UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT
BRIDGEPORT DIVISION

In re:	:	CHAPTER 11
	:	
WATERFRONT OFFICE BUILDING, LP	:	CASE NO. 12-52121(AHWS)
AND SUMMER OFFICE BUILDING, LP	:	Jointly Administered
	:	
Debtors-in-Possession	:	

SECOND AMENDED DISCLOSURE STATEMENT WITH RESPECT TO THE SECOND AMENDED PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE PROPOSED BY WATERFRONT OFFICE BUILDING, LP AND SUMMER OFFICE BUILDING, LP

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Dated: September 27, 2013

I. INTRODUCTION

Waterfront Office Building, LP ("Waterfront") and Summer Office Building, LP ("Summer") (collectively, the "Debtors") submit this Disclosure Statement with respect to the Second Amended Plan of Reorganization Under Chapter 11 of the Bankruptcy Code Proposed by the Debtors and filed on September 27, 2013 (the "Plan"). This Disclosure Statement is to be used in connection with the solicitation of votes on the Plan. A copy of the Plan is attached hereto as Exhibit A. Unless otherwise defined herein, capitalized terms used herein have the meanings ascribed thereto in the Plan (see Article I of the Plan entitled "Definitions, Construction, and Interpretation").

For a summary of the proposed treatment of your Claim or Interest under the Plan, please see the charts on the pages below.

II. NOTICE TO HOLDERS OF CLAIMS AND INTERESTS

The purpose of this Disclosure Statement is to enable Holders of Claims against and Interests in the Debtors whose Claims and Interests are impaired under the Plan and are entitled to vote on the Plan to make an informed decision in exercising their right to vote to accept or reject the Plan.

THIS DISCLOSURE STATEMENT CONTAINS INFORMATION THAT MAY BEAR UPON YOUR DECISION TO ACCEPT OR REJECT THE PLAN. PLEASE READ THIS DOCUMENT CAREFULLY.

The Bankruptcy Court conducted a hearing on the adequacy of the Disclosure Statement and subsequently entered an order pursuant to section 1125 of the Bankruptcy Code (the "Disclosure Statement Order") approving this Disclosure Statement as containing information of a kind, and in sufficient detail, adequate to enable a hypothetical, reasonable investor, typical of the solicited holders of Claims against and Interests in the Debtors, to make an informed judgment with respect to the acceptance or rejection of the Plan. A copy of the Disclosure Statement Order is included in the materials accompanying this Disclosure Statement. APPROVAL OF THIS DISCLOSURE STATEMENT BY THE BANKRUPTCY COURT DOES NOT CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT REGARDING THE FAIRNESS OR MERITS OF THE PLAN.

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

Each Holder of a Claim or Interest entitled to vote to accept or reject the Plan should read this Disclosure Statement and the Plan in their entirety before voting. No solicitation of votes to accept or reject the Plan may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. Except for the Debtors and their professionals, no person has been authorized to use or promulgate any information concerning the Debtors, their business, or the Plan, other than the information contained herein, in connection with the solicitation of votes to accept or reject the Plan. No Holder of a Claim or Interest entitled to vote on the Plan should rely upon any information relating to the Debtors, their business, or the Plan other than that contained in the Disclosure Statement and the exhibits hereto. Unless otherwise indicated, the sources of all information set forth herein are the Debtors and their professionals.

Deutsche Genossenshafts-Hypothekenbank AG ("DG-Hyp") which asserts a claim against the Debtors has also filed a plan. If you are eligible to vote, you may vote to accept one or both plans or neither plan on the enclosed ballot. All references to the Debtors' Plan should not be confused with DG-Hyp's Plan, concurrently proposed by DG-Hyp.

After carefully reviewing this Disclosure Statement, including the attached exhibit, please indicate your acceptance or rejection of the Plan by voting in favor of or against the Plan on the enclosed ballot and returning the same, to the address set forth on the ballot, in the enclosed return envelope so that it will be received by the Zeisler & Zeisler, P.C., 10 Middle Street, 15th Floor, P.O. Box 3186Bridgeport, CT 06604, Attention: James Berman, Esq. no later than 5:00 p.m. Eastern Time on _____, 2014.

