any Executory Contract or Unexpired Lease shall be treated as an Unsecured Claim.

A Proof of Claim with respect to any Unsecured Claim for damages arising from the rejection of an Executory Contract or Unexpired Lease pursuant to the Plan must be filed with the Bankruptcy Court and served so that it is received by the Debtor no later than 30 days after the later of (i) the date of entry of a Final Order approving such rejection (unless such Final Order expressly provides a Bar Date with respect to such Claim, in which event no Proof of Claim with respect to such Claim shall be deemed timely filed unless it is filed with the Bankruptcy Court and served in the manner provided in such Final Order), or (ii) the Effective Date. Any such Proof of Claim not so timely filed and served shall be forever barred from assertion and may not be enforced against the Debtor, its successors or their respective properties.

IMPLEMENTATION OF THE PLAN

Implementation. The Debtor/Reorganized Debtor shall take all necessary steps, and perform all necessary acts, to consummate the terms and conditions of the Plan. The Confirmation Order shall contain appropriate provisions, consistent with section 1142 of the Bankruptcy Code, directing the Debtor and any other necessary party to execute or deliver or to join in the execution or delivery of any instrument required to perform any act, including the satisfaction of any lien that is necessary for the consummation of the Plan. Pursuant to section 1146 of the Bankruptcy Code, the issuance, transfer, or exchange of any security and the making or delivery of any instrument of transfer under the Plan, if any, shall not be subject to any Transfer Tax.

Plan Funding. In order to fund the distributions under the Plan, the Debtor shall use Available Cash on the Effective Date, the Contribution Amount, Available Cash to be generated from the operation of the Reorganized Debtor's business post-Effective Date. The Debtor does not believe there are any impediments to the immediate usage of the Property. In the ordinary course of business, the Debtor has entered into a new Billboard lease with Lamar that it believes resolves the Billboard Action, and which provides it with sufficient income, in conjunction with the rental income from the balance of its Leases, to fund the Plan. Although the Debtor submits that it is in its ordinary course of business to enter into the Billboard lease with Lamar, the Debtor will request, in the exercise of caution, approval of such lease in the Confirmation Order. A copy of the Lamar Billboard lease is annexed to the Plan as Exhibit A.

Vesting of Assets. Except as otherwise provided in the Plan, on the Effective Date, the Property shall vest in the Reorganized Debtor free and clear of any and all Liens and other encumbrances (other than existing tenancies (the Leases) and usual and customary encumbrances such as utility easements and the like), and any Liens and other encumbrances against the Debtor that have not been expressly preserved under the Plan shall be deemed extinguished as of the Effective Date.

Execution of Documents. (a) On the Effective Date, the Debtor, and any necessary party thereto, shall execute, release and deliver all documents reasonably necessary to consummate the transactions contemplated by the terms and conditions of the Plan.

(b) Pursuant to sections 105, 1141(c) and 1142(b) of the Bankruptcy Code, the Debtor/Reorganized Debtor shall be authorized to execute, in the name of any necessary party any estoppel certificate, or any notice of satisfaction, release or discharge of any Lien, Claim or encumbrance (including, any Lien, Claim or encumbrance that is to be released and satisfied upon the Debtor's compliance with the provisions of article 4 of the Plan) not expressly preserved in the Plan and deliver such notices to any and all federal, state and local governmental agencies or departments for filing and recordation, and the Confirmation Order shall expressly so provide.

Filing of Documents. Pursuant to sections 105, 1141(c) and 1142(b) of the Bankruptcy Code, each and every federal, state and local governmental agency or department, shall be directed to accept and record any and all documents and instruments necessary, useful or appropriate to effectuate, implement and consummate the transactions contemplated by the Plan, including the New Fannie Mae Security Documents, and any and all notices of satisfaction, release or discharge or assignment of any Lien, Claim or Encumbrance not expressly preserved by the Plan.

Distributions. Except as set forth elsewhere in the Plan, all payments required to be made under the Plan shall be made by the Disbursing Agent for disbursement in accordance with the terms of the Plan.

Preservation of Rights of Action. Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into in connection with the Plan, the Reorganized Debtor shall retain, and in accordance with its determination of the best interest of the estate, may enforce any claims, rights and causes of action (i) arising under sections 510 and 544 through 550 of the Bankruptcy Code or (ii) belonging to the Debtor as of the Petition Date, or the Debtor's Estate, and arising under any provision of state or federal law, or any theory of statutory or common law or equity.

