IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION

IN RE:	§	
OMNI LION'S RUN, L.P.	§	LEAD CASE NO. 17-60329
OMNI LOOKOUT RIDGE, L.P.	§	2d CASE NO. 17-60447
Jointly Administered	§	
Debtors-in-Possession	§	CHAPTER 11
	§	(Jointly Administered Under 17-60329)

DEBTORS' THIRD AMENDED DISCLOSURE STATEMENT UNDER 11 U.S.C. §1125 FOR DEBTORS' THIRD AMENDED JOINT PLAN OF REORGANIZATION DATED OCTOBER 27, 2017

THE PROPOSED DISCLOSURE STATEMENT HAS NOT BEEN APPROVED UNDER SECTION 1125(b) OF THE BANKRUPTCY CODE BY THE BANKRUPTCY COURT AS CONTAINING ADEQUATE INFORMATION FOR USE IN CONNECTION WITH THE SOLICITATION OF ACCEPTANCES OR REJECTIONS OF THE PLAN OF REORGANIZATION DESCRIBED HEREIN. ACCORDINGLY, THE FILING AND DISSEMINATION OF THIS PROPOSED DISCLOSURE STATEMENT ARE NOT INTENDED AND SHOULD NOT IN ANY WAY BE CONSTRUED AS A SOLICITATION OF VOTES ON THE PLAN, NOR SHOULD THE INFORMATION CONTAINED HEREIN BE RELIED UPON FOR ANY PURPOSE BEFORE A CONDITIONAL DETERMINATION BY THE BANKRUPTCY COURT THAT THE PROPOSED DISCLOSURE STATEMENT CONTAINS ADEQUATE INFORMATION.

DATED: October 27, 2017

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ATTORNEYS FOR OMNI LOOKOUT RIDGE, L.P., AND OMNI LION'S RUN, L.P.
DEBTORS IN POSSESSION

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DEBTORS' THIRD AMENDED DISCLOSURE STATEMENT UNDER 11 U.S.C. §1125 FOR DEBTORS' THIRD AMENDED JOINT PLAN OF REORGANIZATION DATED OCTOBER 27, 2017

IMPORTANT

THIS DISCLOSURE STATEMENT IS SUBMITTED TO ALL CREDITORS OF THE DEBTORS ENTITLED TO VOTE ON ACCEPTANCE OF THE PLAN OF REORGANIZATION HEREIN DESCRIBED AND CONTAINS INFORMATION THAT MAY AFFECT YOUR DECISION TO ACCEPT OR REJECT THE DEBTORS' PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE. THIS DISCLOSURE STATEMENT IS INTENDED TO PROVIDE ADEQUATE INFORMATION AS REQUIRED BY THE BANKRUPTCY CODE AS TO THE DEBTOR'S PLAN OF REORGANIZATION WHICH IS ATTACHED HERETO AS EXHIBIT A. ALL CREDITORS ARE URGED TO READ THE DISCLOSURE STATEMENT AND ATTACHMENTS WITH CARE AND IN THEIR ENTIRETY

I. INTRODUCTION

A. Identity of the Debtors

Omni Lion's Run, L.P. ("Lion's Run") filed a voluntary petition for reorganization under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. § 101, et seq ("Code") on May 2, 2017. Omni Lookout Ridge, L.P. ("Lookout Ridge") filed a voluntary petition for reorganization under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. § 101, et seq ("Code") on June 6, 2017. Lion's Run and Lookout Ridge are both debtors in bankruptcy in their own cases filed in the United States Bankruptcy Court for the Western District of Texas, Waco Division ("Bankruptcy Court"). Together, they will be referred to as "Debtors." The Debtors have been operating as debtors-in-possession pursuant to 11 U.S.C. §§ 1107 and 1108 since the bankruptcy filings. The Debtors are Texas limited partnerships that owns apartment complexes in Harker Heights, Texas, known as the Lion's Run Apartments and Lookout Ridge Apartments, respectively.

B. General Information Concerning Disclosure Statement and Plan

The Debtors have promulgated and filed this Joint Disclosure Statement and a Joint Plan of Reorganization (which is attached hereto as Exhibit A), consistent with the provisions of the Bankruptcy Code. The purpose of the Plan is to provide the maximum recovery to each Class of Claims in light of the assets and anticipated funds available for distribution to Creditors. The Debtors believe that the Plan permits the maximum possible recovery for all Creditors while facilitating the reorganization of the Debtors.

The Debtors submit this Disclosure Statement pursuant to 11 U.S.C. § 1125 and Rules 3016 and 3017 of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules") to all Creditors of the Debtors for the purpose of disclosing that information which the Court has determined is material, important, and necessary for creditors and the members of the Debtors in

order to arrive at an intelligent, reasonably, informed decision in exercising the right to vote for acceptance or rejection of the Debtors' Plan of Reorganization ("Plan").

This Disclosure Statement describes the reorganization of the Debtors contemplated under the Plan. However, it is not intended to replace a careful review and analysis of the Plan, including the specific treatment you, as a Creditor, will receive under the Plan (which is attached hereto as Exhibit A). It is submitted as an aid and supplement to your review of the Plan in an effort to explain the terms and implications of the Plan. Every effort has been made to explain various aspects of the Plan as it affects Creditors. If any questions arise, the Debtors urge you to contact the Debtors' counsel and every effort will be made to address your questions. You are, of course, also urged to consult with your own counsel.

A copy of the Debtors' proposed Plan of Reorganization ("Plan") is attached hereto as Exhibit A. Capitalized terms used herein, if not separately defined, have the meanings assigned to them in the Plan or in the Bankruptcy Code and Bankruptcy Rules.

C. Disclaimers.

NO SOLICITATION OF VOTES HAS BEEN OR MAY BE MADE EXCEPT PURSUANT TO THIS DISCLOSURE STATEMENT AND 11 U.S.C. § 1125 AND NO PERSON HAS BEEN AUTHORIZED TO USE ANY INFORMATION CONCERNING THE DEBTOR TO SOLICIT ACCEPTANCES OR REJECTIONS OF THE PLAN OTHER THAN THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. CREDITORS SHOULD NOT RELY ON ANY INFORMATION RELATING TO THE DEBTORS OTHER THAN THAT CONTAINED IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS ATTACHED HERETO OR SUBMITTED HEREWITH.

EXCEPT AS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE EXHIBITS, NO REPRESENTATION CONCERNING THE DEBTORS, ITS ASSETS, PAST OR FUTURE OPERATIONS, OR CONCERNING THE PLAN IS AUTHORIZED, NOR ARE ANY SUCH REPRESENTATIONS TO BE RELIED UPON IN ARRIVING AT A DECISION WITH RESPECT TO THE PLAN. ANY REPRESENTATIONS MADE TO SECURE ACCEPTANCE OR REJECTION OF THE PLAN OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD BE REPORTED TO COUNSEL FOR THE DEBTORS.

UNLESS ANOTHER TIME IS SPECIFIED, THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF.

NEITHER DELIVERY OF THE DISCLOSURE STATEMENT NOR ANY EXCHANGE OF RIGHTS MADE IN CONNECTION WITH THE DISCLOSURE STATEMENT AND THE PLAN SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE FACTS SET FORTH HEREIN SINCE THE DATE THE DISCLOSURE STATEMENT AND THE MATERIALS RELIED UPON IN PREPARATION OF THE DISCLOSURE STATEMENT WERE COMPILED.

THE APPROVAL BY THE BANKRUPTCY COURT OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE PLAN OR A GUARANTEE OF THE ACCURACY OR THE COMPLETENESS OF THE INFORMATION CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT AND THE PLAN ATTACHED HERETO SHOULD BE READ IN THEIR ENTIRETY PRIOR TO VOTING ON THE PLAN. FOR THE CONVENIENCE OF HOLDERS OF CLAIMS, THE TERMS OF THE PLAN ARE SUMMARIZED IN THIS DISCLOSURE STATEMENT, BUT ALL SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THE PLAN, WHICH CONTROLS IN THE EVENT OF ANY INCONSISTENCY WITH THIS DISCLOSURE STATEMENT.

D. Answers to Commonly Asked Questions.

As part of the Debtor's effort to inform Creditors regarding the Debtors' Plan and the Plan confirmation process, the following summary provides answers to various questions which are often asked by a party receiving a disclosure statement.

THE FOLLOWING SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THE PLAN, WHICH CONTROLS IN THE EVENT OF ANY INCONSISTENCY.

1. WHO ARE THE DEBTORS?

Omni Lion's Run, L.P. d/b/a Lion's Run Apartments
Omni Lookout Ridge, L.P. d/b/a Lookout Ridge Apartments

2. HOW LONG HAVE THE DEBTORS BEEN IN CHAPTER 11?

Lion's Run has been in bankruptcy since May 2, 2017.
Lookout Ridge has been in bankruptcy since June 6, 2017

3. WHAT IS CHAPTER 11?

Chapter 11 is the business reorganization provision of the Bankruptcy Code. It permits a Debtor to submit a Plan of Reorganization providing for the sale, distribution or retention of its assets to be used for the repayment of its debts on terms it believes to be manageable.

4. WHAT ARE THE DEBTORS ATTEMPTING TO DO IN CHAPTER 11?

The principal objective of a Chapter 11 case is confirmation (approval) of a plan of reorganization that enables a financially distressed debtor to restructure its debts and its assets. A plan of reorganization sets forth the means for treating impaired and unimpaired claims against a debtor. A claim is impaired under a plan of reorganization if the plan provides that such claim will not be repaid in full or that the legal, equitable, or contractual rights of the holder of such claim will be altered. A claim is unimpaired if it will be paid in full or the legal, equitable, or contractual rights of the holder of such claim are not altered by the plan of reorganization. A holder of an impaired claim generally is

entitled to vote on a plan of reorganization if such claim has been allowed under Section 502 of the Bankruptcy Code.

5. HAVE THE DEBTORS PROPOSED A PLAN OF REORGANIZATION?

Yes. The Debtors have filed a Joint Plan of Reorganization ("Plan") along with this Disclosure Statement. The Plan proposed by the Debtors is attached hereto as Exhibit A.

6. IF THE PLAN OF REORGANIZATION GOVERNS HOW MY CLAIM IS TREATED, WHY AM I RECEIVING THIS DISCLOSURE STATEMENT?

The Bankruptcy Code requires that a debtor solicit acceptances and rejections of its proposed Plan before the Plan can be confirmed (approved) by the Bankruptcy Court. Before a Debtor can solicit acceptances of its Plan, the Bankruptcy Court must approve the Disclosure Statement and determine that the Disclosure Statement contains information adequate to allow creditors to make informed judgments about the Plan. After Bankruptcy Court approval of the Disclosure Statement, then the Disclosure Statement, the proposed Plan and a ballot are sent to the holders of claims. The creditors then have the opportunity to vote on the Plan.