If you do not vote to accept the Plan, or if you are not entitled to vote on the Plan, you may be bound by the Plan if it is accepted by the requisite Holders of Claims or Interests. See "Solicitation of Votes; Voting Procedures," "Vote Required for Class Acceptance," and "Cramdown" in Article VII ("Confirmation of the Plan") below.

TO BE SURE YOUR BALLOT IS COUNTED, YOUR BALLOT MUST BE

RECEIVED NO LATER THAN 5:00 P.M. EASTERN TIME ON _____, 2014. For detailed voting instructions and the name, address, and phone number of the person you may contact if you have questions regarding the voting procedures, see "Ballots and Voting Deadline" in Section VII.A.1 below.

Pursuant to section 1128 of the Bankruptcy Code, the Bankruptcy Court has scheduled a hearing to consider confirmation of the Plan (the "Confirmation Hearing") on **_____, 2014, at _____ __.m. Eastern Time**, in the United States Bankruptcy Court for the District of Connecticut, Bridgeport Division. **The Bankruptcy Court has directed that objections, if any, to confirmation of the Plan be filed and served on or before _____, 2014,** in the manner described in Section VIII.B below under the caption, "Confirmation Hearing."

THE DEBTORS SUPPORT CONFIRMATION OF THEIR PLAN AND URGE ALL HOLDERS OF IMPAIRED CLAIMS AND INTERESTS TO ACCEPT THE DEBTORS' PLAN AND TO INDICATE A PREFERENCE FOR THE DEBTORS' PLAN.

III. EXPLANATION OF CHAPTER 11

A. Overview of Chapter 11

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Pursuant to chapter 11, the debtor in possession attempts to reorganize its business for the benefit of the debtor, its creditors, and other parties in interest.

The commencement of a chapter 11 case creates an estate comprising all the legal and equitable interests of the debtor in property as of the date the bankruptcy petition is filed. Sections 1101, 1107, and 1108 of the Bankruptcy Code provide that a debtor may continue to operate its business and remain in possession of its property as a "debtor in possession" unless the bankruptcy court orders the appointment of a trustee. In the present chapter 11 cases, the Debtors have remained in possession of their property and continued to operate their businesses as debtors in possession.

The filing of a chapter 11 petition also triggers the automatic stay provisions of the Bankruptcy Code. Section 362 of the Bankruptcy Code provides, *inter alia*, for an automatic stay of all attempts to collect prepetition claims from the debtor or otherwise interfere with its property or business. Except as otherwise ordered by the bankruptcy court, the automatic stay

remains in full force and effect until the effective date of a confirmed plan of reorganization.

The formulation of a plan of reorganization is the principal purpose of a chapter 11 case. The plan sets forth the means for satisfying the claims against and interests in a debtor. Generally, unless a trustee is appointed, only the debtor may file a plan during the first 120 days of a chapter 11 case (the "Exclusive Period"). However, section 1121(d) of the Bankruptcy Code permits the court to extend or reduce the Exclusive Period upon a showing of "cause." After the Exclusive Period has expired, a creditor or any other party in interest may file a plan, unless the debtor has filed a plan within the Exclusive Period, in which case, the debtor is generally given 60 additional days (the "Solicitation Period") during which it may solicit acceptances of its plan. The Solicitation Period may also be extended or reduced by the court upon a showing of "cause."

B. Plan of Reorganization

Although referred to as a plan of reorganization, a plan may provide anything from a complex restructuring of a debtor's business and its related obligations to a simple liquidation of the debtor's estates. After a plan of reorganization has been filed, certain holders of claims against or interests in a debtor are permitted to vote to accept or reject the plan. Before soliciting acceptances of the proposed plan, section 1125 of the Bankruptcy Code requires the debtor to prepare a disclosure statement containing information of a kind, and in sufficient detail, to enable a hypothetical, reasonable investor to make an informed judgment about the plan. This Disclosure Statement is presented to Holders of Claims against and Interests in the Debtors to satisfy the requirements of section 1125 of the Bankruptcy Code.