As set forth in the Debtor's Statement of Financial Affairs and the Cash Collateral Order, the Debtor's made certain prepetition transfers to parties that may be deemed insiders in this case in the approximate amount of \$406,000.00. The Contribution Amount includes funds well in excess of these payments.

Any net recovery received by the Reorganized Debtor through the prosecution, settlement or collection of any such claim, right or cause of action, will be paid to the Creditors (unless all Claims are fully satisfied as provided for in the Plan) and thereafter retained by the Reorganized Debtor following the satisfaction of all Other Allowed Claims under the terms of the Plan.

Notwithstanding any provision of the Plan to the contrary, definitions and descriptions contained herein respecting pre-Petition Date documents, agreements or Claims are provided solely for the purpose of identification and classification thereof, and except for

the Fannie Mae Security Documents, the Fannie Mae Note, and the Fannie Mae Secured Claim, do not constitute an admission by the Debtor of the existence, validity allowance, or amount of any such Claim, document or agreement.

Transfer Taxes. Pursuant to section 1146(a) of the Bankruptcy Code, the initial issuance, transfer, or exchange of any security and the making or delivery of any instrument of transfer in connection with or in furtherance of the Plan, if any, from and for up to two (2) years after the Confirmation Date, shall not be subject to tax under any law imposing a Transfer Tax, to the fullest extent provided by section 1146(a) of the Bankruptcy Code.

Post-Confirmation Management and Compensation. The Debtor will continue in existence post-confirmation as the Reorganized Debtor to make distributions, file reports, perform its post-confirmation obligations under the Plan, and close this Case. The Interest Holders of the Debtor have agreed that the Reorganized Debtor shall continue to be managed by its current manager, Wilder Realty LLC, who will continue to be compensated pursuant to its prepetition agreement with the Debtor.

MISCELLANEOUS PROVISIONS

MODIFICATION AND REVOCATION OF THE PLAN

The Plan may be altered, amended or modified by the Debtor, at any time before the substantial consummation of the Plan, as provided in sections 1101(a) and 1127 of the Bankruptcy Code and Bankruptcy Rule 3019. Section 1127 of the Bankruptcy Code authorizes the proponent of a plan of reorganization to modify such plan at any time prior to confirmation of the plan so long as the plan, as modified, continues to meet certain technical requirements of sections 1122 and 1123 of the Bankruptcy Code with respect to the classification of Claims and Interests and the contents of a plan. Prior to Confirmation, if a proponent files modifications to a plan, pursuant to section 1127(a) “the plan as modified becomes the plan.” No order of the Court is required to modify the Plan under the terms of section 1127(a); however, the proponent of a modification to a plan must comply with section 1125 of the Bankruptcy Code with respect to the plan as modified. In other words, if a modification materially alters the treatment of any Creditor who has accepted the Plan, the Debtor will be required to make additional disclosures to those Creditors whose treatment has been materially and adversely altered and give such Creditors an opportunity to change their votes.

The Debtor may revoke or withdraw the Plan at any time prior to entry of the Confirmation Order. If the Debtor revokes or withdraws the Plan, or if no Confirmation Order is entered, the Plan shall be null and void, and nothing contained in the Plan shall (i) constitute a waiver or release of any Claims by or against or any interest in, the Debtor; or (ii) prejudice in any manner the rights of the Debtor in any further proceedings involving the Debtor or any other party, or its Estate.

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order or the occurrence of the Effective Date, until the Case is closed, the Bankruptcy (or the District Court) shall retain and have original, but not exclusive, jurisdiction to:

i) Insure that the Plan is consummated, and to enter any Order pursuant to section 1142(b) of the Bankruptcy Code, to compel the Debtor, the Interest Holders and any other necessary party, to take such action and execute such documents to effectuate the Plan;

ii) Consider any modification of the Plan proposed pursuant to section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019;

iii) Allow, disallow, determine, liquidate, classify or establish the priority, secured or unsecured status of any Claim or Interest, including, without limitation, the resolution of any request for payment of any Administrative Expense, the resolution of any and all objections to the allowance or priority of Claims or Interests, and the resolution of any adversary proceeding;

iv) Grant or deny any and all applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for any period ending on or before the Effective Date;

v) Resolve any motions pending on the Effective Date to assume, assume and assign or reject any Executory Contract or Unexpired Lease to which the Debtor is a party or with respect to which the Debtor may be liable and to hear, determine and if necessary, liquidate, any and all Claims arising therefrom;