7. HAS THIS DISCLOSURE STATEMENT BEEN APPROVED BY THE COURT?

Yes. By order entered _____, the Bankruptcy Court approved this Disclosure Statement. Before a Plan of Reorganization can be sent to creditors for voting, the Bankruptcy Court must find that a debtor's Disclosure Statement contains information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition for the debtor's books and records to enable a hypothetical, reasonable investor typical of holders of claims of the relevant classes to make an informed judgment whether to vote to accept or reject the Plan. The Bankruptcy Court's approval of the Disclosure Statement in this case does not constitute an endorsement of any of the information contained in either the Disclosure Statement or the Plan.

Likewise, although the Debtors have utilized information believed to be accurate in preparing this Disclosure Statement, neither the Debtors nor their counsel warrant the accuracy of the information contained in or relied upon in preparing this Disclosure Statement nor should the Disclosure Statement be construed to be any representation or warranty whatsoever, express, implied or otherwise, that the Plan is free from risk, that acceptance or confirmation of the Plan will result in a risk-free or assured restructuring of the debts of the Debtors, or that the projections or plans of the Debtors for payment will be realized.

8. WHY IS CONFIRMATION OF THE PLAN OF REORGANIZATION IMPORTANT?

Confirmation (approval) of the Plan by the Bankruptcy Court is necessary for the Debtors to provide the proposed payment to Creditors under the Plan. Unless the Plan is confirmed by the Bankruptcy Court, the Debtors are legally prohibited from paying you what has been proposed in the Plan.

9. WHAT IS NECESSARY TO CONFIRM THE PLAN OF REORGANIZATION?

At the hearing scheduled by the Bankruptcy Court for _____, 2017 at____, _.m. (Central time), in the U.S. Bankruptcy Court, 800 Franklin Avenue, Waco, Texas 76701, the Bankruptcy Court will consider whether the Plan of Reorganization should be confirmed. Section 1129 of the Bankruptcy Code contains the requirements for confirmation of a Plan of Reorganization. YOUR VOTE IS IMPORTANT. In order for the Plan to be accepted by creditors, at least two-thirds in amount and more than one-half in number of the voting creditors in each class must affirmatively vote for the Plan. Even if all classes of claims accept the Plan, the Bankruptcy Court may refuse to confirm the Plan. The Bankruptcy Court must also find that the Plan complies with the applicable provisions of the Bankruptcy Code and that the proponent of the Plan has also complied with the Bankruptcy Code. The Bankruptcy Court must also find that the Plan has been proposed in good faith and not by any means forbidden by law. The Bankruptcy Court must find that the proponent of the Plan (here, the Debtors) has disclosed the identity and affiliation of the persons who will manage the Debtors after confirmation, that the appointment of such persons is consistent with the interest of creditors and equity security holders and with public policy, and that the identity and compensation of any insiders that will be employed or retained by the reorganized Debtors has been disclosed. The Bankruptcy Court must additionally find that each class of claims has either accepted the Plan or will receive at least as much as it would under a Chapter 7 liquidation. The Bankruptcy Code also provides for the treatment of certain priority claims. If any classes of claims are impaired under the Plan, the Court must find that at least one class of claims that is impaired has accepted the Plan without counting any votes by insiders. The Court must also find that confirmation of the Plan is not likely to be followed by the liquidation or the need for further reorganization of the Debtors. Additionally, the Plan must provide for payment of fees to the United States Trustee.

In the event that the Plan is not accepted by all classes of claims or interest, the Debtors may attempt to obtain confirmation under what is known as "cram-down." To obtain confirmation by cram- down, in general, the Bankruptcy Court must find that the Plan does not discriminate unfairly and is fair and equitable with respect to each class of claims or interests that is impaired by the Plan and has not accepted the Plan. The Code provides several options for a Plan to be "fair and equitable" to a secured creditor, which includes the secured creditor retaining its lien and receiving deferred cash payments at a market interest rate totaling either the value of the property securing the claim or the amount of the allowed claim as found by the Bankruptcy Court, whichever is less. With respect to a class of unsecured claims, the requirement that a Plan be “fair and equitable”

requires that the holder of an unsecured claim be paid the allowed amount of its claim or that no junior interest receive or retain any property on account of its prior claim. In the event that the Plan is not accepted by all classes, notice is hereby given that the Debtors will seek to obtain confirmation of the Plan through "cram-down."

10. ARE CREDITORS ENTITLED TO VOTE ON THE PLAN?

Yes, each impaired Creditor is entitled to vote on the Debtors' proposed Plan. If you are a Creditor, a ballot to be used for voting on the Plan has been distributed to you with this Disclosure Statement. If you lose your Ballot, you may request another one from Debtors' counsel. Instructions for completing and returning the Ballot are set forth on the Ballot and should be reviewed carefully. IF YOU HOLD A CLAIM AGAINST BOTH DEBTORS, YOU MUST RETURN A BALLOT FOR EACH CASE.

11. HOW WILL THIS PLAN TREAT MY CLAIM?

People who are owed money by the Debtors hold what is known as a "claim." The Plan organizes claims into classes based upon the type of claim and the treatment which it will receive under the Plan. In order to determine how the Plan treats your claim, you must first determine which class covers your claim. To find the treatment of your claim, look in the Table of Contents to find the category which best describes your claim. Many creditors will hold what are known as unsecured claims.

12. WHEN IS THE DEADLINE FOR RETURNING MY BALLOT?

The Bankruptcy Court has directed that, in order to be counted for voting purposes, ballots must be received by the Debtor no later than 5:00 p.m. (Mountain time), on _____, 2017 ("Voting Deadline"), at the following address:

PLAN BALLOTS-LION'S RUN/ LOOKOUT RIDGE
c/o Hajjar Peters LLP
Attn: Ron Satija
3144 Bee Caves Rd.
Austin, TX 78746

You may also vote by facsimile transmission by sending your ballot to PLAN BALLOTS LION'S RUN/LOOKOUT RIDGE c/o Hajjar Peters LLP Attn: Ron Satija, fax no. (512) 637-4958 so that it is received by the Voting Deadline or by sending a "pdf" file of your scanned ballot attached to an email addressed to rsatija@legalstrategy.com with the language "PLAN BALLOTS-LION'S RUN/LOOKOUT RIDGE" in the subject line.

IT IS IMPORTANT THAT ALL CREDITORS VOTE ON THE PLAN. THE DEBTORS BELIEVE THAT THE PLAN PROVIDES THE BEST POSSIBLE RECOVERY TO CREDITORS. FOR THIS REASON THE DEBTOR BELIEVES THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE CREDITORS AND RECOMMENDS THAT ALL CREDITORS VOTE TO ACCEPT THE PLAN.

II. INFORMATION CONCERNING THE DEBTORS

A. Overview of the Debtors

The Debtors are Texas limited partnerships which own one apartment complex each along with associated tangible property such as office furniture and equipment, tools, and pool furniture. The Debtors do not engage in or own any other businesses. Lion's Run owns Lion's Run Apartments, a 208-unit apartment community located at 701 E Central Texas Expy, Harker Heights, Bell County, Texas. Omni Lookout Ridge, L.P. owns Lookout Ridge Apartments, a 143-unit apartment community located at 201 Lookout Ridge Blvd., Harker Heights, Bell County, Texas.

B. Management of the Debtors

The general partner of both Debtors is Omni GP LLC ("Omni GP"), which owns 1% of the Debtor. The members of Omni GP LLC is Gregory Mr. Hall has guaranteed the debt of the principal lenders (defined below) of each of the two Debtors. He may be referred to in this document as the "Mr. Hall", "Guarantor" or "equity interest-holder."

The Omni GP LLC has hired Brian Blaylock as the General Manager of both Apartment Complexes. Mr. Blaylock brings significant experience in operations and finance from running large hospital entities for many years.

C. Significant Transactions Prior to Bankruptcy

1. Lenders

Lion's Run entered into a note with Cantor Commercial Real Estate Lending, L.P., on February 18, 2015, for $5,400,000. The note was subsequently assigned to Comm 2015-CCRE22 E. Ctral Texas Expy LLC (the "Lion's Run Lender").

Lookout Ridge entered into a note with Lehman Brothers Bank, FSB, on February 13, 2007, for $4,200,000. The note was subsequently assigned to LB-UBS 2007-C2 Lookout Ridge Boulevard, LLC (the "Lookout Ridge Lender").

The Lion's Run Lender and the Lookout Ridge Lender are collectively referred to as the "Lenders."

2. The Receiver.

In February 2017, a Texas State Court appointed a receiver, to take control of the Lion's Run apartments, at the request of the Lion's Run Ridge Lender, and the receiver is continuing to operate the property

3. Fire

On January 9, 2016, a fire damaged 24 units at Lookout Ridge. These units were subsequently repaired but have not been returned to service as discussed below.

4. Events Leading to Filing

Lion's Run was placed into receivership in February of 2017 after default to the lender and was set for foreclosure on May 2, 2017. The reason for default was the Debtor's change in management after many years of stable operations. The Debtor's prior manager did not prioritize leasing and failed to apprise Mr. Hall of the income shortfalls.

Lookout Ridge filed a previous bankruptcy case, Case No. 16-11048-tmd, in the Western District of Texas, Austin Division, on September 6, 2016, which was dismissed on March 27, 2017. In part, the case was caused by the failure of the fire-damaged units to be returned to service. The lender accepted the insurance proceeds and then refused to pay the contractor, Belfor. Litigation ensued in a state court, and the lender was forced to escrow approximately $1.3 million to pay for Belfor's work in order to be allowed to foreclose its lien on the Apartment Complex. Additionally, the Debtor's case was due to the Debtor's change in management after many years of stable operations. The Debtor's prior manager did not prioritize leasing and failed to apprise Mr. Hall of the income shortfalls. The property was posted for foreclosure for June 6, 2017.

D. Significant Events since Filing Bankruptcy

1. In General.

The Apartment Complexes are "single asset real estate" as defined by 11 U.S.C. § 101(51)(B) as "real property constituting a single property or project ... which generates substantially all of the gross income of a debtor." Pursuant to 11 U.S.C. § 362(d)(3), the automatic stay imposed on the lenders by the commencement of Debtors' cases would terminate unless Lion's Run files on or before July 31, 2017, and Lookout Ridge files before September 4, 2017, a plan of reorganization that has a reasonable possibility of being confirmed within a reasonable time or the Debtors commenced making interest payments to the lenders at the non-default contract rate of interest by those dates respectively. The Debtors have timely filed a Plan of Reorganization and have begun making the required interest payments.

In the brief time that they have been in bankruptcy, the Debtors have been simultaneously working on multiple time-intensive tasks – working to formulate a Plan of Reorganization that would be palatable to creditors and confirmable by the Bankruptcy Court; complying with their multiple duties as debtors-in-possession; and continuing to explore and implement methods to make the Apartment Complexes more attractive to potential tenants.