If all classes of claims and interests accept a plan of reorganization, the bankruptcy court may nonetheless deny confirmation of the plan unless the court independently determines that the requirements of section 1129 of the Bankruptcy Code have been satisfied. Section 1129 sets forth the requirements for confirmation of a plan and, among other things, requires that a plan meet the "best interests" test and be "feasible." The "best interests" test requires that the value of the consideration to be distributed to the holders of claims and interests under a plan may not be less than those parties would receive if the debtor was liquidated under chapter 7 of the Bankruptcy Code. Under the "feasibility" requirement, the court must find that there is a reasonable probability that the debtor will be able to meet its obligations under its plan without the need for further financial reorganization.

The Debtors believe that the Plan satisfies all applicable requirements of section 1129(a) of the Bankruptcy Code, including, in particular, the "best interests of creditors" test and the "feasibility" requirement.

Chapter 11 does not require that each holder of a claim against or interest in a debtor vote in favor of a plan of reorganization in order for the bankruptcy court to confirm the plan. At a minimum, however, the plan must be accepted by a majority in number and two-thirds in amount of those claims actually voting in at least one class of impaired claims under the plan. The Bankruptcy Code defines acceptance of the plan by a class of interests (equity securities) as acceptance by holders of two-thirds of the number of shares actually voting. In the present case, only the holders of impaired Claims or Interests who actually vote will be counted as either accepting or rejecting the Plan.

Acceptances of a plan will generally be solicited only from those persons who hold claims or interests in an impaired class. A class is "impaired" if the legal, equitable, or contractual rights attaching to the claims or equity interests of that class are modified in any way under the plan. All Classes of Claims and Interests against and in the Debtors are impaired and, thus, entitled to vote.

The bankruptcy court may also confirm a plan of reorganization even though fewer than all the classes of impaired claims and interests accept it. For a plan of reorganization to be confirmed despite its rejection by a class of impaired claims or interests, the proponent of the plan must show, among other things, that the plan does not "discriminate unfairly" and that the plan is "fair and equitable" with respect to each impaired class of claims or interests that has not accepted the plan.

Under section 1129(b) of the Bankruptcy Code, a plan is "fair and equitable" as to a class of rejecting claims if, among other things, the plan provides: (a) with respect to secured claims, that each such holder will, *inter alia*, receive or retain on account of its claim property that has a value, as of the effective date of the plan, equal to the allowed amount of such claim, or realize the indubitable equivalent of its secured claim; and (b) with respect to unsecured claims and equity interests, that the holder of any claim or equity interest that is junior to the claims or equity interests of such class will not receive or retain on account of such junior claim or equity interest any property at all unless all senior classes are paid in full.

A plan does not "discriminate unfairly" against a rejecting class of claims if: (a) the relative value of the recovery of such class under the plan does not differ materially from that of any class (or classes) of similarly situated claims, and (b) no senior class of claims is to receive more than 100% of the amount of all allowed claims in such class.

The Debtors believe that the Plan has been structured so that it will satisfy these requirements as to any rejecting Class of Claims or Interests, and can therefore be confirmed, if necessary, even if not accepted by all voting Classes of Claims or Interests. The Debtors reserve the right to request confirmation of the Plan under the "cramdown" provisions of section 1129 of the Bankruptcy Code.

IV. SUMMARY OF THE PLAN

A. General Overview

The Debtors believe, and will demonstrate at the Confirmation Hearing, that confirmation and consummation of the Plan are in the best interests of Holders of Claims against and Interests in the Debtors.

B. Classification and Treatment of Claims and Interests

The following is a summary of the classification and treatment of Claims and Interests under the Plan. Such classification is without prejudice to a party in interest asserting that it is entitled to a different classification or treatment under the Plan or applicable law. The amounts of Administrative Expense Claims shown below constitute the Debtors' estimates of the aggregate amounts of such Claims, taking into account amounts, if any, paid or projected to be paid before the Effective Date. The amounts of Claims and Interests shown below reflect the Debtors' current estimates of the likely amounts of such Claims and Interests, subject to the resolution of Claims and/or Interests that the Debtors believe are subject to disallowance or reduction. Reference should be made to the entire Disclosure Statement and to the Plan for a complete description of the classification and treatment of Claims and Interests.