vi) Ensure that distributions to Holders of Allowed Claims and Allowed Interests are accomplished in accordance with the provisions of this Plan;

vii) Decide or otherwise resolve any and all applications, motions, adversary proceedings, contested or litigated matters, and any other matters or grant or deny any applications involving the Debtor that may be pending on the Effective Date;

viii) Enter such Orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents created in connection with the Plan or Disclosure Statement or to enforce all orders, judgments, injunctions, and rulings entered in connection with the Case, including, but not limited to any Order necessary to enforce the provisions of article 7 of the Plan;

ix) Resolve any and all controversies, suits or issues that may arise in connection with the consummation, interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

x) Modify the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code, or to modify the Disclosure Statement or any contract, instrument, release or other agreement or document created in connection with the Plan or Disclosure Statement;

xi) Remedy any defect or omission or reconcile any inconsistency in any Order, the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created in connection with the Plan, to the extent authorized herein or in the Bankruptcy Code;

xii) Issue any injunctions, enter and implement other Orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation or enforcement of the Plan;

xiii) Enter and implement such Orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

xiv) Determine any dispute arising under or related to the Plan, including, without limitation, any dispute concerning the scope or effect of any release or discharge provided for by the Plan or the Confirmation Order.

xv) Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan or Disclosure Statement; and

xvi) Enter an Order or Final Decree concluding the Case.

RISK FACTORS

Although the Debtor believes that it will be able to meet all of the obligations that it is undertaking pursuant to the Plan there can be no assurance that future events will not cause the Debtor to default on one or more of its obligations under the Plan or that the closing will occur.

PROJECTIONS AND ASSUMPTIONS

The Disclosure Statement contains certain projections, estimates and assumptions (the "Projections") with respect to the amount of monies which will be necessary and available for distribution to Creditors under the terms of the Plan and with respect to the nature and amount of claims that may be allowed against the Debtor. There can be no assurance, however, that

such assumptions are accurate. The Projections are based on assumptions that the Debtor believes are reasonable. They have not been reviewed for accuracy or reasonableness by the Debtor's counsel or accountants. Projections are, by nature, based on future events which cannot be predicted with accuracy and there is no assurance that the necessary funds can or will be obtained. Each Creditor and Interest Holder and each of their respective advisers must carefully read and consider the assumptions which are part of the Projections in determining whether to vote for the Plan.

CONFIRMATION OF THE PLAN

All distributions to Creditors are contingent on the Plan being confirmed by this Court. Otherwise, the Debtor is not obligated, in any way, to make the payments required hereunder.

RISK OF SUBSEQUENT REORGANIZATION OR LIQUIDATION

Although the Debtor believes that the confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization of the Debtor, there can be no assurance that such liquidation will not occur or that the need for such financial reorganization will not arise.

CONFIRMATION

CONFIRMATION HEARING

The Bankruptcy Code requires that the Bankruptcy Court, after notice, hold a hearing to consider confirmation of the Plan. The Confirmation Hearing is scheduled to commence on **July 7, 2016 at 10:00 a.m. in the United States Bankruptcy Court, Southern District of New York, 300 Quarropas Street, White Plains, New York.** The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement made at the Confirmation Hearing.

Any party in interest may object to Confirmation of the Plan by filing a written objection, setting forth their identity and standing and the facts and authorities upon which any objection is based, in the Office of the Clerk of the Bankruptcy Court, no later than the deadline fixed by the Court and by delivering a courtesy copy to the Chambers of the presiding judge. Copies of all objections must also be served so that they are received, as required by the Court upon (i) Robinson Brog Leinwand Greene Genovese & Gluck P.C., 875 Third Avenue, 9th Fl., New York, New York 10022, Attn.: Robert M. Sasloff, Esq., and (ii) the Office of the United States Trustee, 201 Varick Street, Suite 1006, New York, New York 10014. Any objection that is not timely filed and served as required by any order of this Court, will not be considered by this Court at the Confirmation Hearing.