2. Operations

Since the bankruptcy filings, the Debtors have continued to own and operate the Apartment Complexes as debtors-in-possession except that the Lion's Run complex has been under the control of a Receiver appointed by a state court judge. Such operations have included collecting rents and revenues from tenants of the Apartment Complexes, and paying post-petition operating expenses in the ordinary course of business. Omni GP LLC has hired a new general manager for both complexes, and the Principal has contributed capital of approximately $280,000 to partially fund operations and improvements to Lookout Ridge apartments and to pay the secured debt of the Internal Revenue Service. Out of those contributions, approximately

$50,000 is being held in an account of the general partner of the Debtors for use by the Debtors and to fund the management of Lookout Ridge by Mr. Blaylock.

3. Legal Proceedings During Bankruptcy

a. Cash Collateral

The Lenders assert a security interest in the Debtors' rents and revenues from the Apartment Complexes, which may constitute "cash collateral" under the Bankruptcy Code which cannot be used by the Debtors without Bankruptcy Court approval or the Lenders' consent. Accordingly, the Debtors have filed Motions to authorize use of cash collateral with the Bankruptcy Court. At a hearing on October 17, 2017, the Lookout Ridge Lender consented to the use of cash collateral to maintain the property and the parties are working on the terms of an agreed order.

b. Other Bankruptcy Proceedings of note

A creditors meeting under §341 of the Bankruptcy Code was held June 27, 2017, at which the Debtor's appeared and testified. No official Committee of Unsecured Creditors has been appointed in either case.

The Bar Date for government agencies' Claims in the Omni Lion's Run case, 17-60329, is October 29, 2017 ("the Lion's Run government bar date") and the Bar Date for all other Claims was September 18, 2017 ("the Lion's' Run claims bar date"). The Bar Date for government agencies' Claims in the Omni Lookout Ridge case, 17-60447, is December 3, 2017 ("the Lookout Ridge government bar date"), and the Bar Date for all other Claims was September 25, 2017 ("the Lookout Ridge claims bar date").

On June 13, 2017 the Court entered an Order to Appear and Show Cause in the Lookout Ridge case, ordering the Debtor to appear and show cause why the case should not be dismissed due the previous Chapter 11 filing by the Debtor. On October 17, 2017 at the conclusion of the hearing on the order, the court withdrew the order.

On June 2, 2017 the Lion's Run Lender filed a Motion for Relief from Stay seeking leave to proceed with a foreclosure sale on the property of Lion's Run. On June 13, 2017 the Lookout Ridge Lender filed a Motion for Relief from Stay seeking leave to proceed with a foreclosure sale on the property of Lookout Ridge. On October 17, 2017, the Court conducted a hearing and took the motions under advisement.

E. Proposed Operations after Confirmation of the Plan

The Reorganized Debtors will own the Apartment Complexes after their Plans are confirmed and pay their creditors as provided for in the Plan. The Receiver will be required to turn over the Lion's Run apartments to the Debtor on the Effective Date. The Reorganized Debtors will continue to improve operations with the dual goals of running the Apartment Complexes more cost-efficiently and increasing occupancy. The Reorganized Debtors will continue working toward their goal of maximum occupancy The Debtors believe that, with the financial commitment from Mr. Hall under the Plan, they can increase the occupancy in the

Apartment Complexes to achieve profitability over its debt service, particularly in light of the recent increases in the U.S. Defense Department budget and the Debtors' proximity to Ft. Hood, the largest military base in the United States.

Omni GP , which has hired Mr. Blaylock to manage the Apartment Complexes, believes that it can run the Apartment Complexes more cost-efficiently than the Debtors' previous property manager and the Receiver.

In addition, the Principal and the Reorganized Debtor intend to aggressively pursue the sale or refinance of the Apartment Complexes to pay off the lenders in full and other creditors under the Plan.

III. FINANCIAL INFORMATION

The financial information contained herein has been prepared by the Debtors internally with the assistance of its attorneys.

A. Pre-Bankruptcy

Lion's Run's Bankruptcy Schedules (which were filed with the Bankruptcy Court on June 2, 2017, and are available for review by interested parties) reflected assets of approximately $8,707,570.00 and liabilities of approximately $6,992,012.81 as of June 2, 2017.

Lookout Ridge's Bankruptcy Schedules (which were filed with the Bankruptcy Court on June 21, 2017, and are available for review by interested parties) reflected assets of approximately $5,985,845.61and liabilities of approximately $6,517,494.11 as of June 21, 2017.

Both Debtors are guarantors of a promissory note from Diamond Terrace, LLC, an entity owned by Mr. Hall, to Austin Telco Credit Union ("ATFCU") dated September 28, 2015 in the original principal amount of $1.3 million, which matures on October 1, 2020 (the "Diamond Terrace Note"). The note is secured by a lien on approximately 31.45 acres of undeveloped property in Liberty Hill, Texas owned by Diamond Terrace LLC. The lender appraised the property at the time of the loan at $2,740,000. The balance of the loan as of August 31, 2017 is approximately $1,292,449, which is 47% of the appraised value of the property at the time of the loan. The note is also guaranteed by Mr. Hall, his son, Cory Hall and Omni Nolan Storage LP. The borrower is performing under the note.

Both Debtors are guarantors of a promissory note from LP Pylon LLC and Longhorn Junction Land and Cattle Company, LLC, both entities owned by Mr. Hall, to ATFCU dated September 28, 2015 in the original principal amount of $150,000, which matures on October 1, 2020 (the "LP Pylon Note"). The note is secured by a 2,156 square foot billboard easement in Williamson County, Texas and the borrowers' equipment. Archie W. Johnson, a Managing Partner at Outdoor Advertising LP appraised the property at the time of the loan at $600,000. The balance of the loan as of August 31, 2017 is approximately $148,806, 24% of the appraised value of the property at the time of the loan. The note is also guaranteed by Mr. Hall, his son, Cory Hall and Diamond Terrace LLC. The borrower is performing under the note.

B. Financial Results since Filing Bankruptcy

Lion's Run was filed on May 2, 2017. The Debtor has timely filed its Monthly Operating Reports with the Bankruptcy Court for the months of May, Jun, and July of 2017. A copy of the Debtor's Monthly Operating Report for July 2017, is attached hereto as Exhibit 1. These reflect the operating results of the receiver who has been in control of the property from the filing of the case rather than of the Debtor's management.

Lookout Ridge was filed on June 6, 2017, and monthly operating reports were filed in July and August of 2017. The July report is attached as Exhibit 2. In the limited period since the new manager was hired, several new units were made ready for rental under the limited resources allowed by the current cash collateral agreement as well as through the contribution of new capital by Mr. Hall, and numerous improvements were made including reopening of the pool, improvements to lighting, repair of the sprinklers, and other repairs.

C. Estimated Future Income and Expenses

Attached as Exhibits 3 and 4 are pro forma financial projections for the next three years of Reorganized Debtor's operations on a cash basis. These financial projections also include the estimated payments to be made to creditors under the Debtor's proposed Plan of Reorganization. Exhibit 3 reflects the Lion's Run finances. Exhibit 4 projects the Lookout Ridge finances.

The pro formas as are based on assumptions including leasing assumptions including no above market increases in rents. The pro formas include additional contributions by Mr. Hall as necessary to fund payments to creditors as provided for in the Plan. Mr. Hall's financial information has been provided to the Court, the United States Trustee, and the Lenders on the Apartment Complexes under seal so as not to harm the sale and refinance transactions that are underway.

THE DEBTORS' PROJECTED FINANCIAL INFORMATION AND OTHER FORWARD LOOKING STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE BASED ON VARIOUS ASSUMPTIONS AND ESTIMATES WHICH WILL NOT BE UPDATED TO REFLECT EVENTS OCCURRING AFTER THE DATE HEREOF. SUCH INFORMATION AND STATEMENTS ARE SUBJECT TO INHERENT UNCERTAINTIES AND TO A WIDE VARIETY OF SIGNIFICANT RISKS INCLUDING, AMONG OTHER THINGS, THOSE DESCRIBED HEREIN. CONSEQUENTLY, ACTUAL EVENTS, CIRCUMSTANCES, EFFECTS AND RESULTS MAY VARY SIGNIFICANTLY FROM THOSE INCLUDED IN OR CONTEMPLATED BY SUCH PROJECTED FINANCIAL INFORMATION AND SUCH OTHER FORWARD LOOKING STATEMENTS.

IV. ANALYSIS AND VALUATION OF PROPERTY

A. Real Property

The real property owned by Lion's Run as of the date of the bankruptcy filing is the 208-unit Apartment community located at 701 E Central Texas Expy, Harker Heights, TX 76548-7203, known as the Lion's Run Apartments. In its Bankruptcy Schedules, the Debtor valued the Apartment Complex real property and improvements at $7.2 million. Based on an appraisal of

the Apartment Complex conducted in January 2015 performed on behalf of Cantor Commercial Real Estate Lending, L.P., the Debtor's lender at the time, the Apartment Complex was valued at approximately $7.2 million for an "AS IS" Market Value. A newer appraisal for the lender shows an AS IS market value of $5,350,000 as of March 9, 2017, and a $7.25 million Stabilized Market Value in just 6 months, which is in line with the Debtor's estimate of value. The Debtor estimates the deferred maintenance costs for Lookout Ridge are $425,459 based on estimates from contractors and, where estimates were not available, upon the reserves established by the Lookout Ridge Lender when the loan was made and upon the estimates included in a "Property Condition Report' dated April 11, 2017 prepared for the Lookout Ridge :Lender. That Property Condition Report estimated that $1,313,800 in immediate repairs were needed; however that report stated: "All estimated costs are preliminary opinions based upon approximated quantities, reported information and extrapolation from representative sampling. For further investigation, a detailed scope and precise measurements are required to prepare more accurate and detailed cost estimates."

The real property owned by Lookout Ridge, as of the date of the bankruptcy filing is the 143-unit Apartment community located at 201 Lookout Ridge Blvd., Harker Heights, Bell County, Texas, known as the Lookout Ridge Apartments. In its Bankruptcy Schedules, the Debtor stated that the value of the Apartment Complex real property and improvements at $4.4 million based on an appraisal performed for the lender showing the stabilized value at $4.4 million as of December 2016. The stabilized value assumes that deferred maintenance has been or will be performed. The Debtor estimates that the deferred maintenance costs, including deferred maintenance that the Debtor has performed during this case, at $180,596. The Debtor believes the value has increased since the filing of the bankruptcy case due to the efforts of new management in increasing occupancy and making improvements to the premises.