THIS IS ONLY A SUMMARY OF CERTAIN PROVISIONS OF THE PLAN. THE PLAN INCLUDES OTHER PROVISIONS THAT MAY AFFECT YOUR RIGHTS. YOU ARE URGED TO READ THE PLAN IN ITS ENTIRETY BEFORE VOTING ON THE PLAN.

Unclassified Claims Against the Debtors

In accordance with section 1123(a)(1) of the Bankruptcy Code, unclassified Claims against the Debtors consist of Administrative Claims.

a. Allowance and Payment of Administrative Claims

The Holder of any Administrative Claim that is incurred, accrued or in existence prior to the Effective Date, other than (a) a Fee Claim, (b) an Allowed Administrative Claim, or (c) a liability in the Ordinary Course of Business must file with the Bankruptcy Court and serve on all parties required to receive such notice a request for the allowance of such Administrative Claim on or before thirty (30) days after the Effective Date. Such request must include at a minimum (a) the name of the Holder of the Claim, (b) the amount of the Claim, and (c) the basis of the Claim. Failure to timely and properly file and serve the request required under Section 2.01(a) of the Plan may result in the Administrative Claim being forever barred and discharged. Objections to such requests must be filed and served pursuant to the Bankruptcy Rules on the requesting party and the Reorganized Debtors within thirty (30) days after the filing of the applicable request for payment of an Administrative Claim.

Any Person who holds or asserts an Administrative Claim that is a Fee Claim shall be required to file with the Bankruptcy Court and serve on all parties required to receive such notice a Fee Application within thirty (30) days after the Effective Date. Failure to timely and properly file and serve a Fee Application as required under Section 2.01(b) of the Plan may result in the Fee Claim being forever barred and discharged. No Fee Claim will be deemed Allowed until an order allowing the Fee Claim becomes a Final Order. Objections to Fee Applications must be filed and served pursuant to the Bankruptcy Rules on the Reorganized Debtors and the Person to whose application the objections are filed within thirty (30) days after the filing of the Fee Application subject to objection. No hearing may be held on a Fee Application until its objection period has expired.

An Administrative Claim with respect to which a request for payment is required and has been properly filed pursuant to Section 2.01(a) of the Plan shall become an Allowed Administrative Claim if no timely objection is filed. If a timely objection is filed, the Administrative Claim shall become an Allowed Administrative Claim only to the extent Allowed by a Final Order. An Administrative Claim that is a Fee Claim, and with respect to which a Fee

Application has been properly filed and served pursuant to Section 2.01(b) of the Plan, shall become an Allowed Administrative Claim only to the extent Allowed by a Final Order.

Except to the extent that a Holder of an Allowed Administrative Claim has been paid prior to the Effective Date, or agrees to a different treatment, each Holder of an Allowed Administrative Claim (other than Allowed Administrative Claims incurred in the Ordinary Course of Business, which are paid pursuant to Section 2.01(e) of the Plan) shall receive, in full satisfaction, release and discharge of and exchange for such Administrative Claim, and after the application of any retainer or deposit held by such Holder, Cash equal to the Allowed amount of such Administrative Claim within ten (10) Business Days after the Allowance Date with respect to such Allowed Administrative Claim, provided, however, that in the event the Reorganized Debtor has insufficient Cash to pay all Allowed Fee Claims in full as set forth above, then the Reorganized Debtor and all Holders of Allowed Fee Claims may agree to alternative treatment for the payment of all Allowed Fee Claims.

Holders of Administrative Claims based on liabilities incurred in the Ordinary Course of Business of the Debtors during the Bankruptcy Cases (other than Claims of governmental units for taxes or Claims and/or penalties related to such taxes, or alleged Administrative Claims arising in tort) shall not be required to file any request for payment of such Claims. Administrative Claims incurred in the Ordinary Course of Business of the Debtors will be paid by the Debtors and the Reorganized Debtor pursuant to the terms and conditions of the transaction giving rise to such Administrative Claim, without any further action by the Holders of such Administrative Claim. The Debtors and the Reorganized Debtor reserve and the Reorganized Debtor shall have the right to object before the Objection Deadline to any Administrative Claim arising, or asserted as arising, in the Ordinary Course of Business, and shall withhold payment of such claim until such time as any objection is resolved pursuant to a settlement or a Final Order.