REQUIREMENTS FOR CONFIRMATION

At the Confirmation Hearing, the Bankruptcy Court will determine whether the requirements of section 1129 of the Bankruptcy Code have been satisfied, in which event the Bankruptcy Court will enter an order confirming the Plan. These requirements include determinations by the Bankruptcy Court that: (i) the Plan has classified Claims and Interests in a permissible manner, (ii) the contents of the Plan comply with various technical requirements of the Bankruptcy Code, (iii) the Debtor has proposed the Plan in good faith, (iv) the Debtor has made disclosures concerning the Plan that are adequate and include information concerning all payments made or promised in connection with the Plan and the Case, (v) the Plan is in the “best interest” of all Creditors, (vi) the Plan is feasible, and (vii) the Plan has been accepted by the requisite number and amount of Creditors in each Class entitled to vote on the Plan, or that the Plan may be confirmed without such acceptances. The Debtor believes that all of these conditions have been or will be met prior to the Confirmation Hearing.

Best Interest Test. The so-called “best interest” test requires that each impaired Creditor and impaired Interest Holder either (a) accepts the Plan or (b) receives or retains under the Plan property of a value, as of the Effective Date of the Plan, that is not less than the value such entity would receive or retain if the Debtor was to be liquidated under chapter 7 of the Bankruptcy Code. Because all Creditors are receiving agreed upon payment or full payment of their Claims, the “best interests” test is not applicable, but in any event, is satisfied.

To determine what the holders in each Impaired Class of Claims or Interest would receive if the Debtor was liquidated under chapter 7, the Bankruptcy Court must determine the dollar amount that would be generated from the liquidation of the Debtor’s assets and properties in a chapter 7 liquidation case. The amount that would be available for satisfaction of Allowed Claims against the Debtor would consist of the proceeds resulting from the disposition of the Debtor’s assets, augmented by the cash held by the Debtor at the commencement of the chapter 7 case. Such amount would be reduced by the amount of any Claim or Claims secured by the Debtor’s assets, the costs and expenses of the liquidation, and such additional Administrative Claims and Priority Claims that may have accrued. Such value is then juxtaposed against the amount creditors are receiving under the Plan to determine if the value each impaired creditor is receiving is the same or more than such creditor would receive from a chapter 7 liquidation on the Confirmation Date.

The costs of liquidation under chapter 7 would become Administrative Claims with the highest priority against the proceeds of liquidation. Such costs would include the fees payable to a chapter 7 Trustee, as well as those which might be payable to attorneys, financial advisors, appraisers, accountants and other professionals that such a Trustee may engage to assist in the liquidation. In addition, chapter 7 costs would include any liabilities incurred or assumed pursuant to the transactions necessary to effectuate the liquidation. Moreover, claims entitled to administrative priority may arise by reason of any breach or rejection of any executory contracts entered into by the Debtor during the pendency of the Case in chapter 11.

After satisfying Administrative Claims arising in the course of the chapter 7 liquidation, the proceeds of the liquidation would then be payable to satisfy any unpaid expenses incurred during the time the Case was pending under chapter 11, including compensation for attorneys, financial advisors, appraisers, accountants and other professionals retained by the Debtor or any official committee appointed pursuant to section 1102 of the Bankruptcy Code.

After consideration of the effects that a chapter 7 liquidation would have on the proceeds available for distribution including (i) the increased costs and expenses of a chapter 7 liquidation arising from fees payable to a Trustee in bankruptcy and professional advisors to such Trustee, (ii) the erosion in value of the Debtor's assets in a chapter 7 case in the context of the expeditious liquidation required under chapter 7 and the "forced sale" atmosphere that would prevail, and (iii) the potential increases in Claims which would be satisfied on a priority basis or on a parity with the Claims of general Unsecured Creditors, and (iv) the substantial amount of secured claims in this case, which, the Debtor believes would exceed the value of the Property only in a chapter 7 forced liquidation, the Debtor believes that holders of Unsecured Claims would not receive any distribution on account of their claims. Rather, there would be insufficient funds to satisfy any of the Debtor's Creditors.

Liquidation Analysis. The Debtor has concluded that the Plan provides to each Creditor recovery with a present value at least equal to the present value of the distribution which such person would receive if the Debtor was liquidated under chapter 7 of the Bankruptcy Code. The Plan provides for payment to all Creditors and Administrative Claimants in full or in an agreed upon amount. The Debtor's available Cash on hand as of the Effective Date and the proceeds from the sale of the Property will be utilized to fund distributions under the Plan.