B. Cash, Financial Accounts, Accounts Receivable and other Intangible Property

The following chart estimates the amount of cash, financial accounts and accounts receivable and other personal property of the Debtors as of the bankruptcy filing date and as of September 30, 2017:

1. Lion's Run:

Category	**5/2/17**	**9/30/17**
Bank Accounts	$76,202.39 (5/3)	$87,105.47
Accounts Receivable	$unknown	$unknown (collected)
Equipment/Furniture	$7570	$7570

2. Lookout Ridge:

Category	**6/6/17**	**9/30/17**
Bank Accounts	$300.70	$58,171.31 (9/29/17)
Accounts Receivable	$0	$0 (collected)
Equipment/Furniture	$1000	$1000

C. Liquidation Value/Analysis

One of the requirements to confirm a plan of reorganization is that creditors receive at least as much as they would under a liquidation of the Debtor under chapter 7 of the Bankruptcy

Code. This does not mean that the Debtor's assets will be liquidated. Rather, it is intended to compare the payments under the Debtor's proposed Plan to payment under a chapter 7 liquidation.

In a chapter 7 liquidation, a chapter 7 Trustee would be appointed to liquidate the Debtors' property and pay the claims of creditors. Property subject to liens would either be sold for enough to pay the liens or foreclosed upon by the creditor. In general, once the property was liquidated in a chapter 7, the claims would be paid in the following order:

1) First, creditors holding a valid lien on the property liquidated would be paid from any liquidation proceeds;
2) Second, expenses of the chapter 7 Trustee would be paid;
3) Third, expenses incurred during the chapter 11 case and allowed by the court would be paid;
4) Fourth, priority creditors would be paid; and
5) Fifth, any remaining funds would be divided pro-rata among the unsecured creditors.

The Debtors have prepared the following liquidation analysis as of October 27, 2017, which estimates the value that creditors of the Debtors would receive under chapter 7 liquidation.

Lion's Run: Asset	**Gross Value**	**Liquidation Value**	**Less Liens**	**Net Liquidation Value**
Apartment Complex	$7,200,000.00 [1]	$5,350,000.00[21]	$6,791,199.81	0
Equipment/Furniture	$7,570	$1,000	$7,570[3]	0
Accounts Receivable	0	N/A	0	0
Bank Accounts	$66,765.83	N/A	$66,765.83[4]	0
Total				0

Amount available for distribution to Administrative/ Priority Creditors	$0
Amount available for distribution to unsecured creditors	$0

[1] See discussion of stabilized value at IV. A.
[2] This value presumes that in chapter 7, the lenders would immediately and successfully move the Bankruptcy Court for relief from stay to foreclose their liens on the Apartment Complexes, or that the chapter 7 Trustee would be forced to pursue a fire-sale of the Apartment Complexes at very distressed price, since the Trustee would have no source of funds to operate and maintain the Apartment Complex without the use of the lenders' cash collateral.
[3] The lenders assert a lien on equipment and furniture owned by the Debtors.
[4] The lenders have asserted a lien on the cash in the Debtor's bank accounts derived from rental income on the Apartment Complexes as cash collateral. If these bankruptcy cases are converted to chapter 7, the lenders would demand the remaining amount of cash derived from rents in the Debtors' bank accounts.

Lookout Ridge: Asset	**Gross Value**	**Liquidation Value**	**Less Liens**	**Net Liquidation Value**
Apartment Complex	$4,400,000[5]	$3,000,000.00[6]	$6,395,358.50	0
Equipment/Furniture	$1,000	$1,000	$1,000[2]	0
Accounts Receivable	0	N/A	0	0
Bank Accounts	$35,479.81	N/A	$35,479.81[3]	0
Total				0

Amount available for distribution to Administrative/ Priority Creditors	$0
Amount available for distribution to unsecured creditors	$0

In the event that the Debtors' bankruptcy cases were converted to a liquidation case under chapter 7, the lenders would likely be allowed to foreclose their liens on the Apartment Complexes and all other property of the debtor to which their liens attach, which includes all furniture and equipment, receivables, and bank accounts as well as the real estate. Under 11 U.S.C. §362(d)(3), the stay will lift in a single asset real estate case if, after 90 days, there is not a plan with a reasonable chance of success or if the chapter 7 Trustee is not making monthly interest payments to the lenders. If the case were converted to chapter 7, there would no longer be a possibility of a Plan of Reorganization. Therefore, the only way that the Trustee could avoid foreclosure would be if the Trustee operated the Apartment Complexes and the Bankruptcy Court allowed use of cash collateral to make interest payments to the Lenders. In the experience of Debtors' counsel, most chapter 7 Trustees are unlikely to assume the risk of operating a business (such as an Apartment Complex located in a distant city) which is encumbered by liens. Thus, a chapter 7 Trustee's only option would likely be to permit the lenders to foreclose on the Apartment Complexes, which would in all likelihood result in no recovery for any creditors other than the lenders.

On the other hand, if the Debtors' Plan is confirmed, the Reorganized Debtors will be allowed to continue to operate the Apartment Complexes and proceed to repay their creditors from operations and additional contributions from the Debtors' owners (or sale or refinancing of the Apartment Complex with enough time). Under the Plan, the assets of the Debtors should be sufficient to pay all creditors. Accordingly, the Debtors believe that more will be recovered by creditors under the Debtors' proposed Plan of Reorganization than a liquidation under chapter 7 of the Bankruptcy Code.

[5] See discussion of stabilized value at IV. A.

[6] This value presumes that in chapter 7, the lenders would immediately and successfully move the Bankruptcy Court for relief from stay to foreclose their liens on the Apartment Complexes, or that the chapter 7 Trustee would be forced to pursue a fire-sale of the Apartment Complexes at very distressed price, since the Trustee would have no source of funds to operate and maintain the Apartment Complex without the use of the lenders' cash collateral.

V. SUMMARY OF PLAN OF REORGANIZATION

A. Analysis and Treatment of Claims.

Overview of the Plan

In general, the Debtors' Plan proposes to pay all Allowed Claims of creditors in full in cash in installments. Such payments to creditors will be made over time from operations and from additional contributions from the Debtors' owner, or upon sale of the Apartment Complexes. Their primary means for paying creditors involve: (i) increasing income by leasing the remaining vacant spaces in the Apartment Complex to create additional sources of revenue; (ii) decreasing expenses by improving operations; (iii) receiving cash infusions from Mr. Hall; and (iv) marketing the Apartment Complex for sale. To increase the confidence of creditors with respect to the feasibility of Debtor's proposed Plan, Mr. Hall will commit to contribute additional funds to the extent any shortfall exists in funds from the Debtors' operations to pay all creditors as provided for in the Plan.

The Lion's Run plan provides that the Debtor will execute a Modified Note which reinstates the previous monthly payment schedule with a lump sum payment of $366,841.42 on the Effective Date of the Plan from the release of funds held in suspense or in escrow by the lender, monthly payments thereafter and another lump sum payment on or before March 2, 2018, from funds provided by Mr. Hall to pay any excess interest and fees not covered by the monthly note payments, and monthly payments of principal and interest thereafter.. Other secured creditors with allowed claims and valid liens, primarily tax creditors, will be paid in full with interest over a five-year period commencing on the Effective date of the Plan, and retain their liens until paid.

The Lookout Ridge plan provides that the Debtor will execute a Modified Note maturing one year from the Effective Date and providing a lump sum payment of $334,339.38 on the Effective Date of the Plan from the release of funds held in suspense or in escrow by the lender, -$25,160 in monthly payments thereafter until another lump sum payment is made on or before March 2, 2018 from funds provided by Mr. Hall to pay any excess interest and fees not covered by the monthly note payment, and to reduce the principal of the Modified Note by an estimated $1.26 million, with interest payments thereafter until maturity. Secured tax creditors will be paid in full with interest over a five-year period commencing on the Effective date of the Plan, and retain their liens until paid. Belfor Group USA will be paid in a lump sum by the Debtor on or before May 2, 2018, from funds of the sale of property in Williamson County, Texas owned by Lookout Ridge LLC (not the Debtor) an entity owned by Mr. Hall or from the a lawsuit recovery as described below.

The Debtors have determined the amount of deferred maintenance needed as set forth in the attached pro forma financial statements and will fund deferred maintenance from operations until Greg Hall contributes the necessary funds to set up reserve accounts to fund the balance of the deferred maintenance. Unsecured creditors will be paid the full principal amount of their claims with interest over a three-year period commencing on the Effective date of the Plan. However, the Reorganized Debtors will also make efforts to sell or refinance the Apartment Complex and pay off all creditors as provided for in the Plan, which if successful will result in

payment to creditors quicker than three years. After the Plan confirmation, the Reorganized Debtors will continue to own the Apartment Complexes, and will retain the right to sell the Apartment Complexes and will pay all creditors as provided under the Plan.

If the Court determines that the Joint Plan is not confirmable, the Debtor shall have the right, but not the obligation, to request that the Court sever the entities and proceed only as to one.

Funding of the Plan from Capital Contributions from Mr. Hall

The Plan requires substantial capital contributions from Mr. Hall, the Debtors' Principal, as generally discussed above and more specifically discussed in **Analysis and Treatment of Claims**. In order to meet his commitments under the Plan, Mr. Hall has entered into contracts for the sale of certain properties and is continuing to negotiate other refinancing and sales options.

The Ridge Property Sales Contract. Lookout Ridge LLC (not the Debtor), an entity owned by Mr. Hall, has entered into a contract for the sale of approximately 50 acres (out of approximately 107 acres ("the "Ridge Property"), to a homebuilder for a price of $6.25 million. Based on the surveys currently being conducted, Mr. Hall expects the price, which is set as a per acre price in the contract, is expected to increase to $6.87 million for 55 acres. The contract includes a due diligence period which expires in December 2017. Before then the buyer has the right to terminate the contract if it determines that the results of its due diligence are not satisfactory. However, Mr. Hall believes that the transaction will close because the company buying the property is an experienced homebuilder, the intended use of the property is to build a subdivision of single family homes, which is the intended us of the property under the Georgetown ETJ development plan, the property is adjacent to an existing subdivision of over 1000 single family homes, the property has all of the entitlements in place to develop the property, the property has utilities and access to the boundary of the property through existing roadways, the seller has agreed to convey additional property to provide a right of way for an arterial roadway across the property, the contract does not include any conditions requiring any variances or additional entitlements or financing, and there is strong demand for single family homes in the Georgetown area. Although the buyer could terminate the contract before the end of the due diligence period and receive a refund of its earnest money, the buyer is already conducting surveys, engineering studies and environmental studies and would not be entitled to recover its expenses if it were to terminate the contract. Mr. Hall is unaware of any environmental problems because the property has been used as a cattle pasture as long as he has owned it. At the end of the due diligence period in December, Mr. Hall will be entitled to a release of $125,000 in earnest money. The contract is scheduled to close in March 2018, at which time the purchase price will be paid in cash.