b. U.S Trustee Fees

The Reorganized Debtor shall timely pay to the United States Trustee on behalf of the Reorganized Debtor all quarterly fees incurred by such Debtor pursuant to 28 U.S.C. § 1930(a)(6) until the Bankruptcy Case of such Debtor is closed. . In accordance with section 1129(a)(12) of the Bankruptcy Code and 28 USC section 1930, all quarterly fees payable to the United States Trustee shall be paid by the Debtors and the Reorganized Debtor in full on or before their respective due dates and shall continue to be assessed and paid until such time as a

final decree is entered by the Court or the Court enters an order converting or dismissing this case. The Debtors and the Reorganized Debtor shall also timely file the monthly operating reports every month until such time as a final decree is entered by the Court or the Court enters an order converting or dismissing the Bankruptcy Case.

Classified Claims and Interests

The following is an estimate of the numbers and amounts of classified Claims and Interests as set forth in the Plan:

Nothing herein shall be dispositive of the allowance of any Claims or Interests or constitute a waiver by the Debtors or any other party of the right to object to such Claims or Interests. The Debtors are not stipulating to the validity or amount of any of the Claims or Interests for which estimations are provided herein. The amounts set forth herein are estimates based upon the Schedules and proofs of Claim and Interests filed as of the Date the Plan is filed.

V. TREATMENT OF CLAIMS AND INTERESTS

Class 1 – Secured Tax Claims – Impaired

(a) Estimated Amount: $373,000.00

(b) Treatment. In full satisfaction, settlement, release, and discharge of the Secured Tax Claims, the Holders of Allowed Secured Tax Claims shall receive (a) deferred Cash payments over a period not to exceed five (5) years from the Petition Date in an aggregate amount equal to the Allowed Amount of such Secured Tax Claims, plus interest from the Petition Date through the date such Claim is paid in full on the unpaid portion thereof at the rate of eighteen percent (18%) per annum in equal annual installments commencing on the Effective Date and subsequent payments to be due each on each anniversary of the Effective Date. Notwithstanding the foregoing, the Reorganized Debtor shall have the right to pay any Allowed Secured Tax Claim, or any unpaid balance of such Claim, in full at any time after the Effective Date, without premium or penalty.

DG-Hyp Bank Secured Claim --Class 2 - Impaired

(a) Allowance of DG-Hyp Secured Claims. The DG-Hyp Secured Claims shall be Allowed in an amount to be determined by the Bankruptcy Court. (DG-Hyp alleges that its Secured Claim is $41,200,000 and its total claim is $55,672,222.22).

(b) Treatment. In full satisfaction, settlement, release and discharge of and in exchange for the Allowed DG-Hyp Secured Claims and all Liens securing such Claims, DG-Hyp shall receive, on or as soon as practicable after the later of the Effective Date or the Allowance Date with respect to the DG-Hyp Secured Claims: (i) title to the real property owned by Summer and any security deposits paid by Summer's tenants not previously returned to any such tenants; (ii) approximately $3,500,000 representing the Debtors' reserves held under the Pre-Petition Date loan documents between DG-Hyp and the Debtors and Cash Collateral Order (net of reserves funded for post-Petition Date taxes and insurance) and (iii) the DG-Hyp Promissory Note, which shall be issued by the Reorganized Debtor in the principal amount of any balance due on the Allowed DG-Hyp Secured Claims. (Assuming that the Debtors' estimates of value of the DG-Hyp Collateral are accurate and assuming further that any disputes to the amount of the DG-Hyp Claim are decided in DG-Hyp's favor, the principal amount of the DG-Hyp Promissory Note would be approximately $20,000,000) The Plan Supplement shall identify the principal amount of the DG-Hyp Promissory Note, and the Plan Supplement shall include the form of the DG-Hyp Promissory Note. To the extent that there is any inconsistency or conflict between the DG-Hyp Promissory Note and the Plan, the provisions of the Plan shall control. The DG-Hyp Promissory Note shall include the following terms:

(i) Obligor. The Reorganized Debtor shall be liable for all obligations arising under the DG-Hyp Promissory Note.