The Debtor believes that in the event its assets were sold in chapter 7 liquidation, all of the proceeds would go to pay Priority Tax Claims, chapter 7 Administrative Claims, Bankruptcy Fees, and a lesser portion of the Secured Claim held by Fannie Mae and maybe the Other Secured Claims as provided for in the Plan. In such event, no funds would be remaining for distribution to chapter 11 administrative claims and to Unsecured Creditors. As such, the Debtor believes that no Creditors would receive a distribution in a Chapter 7 case which is greater than the one they may be entitled to under the Plan.

The Debtor further believes that the net effect of a conversion of this case to Chapter 7 would be to (i) increase the administrative expenses of the estate and (ii) decrease the funds available for non-administrative creditors.

The liquidation values stated herein assume that all assets of the Debtor would be liquidated in the context of a chapter 7 case and assumes the present values of such liquidation values. The assumptions utilized in the analysis considered the estimated liquidation value of the assets and estimated amount of Claims that would be allowed, together with an estimate of certain administrative costs and other expenses which would likely result

during the liquidation process. While the Debtor believes the assumptions underlying the Liquidation Analysis are reasonable, the validity of such assumptions may be affected by the occurrence of events, and the existence of conditions not now contemplated or by other factors, many of which will be beyond the control of the Bankruptcy Court, the Debtor and any trustee appointed for the Debtor. The actual liquidation value of the Debtor may vary from that considered herein and the variations may be material.

The Debtor has assumed that the Property would be sold within six months in a chapter 7 liquidation. It is assumed that cash proceeds of liquidating the Property would total approximately \$1,500,000.00 (which is 75% of the appraised value of the Property⁷) taking into account the negative impact on values attributed to the chapter 7 process. Debtor assumes that due to the forced nature of an auction sale in a chapter 7 case, that a chapter 7 trustee would only be able to recover at least 75% of the appraised value of the Property.

The Debtor believes that the total cash which would be administered in a hypothetical chapter 7 case would aggregate approximately \$1,530,000.00 representing the Debtor's Available Cash and the \$1,500,000.00 in proceeds from the liquidation sale of the Property. Upon consultation with its advisors, the Debtor assumes for the purposes of this analysis that the cash would be distributed as follows:

Available for distribution	\$1,530,000.00
To the payment of:	
Priority Tax Claims	\$0
Chapter 7 Administrative Claims:	
Chapter 7 trustee commissions and expenses (approximately 3% of \$1,500,000.00)	\$45,000.00
Chapter 7 trustee's professionals (attorneys, appraisers, auctioneers accountants, etc.) (\$35,000)	\$35,000
Fannie Mae Secured Claim (Approx.)	<u>\$3,000,000.00</u>
Other Secured Claim	\$0
Chapter 11 Administrative Claims	\$200,000.00
General Unsecured Claims	\$125,000.00

⁷ Debtor's appraisal obtained in November, 2014 valued the Property at \$2,000,000.00, without including the Billboard.

In liquidation, depending on the valuation of Fannie Mae's Secured Claim, there would be insufficient funds to satisfy: (1) all of the chapter 11 administrative claims in full; (2) priority claims; and (3) there would be no funds available at all for distribution to Unsecured Creditors.

The Plan contemplates payment to more classes of creditors than in a Chapter 7 liquidation where there would insufficient funds to satisfy all of the secured creditors and other classes of claims. Accordingly, the Debtor believes that the Plan provides Creditors with at least as much as they would be entitled to receive in a chapter 7 liquidation.

Feasibility. For the Plan to be confirmed, it must be demonstrated that consummation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtor. Based on the Summary of the Plan which provides for the sale of the Property, the Plan meets the feasibility requirements of the Bankruptcy Code. Debtor will offer testimony at confirmation to demonstrate that the Projections are reasonably calculated to forecast Debtor's ability to meet the obligations under the Plan.

Presently, the Effective Date payments under the Plan are approximately \$468,500.00 to be primarily funded by the cash on hand and the Contribution Amount monies remaining in escrow.⁸

Confirmation With the Acceptance of Each Impaired Class. While all Creditors and Interest Holders are unimpaired, the Plan may be Confirmed if each impaired Class of Claims accepts the Plan. Classes of Claims which are not impaired are deemed to have accepted the Plan. A Class is impaired if the legal, equitable or contractual rights attaching to the Claims of that Class are modified other than by curing defaults and reinstating maturities or by payment in full in cash.

Holders of Claims impaired by the Plan are entitled to file Ballots accepting or rejecting the Plan. Holders of Claims not impaired by the Plan, are deemed to accept the Plan, and may not vote to accept or reject the Plan. Holders of Claims that will neither receive nor retain any property under the Plan are deemed to reject the Plan.