The 107 acres in the Lookout Ridge Property is encumbered by a lien with a balance of under $2.1 million and is also encumbered by a lien to another lender, along with other properties owned directly or indirectly by Mr. Hall. Under the loan agreement with that lender, Lookout Ridge LLC is entitled to a release of that lien for a payment of $1.5 million. There are provisions in that loan agreement which provide for the release of that lien through the consummation of other transactions without any payment by Lookout Ridge LLC but the Debtor cannot currently predict whether those transactions will occur prior to the closing of the sale of

the Ridge Property; so Mr. Hall estimates that he will receive between $4.7 million and $3.2 million from the sale of the Lookout Ridge Property. The Plan provides that Lookout Ridge LLC will collaterally assign the current contract to the Debtors' lenders to secure his obligations under the Plan to be released upon the close of the sale of the property. The sale of the 55 acres of the Ridge Property and the payment of the parties with liens on the property will leave the remaining 50 acres unencumbered and available for a sale or refinancing, which Mr. Hall can use to generate additional capital for the Debtors or as a source of additional collateral to refinance the debt on the Debtors' property. However, there are no pending sales transactions at this time

Fountainwood Plaza Shopping Center, LLC ("Fountainwood"), an entity owned by Mr. Hall, has entered into a contract to sell approximately 2.6 acres in Georgetown, Texas at 5610 Williams Drive for $1.9 million to a buyer who intends to build a Starbucks coffee shop. The contract includes a due diligence period which expires in December 2017. Before then, the buyer has the right to terminate the contract if it determines that the results of its due diligence are not satisfactory. However, Mr. Hall believes that the transaction will close because the buyer has developed numerous Starbucks locations, the intended use is within the zoning and land use regulations and the intended development of the property does not require any variance or additional entitlements.

As detailed above, there is a risk that these transactions will not close.

Mr. Hall continues to negotiate numerous other financing and sales transactions which may or may not result in additional contracts to provide additional capital to the Debtors.

Analysis and Treatment of Claims.

5.1 Class 1-Administrative Expense Claims

Administrative claims consist of expenses incurred during the chapter 11 case, which are approved by the Bankruptcy Court and expenses incurred in operating the Debtors' business. Most administrative expense claims consist of claims by professionals employed by the Debtor in the bankruptcy case, which must be approved by the Bankruptcy Court. Other administrative claims are claims arising post-petition which may have not been paid. The Debtor has paid and intends to continue to pay normal post-petition operating expenses as they become due in the ordinary course of business. The Administrative Claims of which Debtor is aware at this time include its bankruptcy counsel, as follows:

Name	**Retainer**	**Est. Fees as of Oct.27, 2017**
Hajjar Peters LLP	$20,000 per case	$ 130,000.00

Mr. Hall has guaranteed the payment of the fees of Hajjar Peters LLP and so the funding of those fees other than nominal monthly payments will be paid by Mr. Hall.

No Administrative Expense Claims (other than U.S. Trustee fees) shall be allowed except pursuant to Court order. Any application for allowance of an administrative expense claim shall be filed within 60 days after the Effective Date or shall be barred.

Under the proposed Plan, unless otherwise agreed, each holder of an Administrative Claim shall be paid in full by the Reorganized Debtors on the Effective Date of the Plan or on the date that a final order is entered approving the Administrative Expense Claim. To the extent that the cash of the Reorganized Debtors is not sufficient to pay allowed claims in this class, the Reorganized Debtors' limited partners will contribute an amount to the Reorganized Debtor sufficient to make such payment to this class.

Class 1 is not impaired.

5.2 Class 2 Claims - Allowed Priority Claims against Lion's Run.

The only current claim in this class is the priority claim of the Internal Revenue Service, which shall be paid in full, with interest at 4.0% per year, in equal monthly installments sufficient to fully amortize the balance of each of those Claims over a period beginning on the Effective Date and ending on May 1, 2022. Federal taxes for years 2017 forward will be paid when due. The plan contains additional language requested by the IRS regarding the terms of payment which further specify its treatment. Class 2 is not Impaired.

5.3 Class 3 Claims - Allowed Priority Claims against Lookout Ridge.

There are two current claims in this class. First is the priority claim of the Internal Revenue Service, which shall be paid in full, with interest at 4.0% per year, in equal monthly installments sufficient to fully amortize the balance of each of those Claims over a period beginning on the Effective Date and ending on June 5, 2022. Federal taxes for years 2017 forward will be paid when due. The plan contains additional language requested by the IRS regarding the terms of payment which further specify its treatment. Second is the Claim of the Texas Workforce Commission, which shall be paid in full on the Effective Date. Class 3 is not Impaired.

5.4 Class 4 Claims -The Allowed Secured Ad Valorem Tax Claims of Lion's Run.

The Allowed Class 5 Claims shall be paid in full, as follows: (1) the balance of the Allowed Claims will be paid in full, with interest at 12.0% per year, in equal monthly installments sufficient to fully amortize the balance of each of those Claims over a period beginning on the Effective Date and ending on May 1, 2022. Payments will begin one month after the Effective Date. Ad valorem taxes for the years 2018 forward will be paid when due (on January 31st of the following year). The Class 5 Claimant shall retain its Lien on the Apartment Complex and the Debtor's business personal property to secure its Allowed Claims until paid in full, however so long as the Debtor is current on plan payments to the Claimant, the Claimant shall not be able to exercise its state law rights. Upon default, the Claimant shall give the Debtor notice and 30 days to cure. Class 4 is Impaired.

5.5 Class 5 Claims – Allowed Secured Ad Valorem Tax Claims of Lookout Ridge.

The Allowed Class 5 Claims shall be paid in full, as follows: (1)) the balance of the Allowed Claims will be paid in full, with interest at 12.0% per year, in equal monthly

installments sufficient to fully amortize the balance of each of those Claims over a period beginning on the Effective Date and ending on June 5, 2022. Payments will begin one month after the Effective Date. Ad valorem taxes for the years 2018 forward will be paid when due (on January 31st of the following year). The Class 5 Claimant shall retain its Lien on the Apartment Complex and the Debtor's business personal property to secure its Allowed Claims until paid in full, however so long as the Debtor is current on plan payments to the Claimant, the Claimant shall not be able to exercise its state law rights. Upon default, the Claimant shall give the Debtor notice and 30 days to cure.. Class 5 is Impaired.

5.6 Class 6 Claim – The Allowed Secured Claims of IRS against Lion's Run.

The Allowed Class 6 Claim has been paid in full by the Mr. Hall out of his own funds, not from operating revenues of these Debtors. It is listed here in order to maintain numerical integrity of the class numbering.

5.7 Class 7 Claim - The Allowed Secured Claims of IRS against Lookout Ridge.

The Allowed Class 7 Claim has been paid in full by the Mr. Hall, not from operating revenues of these Debtors. It is listed here in order to maintain numerical integrity of the class numbering.

5.8 Class 8 Claim – Allowed Claim of Comm 2015-CCRE22 E. Ctral Texas Expy LLC ("Lion's Run Lender") against Lion's Run.

The Allowed Claim of Comm 2015-CCRE22 E. Ctral Texas Expy LLC ("Lion's Run Lender") will be paid in full by Lion's Run as follows: The existing promissory note (the "Original Note") to the Lion's Run Lender will be modified and Lion's Run will execute a new, modified note ("Modified Note") payable to the Lion's Run Lender. The Lion's Run Lender will retain its liens and security interest in the Debtor's property to secure the Modified Note. The original principal balance of the Modified Note shall consist of: (i) the unpaid principal balance of the Original Note, (ii) accrued, unpaid interest as of the Petition Date of May 2, 2017; (iii) any accrued, unpaid interest on the Original Note between the Petition Date of May 2, 2017 and the Effective Date of the Plan and (iv) any fees and expenses of the Lion's Run Lender, as may be allowed in its Allowed Claim; less all payments made by the Debtor to the Lion's Run Lender during the bankruptcy case prior to the Effective Date, including payments made by the Receiver.

The Modified Note will have a Maturity Date of March 6, 2025 (the same maturity date as the Original Note) and will be amortized over the same length of time as in the Original Note. The Modified Note will be payable as follows:

(i) a lump sum payment on the Effective Date of the Plan in the amount of $366,841.42 funded by the release from the suspense funds and the reserve for replacement funds currently held by the Lender;

(ii) monthly payments thereafter of $30,631.24 (the same amount as set forth in the Original Note), plus the payment of tax and insurance escrows required under the Note,

commencing on the 1st day of the month following the Effective Date until the payment of Arrearages;

(iii) one lump-sum payment to cure Arrearages (as defined below) on or before the earlier of the (1) the close of the sale of the Ridge Property in Williamson County, Texas owned by Lookout Ridge LLC, of which Mr. Hall is the sole member, or (2) May 2, 2018;

(iv) monthly outstanding payments on the then outstanding principal balance of the Note, consisting of principal payments with the same amortization as in the Original Note plus interest; and

(v) the outstanding principal balance on the maturity date.

The Modified Note and loan documents will be provided for review ten (10) days before the confirmation hearing on the Plan.

"Arrearages" shall mean a sum of money sufficient to pay the sum of (i) accrued interest on the principal balance of the Modified Note from the Effective Date through the date on which the Arrearages are paid under section 6.08 of this Plan; (ii) accrued but unpaid interest and default interest, to the extent Allowed, from the Petition Date through the Effective Date; and (iii) Post-Petition fees of the Lion's Run Lender through the date on which the Debtor or Mr. Hall submit the payment of the Arrearages, to the extent Allowed. For the avoidance of doubt, the payment of Arrearages shall account for and be reduced by the payments made by Lion's Run on the Effective Date, including funds released from escrow, and the monthly payments made between the Effective Date and the payment date of the Arrearages. The Debtor currently calculates the Arrearages, assuming a December 1, 2017 Effective Date and a payment of Arrearages on March 1, 2018 to be $61,291.24, also assuming arguendo that the Lion's Run Lender's Proof of Claim is correct, after deduction of the prepayment penalty, and that the attorney fees of the Lion's Run Lender recoverable from the Debtor for services rendered after the Bankruptcy Case is filed are $300,000. Debtor shall provide the Lion's Run Lender an updated calculation of Arrearages within 10 after the Effective Date of the Plan. If the Lion's Run Lender disagrees with the Debtor's calculation of the Arrearages, the Lion's Run Lender must file a motion within 20 days after the Effective Date of the Plan to determine Arrearages and, in that case, the Arrearages will be determined by the Court. If the Lion's Run Lender does not timely file such a motion, then the Arrearages served by the Debtor on the Lion's Run Lender shall be deemed to be accurate.