The Bankruptcy Code defines acceptance of a plan by a Class of Claims as acceptance by the holders of two-thirds in dollar amount and a majority in number of Claims of that Class who actually voted. Only those Claims, the holders of which actually vote to accept or reject the Plan, are counted for the purpose of determining whether the requisite number and amount of acceptances have been received.

⁸ This amount does not include payment of Administrative Expenses, which consist primarily of fees owed to Debtor's counsel. These fees will be paid by the Debtor pursuant to a separate agreement upon approval by the Bankruptcy Court.

Confirmation Without the Acceptance of Each Impaired Class. In the event that any impaired Class of Claims does not accept the Plan, the Bankruptcy Court may nevertheless confirm the Plan at the Debtor's request if (i) all other requirements of section 1129(a) of the Bankruptcy Code are satisfied, (ii) at least one impaired Class of Claims votes to accept the Plan without regard to any vote cast on account of a Claim held by "insiders" (as defined in the Bankruptcy Code) and (iii) as to each impaired Class which has not accepted the Plan, the Bankruptcy Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to such non-accepting Class. The Debtor believes that the Plan is in the best interest of all Creditors and strongly recommends that all parties entitled to vote cast their ballots in favor of accepting the Plan. Nevertheless, out of an excess of caution, pursuant to the Plan, the Debtor has requested that the Court confirm the Plan over the rejection of any non-accepting class in the event all other elements of section 1129(a) are satisfied.

A plan "does not discriminate unfairly" if 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 intertwined with those of the non-accepting class, and no class receives payments in excess of that which it is legally entitled to receive for its Claims. The Debtor believes that under the Plan all classes of Impaired Claims are treated in a manner that is consistent with the treatment of other classes of Claims with which their legal rights are intertwined, if any, and no class of Claims will receive payments or property with an aggregate value greater than the aggregate value of the Allowed Claims in such class. Accordingly, the Debtor believes the Plan does not discriminate unfairly as to any impaired class of Claims.

Whether the Plan is fair and equitable depends upon the application of the so-called "absolute priority rule." Subject to certain exceptions, this rule, codified in section 1129(b)(2) of the Bankruptcy Code, generally requires that an impaired Class of Claims that has not accepted the Plan must be paid in full if a more junior class receives any distribution under the Plan.

With respect to Secured Claims, the absolute priority rule allows the confirmation of a Plan over the rejection of a class of Secured Claims if the holders of such Claims retain their liens and each holder of a Claim of such class receives on account of such Claim deferred cash payments, totaling at least the allowed amount of such Claim, of a value, as of the Effective Date of the plan, of at least the value of such holder's interest in the property securing its Claim. The Debtor's impaired Secured Creditor, Fannie Mae, will retain its lien on the Property and will receive on account of its claim deferred Cash payments from operation of the Property by the Debtor post-confirmation.

With respect to Unsecured Claims, the absolute priority rule allows the confirmation of a Plan over the rejection of a class of Unsecured Claims if the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the Plan on account of such junior claim or interest any property. There is, however, a "new value" exception to the absolute priority rule, which the Debtor submits applies in this case.

In this case, the Allowed Interests are retaining their interests in the Debtor in consideration for (1) the funding of the Contribution Amount in an amount no less than \$406,000.00; and (2) their guaranty of the fees due to Court-retained professionals in this case, and the payment to the Unsecured Creditors, amounts which aggregate in excess of \$260,000.00 at this time. The Debtor believes that the new value being contributed by the Allowed Interests are necessary and substantial. As the Allowed Interests are retaining their interests post-confirmation on account of their going forward contributions, and not on account of their prior equity position, the Debtor submits that the “new value” exception to the absolute priority rule applies.

With respect to the Allowed Interests, Section 1129(b)(2)(C) requires that the holder of such interest receive any fixed liquidation preference, fixed redemption price or value of such interest, or that no junior interest will receive or retain any property on account of such junior interest. To the best of Debtor’s knowledge, Interest Holders are not entitled to any fixed liquidation preference or redemption price and no junior interests are receiving or retaining any property under the Plan. Accordingly, the Plan complies with section 29(b)(2)(C) of the Bankruptcy Code.

If the Plan is rejected by only one class of impaired creditors, the Debtor requests that the Plan be confirmed under section 1129(b).

EFFECT OF CONFIRMATION

DISCHARGE

On the Effective Date of the Plan, the Debtor will be discharged from any debt that arose before the Effective Date of this Plan, to the extent specified in section 1141(d)(1)(A) of the Bankruptcy Code, except that the Debtor will not be discharged of any debt: (i) imposed by the Plan; (ii) of a kind specified in section 1141(d)(6)(A) of the Bankruptcy Code if timely complaint was filed in accordance with rule 4007(c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in §1141(d)(6)(B).

INJUNCTION

Except as otherwise provided in the Confirmation Order, the entry of the Confirmation Order shall constitute an injunction against the commencement or continuation of any action, the employment of process, or any act, to collect, recover or offset, from the Debtor, the Reorganized Debtor (in its own capacity and as Disbursing Agent) or property of the Estate, any claim, obligation or debt that was held by any person or entity as of the Effective Date except pursuant to the terms of the Plan.

RELEASE

Except as otherwise provided in the Plan or the Cash Collateral Order, upon the Effective Date, in consideration of the Cash and other property to be distributed to or on behalf of the holders of Claims and Interests under the Plan, the Plan shall be deemed to resolve all disputes and constitute a settlement and release, between and among the Debtor, on the one hand, and each Creditor and Interest Holder, on the other, from any claim or liability, whether legal, equitable, contractual, secured, unsecured, liquidated, unliquidated, disputed, undisputed, matured, unmatured, fixed or contingent, known or unknown, that the Debtor, its Creditors or Interest Holders ever had or now have through the Effective Date in connection with their Claim or Interest (including, without limitation, any claims the Debtor may assert on its own behalf or on behalf of Creditors or Interest Holders pursuant to sections 510 and 542 through 553 of the Bankruptcy Code (except for the Debtor's obligations under the Cash Collateral Order to recover the payments made to creditors listed in section 3 of the Debtor's Statement of Financial Affairs), any claims Creditors or Interest Holders may have asserted derivatively on behalf of the Debtor absent the Bankruptcy Case, any claims based on the conduct of the Debtor's business affairs prior or subsequent to the commencement of the Case or any claims based on the negotiation, submission and confirmation of the Plan), *provided however* that nothing in the Plan or the Confirmation Order shall effect a release of any claim for any debt owed to the United States Government arising under the Internal Revenue Code; any state, city or municipality arising under any state, city or municipal tax code; any environmental laws or any criminal laws of the United States or any state, city or municipality. Nothing in the Confirmation Order or the Plan shall enjoin the United States or any state or local authority from bringing any claim, suit, action or other proceedings against the Released Parties for any claim, suit or action arising under the Internal Revenue Code, any state, city or municipal tax code, the environmental laws or any criminal laws of the United States or any state, city or municipality. Nothing in the Confirmation Order or the Plan shall exculpate any party from any liability to the United States Government or any of its agencies or any state, city or municipality arising under the Internal Revenue Code, any state, city or municipal tax code, the environmental laws or any criminal laws of the United States or any state. Notwithstanding anything to the contrary in this Release, the Plan or any Confirmation Order, Fannie Mae's Claims against any non-Debtor obligor on the Fannie Mae Note or the Fannie Mae Security Documents, including any guarantors, are not released or waived, and are preserved.

LIMITATION OF LIABILITY

Section 1125(e) of the Bankruptcy Code, commonly referred to as the "safe harbor," protects persons acting in good faith, from civil claims arising in connection with solicitation of acceptances of plans of reorganization or participating in the offer, issuance, sale or purchase of a security under the Plan. Pursuant to section 1125(e), as set forth in Article 8 of the Plan, neither the Debtor, the Interest Holders, the Purchaser nor any of their respective officers, directors, members, general partner, managers or employees (acting in such capacity), nor any professional person employed by any of

them, if any, (the “Released Parties”) shall have or incur any liability to any entity for any action taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, Confirmation or consummation of the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into, or any other action taken or omitted to be taken in connection with these cases or the Plan except in the case of fraud, gross negligence, willful misconduct, malpractice, breach of fiduciary duty, criminal conduct, unauthorized use of confidential information that causes damages, or ultra vires acts. Nothing contained herein shall limit the liability of the Debtor’s professionals pursuant to Rule 1.8(h)(1) of the New York State Rules of Professional Conduct. From and after the Effective Date, a copy of the Confirmation Order and the Plan shall constitute, and may be submitted as, a complete defense to any claim or liability released pursuant to Article 8 of the Plan.