Mr. Hall will guarantee the Modified Note and will grant Lion's Run Lender a collateral assignment of the pending contract on the Ridge property in Williamson County, Texas owned by Lookout Ridge, LLC, of which Mr. Hall is the sole member, to secure Mr. Hall's obligation hereunder, pari passu with the Lookout Ridge Lender. Such lien shall be released upon the closing of the sale of the Ridge property under the pending sales contract.

Upon the Effective Date, the Receiver shall turn over the Apartment Complex to the Debtor and the Lion's Run Lender shall terminate the Receivership.

At the same time as the Arrearages are paid, Mr. Hall will contribute sufficient capital into a segregated reserve account held by the Debtor to pay for the balance of deferred

maintenance items not previously completed as shown on the attached pro forma financial statements.

If the Court determines that the interest rate required to confirm the Plan is higher than that proposed by the Debtor, the Debtor reserves the right to seek confirmation of the Plan at the higher interest rate. In that event, the interest rate differential will be added to the Arrearages and, upon payment of the Arrearages, the monthly payments will incorporate the higher interest rate.

The Debtor does not believe that the Lender's proof of claim is accurate and has filed an objection. If the Lender's claim is not an Allowed Claim as of the Effective Date, the Debtor will commence payments as provided above, but if the claim of the Lion's Run Lender is reduced by the Court, any reduction will be applied as a credit to the Modified Note as of the Effective Date. The Modified Note may be prepaid at any time without any pre-payment penalty, charges or fees of any kind.

Class 8 is impaired.

5.9 Class 9 Claim - Allowed Secured Claim of LB-UBS 2007-C2 Lookout Ridge Boulevard, LLC against Lookout Ridge.

The Allowed Claim of LB-UBS 2007-C2 Lookout Ridge Boulevard, LLC, (the "Lookout Ridge Lender") will be paid in full by Lookout Ridge as follows: the existing promissory note (the "Original Note") of the Lookout Ridge Lender will be modified and Lookout Ridge will execute a new, modified note payable to the Lookout Ridge Lender ("Modified Note"). The maturity date of the Modified Note shall be one year after the Effective Date ("Maturity Date"). The Lookout Ridge Lender will retain its liens and security interest in the Debtor's property to secure the Modified Note. The original principal balance of the Modified Note shall consist of; (i) the unpaid principal balance of the Original Note, (ii) accrued, unpaid interest as of the Petition Date ; (iii) any accrued, unpaid interest on the Original Note between the Petition Date and the Effective Date of the Plan; and (iv) any fees and expenses of the Lookout Ridge Lender, as may be allowed in its Allowed Claim; less all payments made by the Debtor to the Lookout Ridge Lender during the bankruptcy case prior to the Effective Date, including payments made by the Debtor under cash collateral orders. The Modified Note to lender will be payable as follows:

(i) a lump sum payment on the Effective Date of the Plan in the amount of $334,339.38 funded by the release from the suspense funds and the reserve for replacement funds currently held by the Lender;

(ii) monthly payments thereafter of $21,560, plus the payment of tax and insurance escrows required under the Note, commencing on the 1st day of the month following the Effective Date until the payment of Arrearages;

(iii) a lump sum payment of $1,317,209.74 to cure Arrearages (as defined below) and to reduce the principal on the Note in an amount estimated to exceed $1.26 million from the release of the construction escrow held in that amount pursuant to the order of the Texas state court in *Belfor USA Group v. Lookout Ridge and LB-UBS 2007-C2 Lookout Ridge Boulevard,*

LLC in Bell County District Court, Cause No. 292,080 ("Belfor Suit") which shall be released upon the earlier of: (1) the Debtor's payment to Belfor Property Restoration as provided in Class 10 below, or (2) the entry of a final and non-appealable order;

(iv) then monthly outstanding payments on the then outstanding principal balance of the Note, consisting of principal payments with the same amortization as in the Original Note plus interest; and

(v) payment of the balance of the outstanding principal and interest on the maturity date.

The Modified Note and loan documents will be provided to the Lender for review ten (10) days before the confirmation hearing on the Plan.

Mr. Hall will guarantee the Modified Note and grant Lookout Ridge Lender a collateral assignment of the pending contract on the Ridge property in Williamson County, Texas owned by Lookout Ridge, LLC, of which Mr. Hall is the sole member, to secure Mr. Hall's obligation hereunder, pari passu with the Lion's Run Lender. Such lien shall be released upon the closing of the sale of the Ridge property under the pending sales contract.

"Arrearages" shall mean a sum of money sufficient to pay the sum of (i) accrued interest on the principal balance of the Modified Note from the Effective Date through the date on which the Arrearages are paid under section 6.09 of this Plan; (ii) accrued but unpaid interest and default interest, to the extent Allowed, from the Petition Date through the Effective Date; and (iii) Post-Petition fees of the Lookout Ridge Lender through the date on which the Debtor or Mr. Hall submit the payment of the Arrearages, to the extent Allowed.. For the avoidance of doubt, the payment of Arrearages shall account for and be reduced by the payments made by Lookout Ridge, including funds released from in escrow on the Effective Date, and the monthly payments made between the Effective Date and the payment date of the Arrearages. The Debtor currently calculates the Arrearages, assuming a December 1, 2017 Effective Date and a payment of Arrearages on March 1, 2018 to be $56,906.73, also assuming arguendo that the Lookout Ridge Lender's Proof of Claim is correct and that the attorney fees of the Lookout Ridge Lender recoverable from the Debtor for services rendered after the Bankruptcy Case is filed are $300,000. Debtor shall provide the Lookout Ridge an updated calculation of Arrearages within 10 days after the Effective Date of the Plan. If the Lookout Ridge Lender disagrees with the Debtor's calculation of the Arrearages, the Lookout Ridge Lender must file a motion within 20 days after the Effective Date of the Plan to determine Arrearages and, in that case, the Arrearages will be determined by the Court. If the Lookout Ridge Lender does not timely file such a motion, then the Arrearages served by the Debtor on the Lookout Ridge Lender shall be deemed to be accurate.

The Debtor currently calculates the Arrearages, assuming a December 1, 2017 Effective Date and a payment of Arrearages on March 1, 2018 to be $56,906.73, also assuming arguendo that the Lookout Ridge Lender's Proof of Claim is correct, after deduction of the pre-payment penalty, and that the attorney fees of the Lookout Ridge Lender recoverable from the Debtor for services rendered after the Bankruptcy Case is filed are $300,000. Debtor shall provide the Lookout Ridge an updated calculation of Arrearages within 10 days after the Effective Date of

the Plan. If the Lookout Ridge Lender disagrees with the Debtor's calculation of the Arrearages, the Lookout Ridge Lender must file a motion within 20 days after the Effective Date of the Plan to determine Arrearages and, in that case, the Arrearages will be determined by the Court. If the Lookout Ridge Lender does not timely file such a motion, then the Arrearages served by the Debtor on the Lookout Ridge Lender shall be deemed to be accurate

At the same time as the Arrearages are paid, Mr. Hall will contribute sufficient capital into a segregated reserve account held by the Debtor to pay for the balance of deferred maintenance items not previously completed as shown on the attached pro forma financial statements.

If the Court determines that the interest rate required to confirm the Plan is higher than that proposed by the Debtor, the Debtor reserves the right to seek confirmation of the Plan at the higher interest rate. In that event, the interest rate differential will be added to the Arrearages and, upon payment of the Arrearages, the monthly payments will incorporate the higher interest rate.

The Debtor does not believe that the Lender's proof of claim is accurate and has filed an objection and a counterclaim. If the Lender's claim is not an Allowed Claim as of the Effective Date, the Debtor will commence payments as provided above but if the claim of the Lookout Ridge Lender is reduced by the Court, any reduction will be applied as a credit to the Modified Note as of the Effective Date. The Modified Note may be prepaid at any time without any pre-payment penalty, charges or fees of any kind.

Class 9 is impaired.

5.10 Class 10 Claim – The Allowed Claim against Debtor Lookout Ridge of Belfor Property Restoration.

Claim 10 consists of a contract claim for building renovations performed by Belfor and secured by a mechanic's lien. Claim 10 shall be paid in full, or as otherwise agreed, by monthly payments equal to ½ of the month's rent on units leased in Building 4 and then either a payment by the Mr. Hall on or before the earlier of the (1) the close of the sale of the Ridge Property in Williamson County, Texas owned by Lookout Ridge LLC, of which Mr. Hall is the sole member, (2) May 2, 2018, or (3) the entry of an final and non-appealable order in *Belfor USA Group v. Lookout Ridge and LB-UBS 2007-C2 Lookout Ridge Boulevard, LLC* in Bell County District Court, Cause No. 292,080 ("Belfor Suit"), awarding escrow funds to Belfor, whichever is earlier. Upon full payment, Belfor shall release its lien and release its right to any escrow in the Belfor suit. Class 10 is Impaired.

5.11 Class 11 Claims - Unsecured Tenant Deposit Claims from Apartment Leases.

Class 11 consists of unsecured claims for deposits arising from the execution of leases by Debtor as landlord and all tenants at both Apartment Complexes. The Debtor is assuming all leases with all tenants at the Apartment Complexes. The security deposits of the tenants who are occupying space according to their leases will be returned or retained pursuant to the terms of their individual leases. The Plan will not alter the legal, equitable, or contractual rights of the

tenants under Class 11 to their deposits. Class 11 is not impaired, is deemed to have accepted the Plan, and is not entitled to vote on the Plan.

5.12 Class 12A Claims – Allowed Unsecured Claims over $500 against Lion's Run, the holders of which do not elect to be included in Class 13.

Each of the holders of Class 12A Claims will be paid their claims within three years in pro-rata payments at regular intervals no less often than quarterly at 5% interest. The Debtor may pay the debt to the Class 8 and Class 9 claims in full if it is able to refinance the property. If the Debtor does so, Class 12A claims will be paid in full at the time of such refinancing. The Debtor or Mr. Hall may, at their discretion, pre-pay any claim without penalty. Class 12A is Impaired.

5.13 Class 12B Claims – Allowed Unsecured Claims over $500 against Lookout Ridge, the holders of which do not elect to be included in Class 13.

Each of the holders of Class 12B Claims will be paid their claims within three years in pro-rata payments at regular intervals no less often than quarterly at 5% interest. The Debtor may pay the debt to the Class 8 and Class 9 claims in full if it is able to refinance the property. If the Debtor does so, Class 12B claims will be paid in full at the time of such refinancing,. The Debtor or Mr. Hall may, at their discretion, pre-pay any claim without penalty. Class 12B is Impaired.

5.14 Class 12C Claims –Allowed Unsecured, Contingent Claim of ATFCU.

If the property of the borrower on the Diamond Terrace Note is sold at a foreclosure sale, the Debtors will jointly and severally pay any deficiency claim in 36 equal monthly installment thereafter. If the property of the borrowers on the LP Pylon Note is sold at a foreclosure sale, the Debtors will jointly and severally pay any deficiency claim in 36 equal monthly installments thereafter. Class 12C is impaired.

5.15 Class 13 Claims – Administrative Convenience Class: Allowed Unsecured Claims of $500 or less, including each Allowed Unsecured Claim over $500 that the holder elects to reduce to $500.

The Class 13 Claims will be paid in full in cash one month after the Effective Date. Class 13 is not Impaired.

5.16 Class 14 Interests – Allowed Equity Interests in the Debtors.

The Interests held by the equity interest holders of the Debtors shall be maintained in exchange for the Mr. Hall's contributions as described in the plan. See Article VII below. The Interest Holders will receive no distributions unless and until all other payments under the Plan have been made in full and all creditors have either been paid in full or as agreed. Class 14 is Impaired.

B. Feasibility of the Plan and Risk to Creditors

Feasibility of the plan and risk to creditors measure the likelihood that creditors will receive the payments proposed to them under the Plan.

In general, the Plan contemplates three types of payments: payments which will be made at or near the Effective Date of the Plan, payments to the secured lenders, which will be made monthly with a balloon payment at the end of a certain period of time; and payments made to other creditors to pay their Allowed Claims over a discrete period of time. The pro formas contained in Exhibits 3 and 4 include the Debtors' estimates of the types of payments to be made under the proposed Plan. Further, under the proposed Plan, the Reorganized Debtors will make efforts to sell the Apartment Complexes and pay off all creditors in full as provided for under the Plan earlier than the payout.

The Plan proposes to pay all creditors the amount of their Allowed Claims in full in cash. It also seems clear that these same creditors, except for the lenders, will most likely receive nothing outside bankruptcy or in a chapter 7 bankruptcy. Therefore, there is very little risk to creditors in giving Debtor a chance to make the Apartment Complex and the Plan "work" by voting for the Plan. Even if the Plan failed, creditors should be in no worse shape than they are at this time.

In addition, the feasibility of the Plan is significantly enhanced and the risk to all creditors significantly decreased by the commitment by the Reorganized Debtors' limited partner to contribute funds necessary to pay all creditors in full as provided in the Plan in the event that cash flow from the Apartment Complexes is insufficient.

The likelihood of all creditors being paid is also enhanced by the Plan, as the Reorganized Debtors are given the time to pursue the sale or refinancing of the Apartment Complex, the proceeds of which will be used to pay creditors.

C. Remedies for Default

In the event of default by the Reorganized Debtors under the Plan, creditors may exercise any rights granted to them under documents executed in connection with the Plan or any rights available to creditors under applicable non-bankruptcy law. Notwithstanding any other provision, any creditor alleging a default must give the Reorganized Debtors 30 days' notice and an opportunity to cure before exercising any rights available upon default.

In the event of a default by a creditor, the Debtors may enforce the Plan as a contract in a court of competent jurisdiction. The Reorganized Debtors may escrow payments to any creditor which defaults under the Plan until the default is cured. The Reorganized Debtors shall give the creditor 30 days' notice and an opportunity to cure before exercising this provision.

Conversion to chapter 7 is available as a remedy for default in the event that the Reorganized Debtors fail to substantially consummate the Plan. However, once substantial consummation occurs, conversion to chapter 7 is no longer available as a remedy for default. When the Plan is confirmed and is substantially consummated, the assets of the Debtors will revest in the Reorganized Debtors subject only to the liens and claims provided for under the Plan. In the event that the Debtors' case was converted to one under chapter 7 after consummation of the Plan, these assets would not revest in the bankruptcy estate.

D. Claims Allowance Procedure

No Administrative Expense Claims shall be allowed except pursuant to Court Order. Any application for allowance of an Administrative Expense Claim shall be filed within 60 days after the Effective Date or shall be barred. Any claims for reimbursement of fees and expenses pursuant to 11 U.S.C. § 506(b) shall be filed within 30 days after the Effective Date or shall be barred.

Any claims for rejection of an executory contract or unexpired lease shall be filed within 30 days after the Effective Date or the date set forth in the order rejecting the lease or contract, whichever is less. Cure claims on assumed executory contracts and unexpired leases shall be filed within 30 days after the Effective Date if they differ from the amount set forth by the Debtors herein, or shall be barred.

The Debtors or Reorganized Debtors may file an objection to a claim on or before the later of 60 days from the Effective Date under the Plan or 60 days after such claim is filed. Attached as Exhibit 4A & 4B is a list of all creditors and the amount Debtors have scheduled for each of their claims, the amount of each Creditor's Proof of Claim (if filed) and whether Debtors plan at this time to dispute such claim.5

A claim to which an objection has been made shall at the request of the Creditor be estimated by the Court for the purposes of voting on the Plan.

E. Assumption and Rejection of Leases and Contracts

Under the Bankruptcy Code, the Debtors must assume or reject any unexpired leases or executory contracts.

The following chart sets out the executory contracts and unexpired leases which the Debtors intend to assume and the amount necessary to cure any arrearage according to the Debtor. The Plan shall constitute a motion to assume the following contracts and leases:

ASSUMED CONTRACTS/LEASES

Party Name	Type of Contract/Lease	Amount to Cure Arrearage
All Apartment Complex Tenants	Apartment Complex Leases	$0.00
TOTAL		$0

The Debtors reserve the right to reject any executory contracts and unexpired leases (including those listed above) by filing a notice with the Bankruptcy Court within 7 days prior to the Confirmation Hearing on the Plan.

Under the Plan, the Reorganized Debtors will cure and pay the above amount of arrearages on assumed contracts and leases in 60 equal monthly payments beginning 30 days after the Effective Date, unless otherwise agreed. If a dispute exists between the Debtors and party to an executory contract as to the amount necessary to cure defaults, then the Reorganized Debtors will begin to cure and pay such arrearages within 30 days after entry of a final order of

the Bankruptcy Court determining such arrearage. In the event that the cash on hand of the Reorganized Debtors is insufficient to cure such arrearages, the Reorganized Debtors' limited partners will contribute an amount to the Reorganized Debtors sufficient to make such payments.

Under no circumstances shall the Partnership Agreements governing the Debtors be deemed executory contracts which are rejected under this Plan or otherwise; to the extent such Partnership Agreements constitutes executory contracts, they shall be deemed to be assumed by the Reorganized Debtors.

Following is a list of unexpired leases and executory contracts that the Debtors intend to reject. The Plan shall constitute a motion to reject the following contracts and leases:

REJECTED CONTRACTS/LEASES

The Debtor rejects the agreement between Community Investing and Development Corporation and Central Texas Council of Governments dated August 16, 1994 recorded in Vol. 3201, page 302, OPR, Bell County, Texas as of Confirmation.

The Debtors reserve the right to assume any executory contracts and unexpired leases (including those listed as being rejected as set forth above) by filing a notice with the Bankruptcy Court within 5 days prior to the Confirmation Hearing on the Plan.

Any executory contracts and unexpired leases of the Debtor that are not expressly rejected shall be assumed under the Plan.

F. Third Party Obligations

The lenders have received personal guarantees from Mr. Gregory Hall (the limited partner of both Debtors and Mr. Hall of the secured debt to the lenders) of the loan made to the Debtors by the lenders. To the extent that any third party is jointly liable with the Debtors to a creditor on a Claim, whether by contract, by guaranty, or by operation of law, under the Plan, such third party obligation shall remain in force with respect to the Claim of the creditor as modified by this Plan, but not otherwise. All guarantees and other obligations of third parties shall be deemed modified to reflect the restructuring of the Claims under the Plan, including the personal guarantees of Mr. Hall which will guaranty the Modified Note provided to the Lookout Ridge lender under the Plan to the same extent that he guaranteed the Original Note. If the Plan is confirmed, a creditor may not enforce liability under a guaranty, contract, or by operation of law against a third party unless the Reorganized Debtor defaults under the Plan.

G. Effect of Confirmation of Plan

1. Discharge

Pursuant to the Plan and the Confirmation Order, and except as expressly provided for in the Plan, the rights afforded in the Plan and the treatment of all Claims shall be in exchange for and in complete satisfaction, discharge, and release of all claims of any nature whatsoever against the Debtors and any of the Debtors' property; and, except as otherwise expressly provided in the Plan or the Confirmation Order, upon the Effective Date, the Debtors shall be

deemed discharged and released from any and all Claims, including but not limited to demands and liabilities that arose before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (a) a proof of claim or interest based upon such debt is filed or deemed filed under section 501 of the Bankruptcy Code; (b) a Claim based upon such debt is allowed under section 502 of the Bankruptcy Code; or (c) the holder of a Claim based upon such debt or interest has accepted the Plan. Except as expressly provided in the Plan, the Confirmation Order shall be a judicial determination of discharge of all liabilities of the Debtors. As provided in section 524 of the Bankruptcy Code, such discharge shall void any judgment against the Debtors at any time obtained to the extent it relates to a Claim discharged, and shall operate as an injunction against the prosecution of any action against the Debtors, or their property, to the extent it relates to a Claim discharged.

2. Injunction

Except as otherwise expressly provided in the Plan or the Confirmation Order, and as provided in section 1141 of the Bankruptcy Code, from and after the Confirmation Date, all Creditors and holders of Claims against the Debtors that are discharged pursuant to the Plan or the Bankruptcy Code are permanently restrained and enjoined from taking any of the following actions against the Estate, the Debtors, the Reorganized Debtor or any of their property on account of any such Claims, debts, liabilities or rights: (a) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim, debt or liability against any Debtor, the Reorganized Debtors or their property on account of such Claims, debts or liabilities, other than to enforce any right to a distribution pursuant to the Plan; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against any Debtor, the Reorganized Debtors or their property; (c) creating, perfecting, or enforcing any encumbrance or lien of any kind against any Debtor, the Reorganized Debtors or their property; (d) asserting any right or setoff, subrogation, or recoupment of any kind against any obligation due the Debtors, the Reorganized Debtors or against their property; and (e) performing any act, in any manner, in any place whatsoever, that does not conform to or comply with, or is inconsistent with, the provisions of the Plan; provided, however, that each Creditor and holder of a disputed claim may continue to prosecute its Proof of Claim in the Bankruptcy Court and any creditor and holders of Claims shall be entitled to enforce their rights under the Plan and any agreements executed or delivered pursuant to or in connection with the Plan. The foregoing injunction shall extend to any successor of any Debtors (including, without limitation, the Reorganized Debtors) and their respective property and interests in property. If allowed by the Bankruptcy Court, any entity injured by any willful violation of such injunction shall recover actual damages, including costs and attorneys' and experts' fees and disbursements, and, in appropriate circumstances, may recover punitive damages, from the willful violator.