ALTERNATIVES TO THE PLAN

If the Plan is not confirmed by the Bankruptcy Court, the alternatives may include (a) liquidation of the Debtor under chapter 7 of the Bankruptcy Code; (b) the formulation, promulgation and confirmation of an alternative plan of reorganization involving a sale; or (c) dismissal of the Debtor’s case. In the case of dismissal, Fannie Mae would be allowed to proceed with a foreclosure sale of the Debtor’s Property.

The Debtor believes that the Plan provides a recovery to all Creditors equal to or greater than would be obtainable in a chapter 7 liquidation. See Liquidation Analysis.

The Debtor believes that the Plan enables Creditors to realize the most value under the circumstances.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

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 particular circumstances pertaining to each holder of an Allowed Claim. Each holder of an Allowed Claim is urged to consult his own tax advisors. This summary does not cover all potential U.S. federal income tax consequences that could possibly arise under the Plan and does not address the Plan’s U.S. federal income tax consequences for any holder of an Allowed Claim that is a partnership (or other pass-through entity) or otherwise subject to special tax rules.

The Debtor has not requested any ruling from the Internal Revenue Service or any other taxing authority with respect to such matters nor will the Debtor, with respect to the federal income tax consequences of the Plan, obtain any opinion of counsel. Consequently, there can be no assurance that the treatment set forth in the following discussion will be accepted by the IRS. The Debtor offers no statements or opinions that are to be relied upon by the creditors as to the treatment of creditors’ claims under the Plan. Matters not discussed in

this Disclosure Statement may affect the tax consequences of the Plan on any particular holder of a Claim or Equity Interest

This summary is based upon the laws in effect on the date of this Disclosure Statement and existing judicial and administrative interpretations thereof, all of which are subject to change, possibly with retroactive effect. Holders of Allowed Claims should consult their own tax advisors as to the Plan's specific federal, state, local and foreign income and other tax consequences.

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

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

THE DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY CREDITOR AND INTEREST HOLDER FOR THE PURPOSE OF AVOIDING TAX PENALTIES THAT MAY BE IMPOSED ON A TAX PAYER. THE DISCUSSION HEREIN WAS WRITTEN TO SUPPORT THE TRANSACTIONS DESCRIBED IN THIS DISCLOSURE STATEMENT. EACH CREDITOR AND INTEREST HOLDER SHOULD SEEK ADVICE BASED UPON THE CREDITOR AND INTEREST HOLDER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

ADDITIONAL INFORMATION

Requests for information and additional copies of this Disclosure Statement, the Ballots and the other materials delivered together herewith and all deliveries, correspondence and questions, as the case may be, relating to the Plan should be directed to (i) the Debtor's counsel, Robinson Brog Leinwand Greene Genovese & Gluck P.C., 875 Third Avenue, 9th Fl., New York, New York 10022, Attn.: Robert M. Sasloff, (212) 603-6329.

Copies of all pleadings, orders, lists, schedules, proofs of claims or other documents submitted in these cases are on file in the Office of the Clerk of the United States Bankruptcy Court at 300 Quarropas Street, White Plains, New York, and are available for public inspection Monday through Friday, between the hours of 9:00 a.m. and 4:00 p.m. and are also available for viewing on the Internet at <http://www.nysb.uscourts.gov>.

CONCLUSION

The Debtor believes the Plan is in the best interests of all Creditors and strongly encourages all holders of Claims against the Debtor to vote to accept the Plan and to evidence such acceptance by promptly returning their Ballots to ensure that they will be received not later than 5:00 p.m., Eastern Standard Time, on June 27, 2016.

DATED: New York, New York
May 25, 2016

**ROBINSON BROG LEINWAND GREENE
GENOVESE & GLUCK P.C.**

Attorneys for the Debtor
875 Third Avenue, 9th Floor
New York, New York 10022
Tel. No.: (212) 603-6300

By: /s/ A. Mitchell Greene
A. Mitchell Greene

Document comparison by Workshare Professional on Thursday, June 02, 2016 3:19:13 PM

Input:	
Document 1 ID	file:///\\MAIN01\docs\CLIDOCs\100902\0000\~VER\3\00774429.DOC
Description	00774429
Document 2 ID	file:///\\MAIN01\docs\CLIDOCs\100902\0000\00774429.DOC
Description	00774429
Rendering set	standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	4
Deletions	4
Moved from	1
Moved to	1
Style change	0
Format changed	0
Total changes	10