H. Retention of Jurisdiction

After confirmation of the Plan, the Bankruptcy Court will retain jurisdiction to the extent provided by 28U.S.C. §1334. Basically, this means that the Bankruptcy Court will retain jurisdiction over matters relating to the Plan and to rule on any matters which are pending in the case.

I. Post-Confirmation Procedure

After confirmation of the Plan, the Bankruptcy Court will rule upon any objections to claims and applications for compensation of professionals. Once the Bankruptcy Court has ruled upon these matters, the Debtors will file an application for final decree. The Debtor will be required to pay U.S. Trustee fees and file quarterly post-confirmation reports until such time as a final decree is entered and the case is closed.

VI. ALTERNATIVES TO THE DEBTOR'S PLAN

The alternatives to the Debtor's Plan of Reorganization in this case are: (a) conversion to a chapter 7 liquidation; (b) dismissal of the bankruptcy case and (c) sale of the Apartment Complexes during chapter 11 under §363 of the Bankruptcy Code.

A. Conversion

The Debtors do not believe that conversion to Chapter 7 is in the best interest of creditors. Conversion will almost definitely result in no payments to other creditors. In all likelihood, the lenders will be able to move for relief from the automatic stay and foreclose on Debtors' only tangible assets (the Apartment Complexes and associated personal property) as they have a mortgage lien on these assets. Even assuming a chapter 7 Trustee was willing to operate the Apartment Complexes (which is unlikely) and could convince the Bankruptcy Court to permit the chapter 7 Trustee to market the Apartment Complexes, it is probable that the chapter 7 Trustee would only be able to sell at a very distressed sale price. Even assuming the chapter 7 Trustee nets some money from the sale of the Apartment Complexes, it is virtually a foregone conclusion that the loans and chapter 7 and chapter 11 administrative expenses of the case will exceed this net sum. See also Liquidation Analysis, supra at IV(C).

B. Dismissal

The Debtors also do not believe that dismissal of this bankruptcy case is in the best interest of creditors. If the case is dismissed, the lenders would likely foreclose on the Apartment Complexes and there would be no distribution to other creditors.

C. 363 Sale

The Debtors intends to continue their efforts to sell the Apartment Complexes during the chapter 11 case to pay creditors, as an alternative to the Plan.

VII. RELATIONSHIP OF DEBTOR WITH AFFILIATES

Under the Bankruptcy Code, the term "affiliate" refers to an entity that directly or indirectly controls with power to vote 20% or more of the securities of the Debtor, a corporation 20% or more of whose outstanding voting securities are directly or indirectly controlled by the Debtor, a person whose business is operated under a lease or operating agreement by a Debtor or a person substantially all of whose property is operated under an operating agreement with the Debtor or an entity that operates the business or substantially all of the property of the Debtor under a lease or operating agreement.

Under this definition, it is possible that the Debtors, the Debtors general partner Omni GP LLC, its managing member, Greg Hall, would be considered an affiliate.

If the Plan is confirmed, the existing ownership and management structure of the Debtors will remain intact.

VIII. TAX CONSEQUENCES

The transactions contemplated by the confirmation of the Plan may have an impact on the tax treatment received with respect to distributions under the Plan. That impact may be adverse to the creditor or interest holder.

An analysis of federal income tax consequence of the Plan to creditors, interest holder, and the Debtors requires a review of the Internal Revenue Code ("IRS Code"), the Treasury regulations promulgated thereunder, judicial authority and current administrative rulings and practice. The Plan and its related tax consequences are complex. The Debtors have not requested a ruling from the Internal Revenue Service with respect to these matters. Accordingly, no assurance can be given as to the IRS's interpretation of this Plan.

The federal income tax consequences of the implementation of the Plan to a creditor will depend in part on whether, for federal income tax purposes, the obligation from which a creditor's claim arose constitutes a "security." The determination as to whether an obligation for which a creditor's claim arose constitutes a "security" for federal income tax purposes is complex. It depends on the facts and circumstances surrounding the origin and nature of the obligation. Generally, corporate debt obligations evidenced by written instruments with maturities, when issued five (5) years or less, or arising out of the extension of trade credit, do not constitute "securities," whereas corporate debt obligations evidenced by written instruments with original maturities over (10) years or more constitute "securities." Although it appears that most of the creditors' claims do not constitute "securities," the Debtors and their professionals express no view with respect to whether the obligation for which a particular creditor's claim arose constitutes a "security" for federal income tax purposes. Creditors are urged to consult their own tax advisor in this regard.

Generally, creditors whose claims arise from obligations that do not constitute "securities" or whose claims are for wages or services, will be fully taxable exchanges for federal income tax purposes. Such creditors who receive solely cash in discharge of their claims will recognize gain or loss, as the case may be, equal to the difference between (i) the amount realized by the creditor in respect of its claim (other than any claim for accrued interest) and (ii) the creditor's tax basis in its claim (other than any claim for accrued interest). For federal income tax purposes, the "amount realized" by a creditor who receives solely cash in discharge of its claim will be the amount of cash received by such creditor. Where gain or loss is recognized by a creditor, the character of such gain or loss as a long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the creditor, whether the obligation from which a claim arose has been held for more than six (6) months, and whether and to what extent the creditor has previously claimed a bad debt deduction. The capital gains deduction for individuals and the alternate tax for corporate net capital gains have been repealed and capital gain is currently taxed to individuals and

corporations at their respective maximum tax rates. However, the definitions of long-term and short-term capital gain or loss have to be repealed.

Generally, to the extent any amount received (where cash or other property) by a creditor is received in discharge of interest accrued on its claim during its holding period, such amount will be taxable to the creditor as interest income (if not previously included in the creditor's gross income). Conversely, a creditor will recognize a deductible loss (or, possible, a write-off against a reserve for bad debts) to the extent any interest accrued on its claim was previously included in the creditor's gross income and is not paid in full.

THE TRANSACTION CONTEMPLATED BY THE CONFIRMATION OF THE PLAN MAY HAVE AN IMPACT ON THE TAX TREATMENT OF ANY CREDITOR OR EQUITY INTEREST HOLDER. THAT IMPACT MAY BE ADVERSE TO THE CREDITOR OR EQUITY INTEREST HOLDER. NOTHING HEREIN IS INTENDED TO BE ADVICE OR OPINION AS TO THE TAX IMPACT OF THE PLAN ON ANY INDIVIDUAL CREDITOR OR EQUITY INTEREST HOLDER. EACH CREDITOR AND EQUITY INTEREST HOLDER IS CAUTIONED TO OBTAIN INDEPENDENT AND COMPETENT TAX ADVICE PRIOR TO VOTING ON THE PLAN.

IX. PENDING AND POTENTIAL LITIGATION

A. Avoidance Actions

There are several types of "avoidance actions" established by the Bankruptcy Code for the benefit of debtors, including: actions to recover avoidable preferences under §547 of the Bankruptcy Code; actions to recover fraudulent conveyances under §§ 544 and 548 of the Bankruptcy Code, actions to recover unauthorized post-petition transfers under §549 of the Bankruptcy Code, and actions to invalidate and avoid liens under §§ 544 and/or 545 of the Bankruptcy Code.

Included in the Statement of Financial Affairs on file with the Bankruptcy Court and available for review by interested parties is a disclosure of payments and transfers made to creditors by the Debtors within 90 days of the bankruptcy filing as well as other required disclosures. At the present time, the Debtors do not intend to pursue any preference or fraudulent conveyance actions as the Plan proposes to pay all creditors in full and it is questionable whether the Debtors were ever insolvent. The Debtors and Reorganized Debtors do intend to evaluate and pursue, if appropriate, avoidance of claims to the extent warranted under existing law including those listed on attached Exhibit 4. However, the Debtors (prior to the Effective Date) and Reorganized Debtors (after the Effective Date) reserve the right to pursue any and all causes of action arising under the Bankruptcy Code and applicable law against any persons, and the Plan preserves such rights.

B. Other Litigation

The Debtors are not aware of any significant potential non-bankruptcy claims and causes of action that the Debtors have against third parties, other than the Belfor suit and potential claims against their lenders, Comm 2015-CCRE22 E. Ctral Texas Expy LLC and LB-UBS 2007-C2 Lookout Ridge Boulevard, LLC. The Debtors are actively investigating these claims and

their lenders pre-petition actions towards them, including contract, fraud, and tort claims. The claims against the Lookout Ridge lender stem in part from its treatment of the Debtor related to the 2016 fire and their failure to approve the choice of contractor and the insurance proceeds. The claims against the Lion's Run lender stem in part from its treatment of escrowed funds, insurance funds, and other contractual issues but may include related claims in tort or fraud. There is also an existing lawsuit by ACS, whose claims the debtor disputes. The Debtors may have claims against the Mr. Hall and owner, Gregory Hall, because payments were made from the entities on their behalf. Such claims are expressly preserved in the plan, however it is contemplated that the claims will be released given that he is paying in a much greater amount under the plan.

C. Preservation of Claims

The net proceeds, if any, from potential claims of the Debtors are speculative and uncertain and therefore no value has been assigned to any recoveries. Furthermore, it should not be assumed that because any existing or potential litigation claim has not yet been pursued or may not fall within the list above that any such claim has been waived. While the Debtor has attempted to identify claims which may be pursued, its investigation is ongoing and the failure to list any potential or existing claim generally or specifically is not intended to limit the rights of the Debtors or Reorganized Debtors to pursue any such action. Unless a claim against any person or entity is expressly waived, relinquished, released, compromised or settled as provided or identified in the Plan or any Confirmation Order, the Debtors and the Reorganized Debtors expressly reserve all claims for later adjudication. Therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to such claim upon or after the confirmation or consummation of the Plan.

All claims of any kind or character whatsoever owed to the Debtors by third parties or against third parties in favor of the Debtors or the Debtors' estate to the extent not specifically compromised and released pursuant to the Plan, will be preserved and retained by the Reorganized Debtors for and against third parties, whether currently known or unknown. Only those claims specifically and expressly compromised and released pursuant to the Plan are excepted from the foregoing.

X. SOLICITATION OF VOTES

The Debtors have devoted substantial effort to preparation of their Plan of Reorganization. The Debtors believe that the Plan represents a fair adjustment of their relationship with the creditors and will result in payment in full to creditors. The Debtors believe that the Plan is far superior to a liquidation of or foreclosure on Lion's Run and Lookout Ridge Apartment Complexes by the Lenders, which likely would result in no recovery by other creditors. Therefore, the Debtor requests that all creditors vote in favor of its Amended Plan of Reorganization.

Dated: October 27, 2017

PLAN PROPONENT:

Omni Lion's Run, L.P. and
Omni Lookout Ridge, LP
By Omni Lookout GP, LLC, the sole general partner

By: */s/Drew Hall*
By: Drew Hall, Executive V.P.

Guarantor

By: */s/Gregory Hall*
Gregory Hall, Individually

DRAFTED and APPROVED:

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