(ii) Collateral. The DG-Hyp Collateral shall consist of all Collateral that secures the Allowed DG-Hyp Secured Claims as of the Effective Date, plus all assets acquired by the Reorganized Debtor, except security deposits, after the Effective Date. DG-Hyp Bank shall retain its Liens on the DG-Hyp Collateral and the proceeds of the DG-Hyp Collateral, if any, until: (A) the DG-Hyp Promissory Note has been satisfied by its terms, (B) the DG-Hyp Collateral has been transferred or abandoned to, or foreclosed upon by, DG-Hyp Bank, or (C) the obligor under the DG-Hyp Promissory Note and DG-Hyp Bank have agreed in writing upon such other treatment of the DG-Hyp Collateral.

(iii) Interest. Interest on the DG-Hyp Promissory Note shall accrue at a rate per annum (computed on a 360-day basis for the actual number of days elapsed) equal to five percent (5%) or such rate determined by the Bankruptcy Court under applicable law and shall be

paid in Cash monthly in arrears on the fifteenth (15th) Business Day of each calendar month after the Effective Date.

(iv) Payment of Principal. On or before the seventh anniversary of Effective Date, the Reorganized Debtor shall pay the principal amount of the DG-Hyp Promissory Note.

(v) Prepayment. The Reorganized Debtor may pay or prepay the principal amount due under the DG-Hyp Promissory Note at any time prior to its maturity date without penalty or premium.

(vi) Defaults. The events of default under the DG-Hyp Promissory Note shall be a payment default, failure to maintain insurance, failure to pay real estate taxes, failure to make the financial reporting as required by the DG-Hyp Promissory Note and/or conversion of the Collateral.

(vii) Remedies Upon Payment Default; Opportunity to Cure. Upon the occurrence of a Default, DG-Hyp Bank may deliver a notice of Default to the obligor under the DG-Hyp Promissory Note. The obligor under the DG-Hyp Promissory Note shall have a period of thirty (30) days after receipt of a notice of Default to cure such default. If such Default has not been cured within such 30-day period, then DG-Hyp Bank may pursue the rights and remedies available to it with respect to the DG-Hyp Promissory Note and the DG-Hyp Collateral.

(viii) Reporting. No more than thirty (30) days after the end of each calendar year after the Effective Date, the Reorganized Debtor shall deliver to DG-Hyp Bank customary financial information of the Reorganized Debtor.

(ix) No Force to Pre-Petition Loan Documents. On the Effective Date, all Pre-Petition Date loan documents and shall be null and void and have no operative effect.

(x) Releases. If DG-Hyp Bank accepts and supports the Plan, the Debtors shall release DG-Hyp Bank from any and all claims known, and unknown, as of the Effective Date.

(xi) Payments into Escrow. Until there is a Final Order on any objection to DG-Hyp Bank's Claim, all payments to DH-HYP Bank shall be paid into a segregated interest bearing escrow account maintained by the Debtors' counsel. Funds shall be released from the

escrow upon Final Order of the Court or upon written agreement between Reorganized Debtor and DG-Hyp Bank.

Dg-Hyp General Unsecured Claims – Class 3 – Impaired

(a) Estimated Alleged Amount: $16,500,000

(b) Treatment. In full satisfaction, settlement, release, and discharge of the Allowed DG-Hyp General Unsecured Claim, DG-Hyp shall receive payments equal to three percent (3%) of any such Claim from the Reorganized Debtor in four (4) equal quarterly Cash payments commencing with the first full calendar quarter following the Effective Date. Each quarterly Cash payment shall be made no later than ten (10) business days after the end of such calendar quarter.

General Unsecured Claims-Class 4--Impaired

(a) Estimated Amount: $350,000

(b) Treatment. In full satisfaction, settlement, release, and discharge, each Holder of an Allowed General Unsecured Claim shall receive a payment equal to one hundred percent (100%) of its Allowed Claim on the first anniversary of the Effective Date plus a payment of five percent (5%) interest on its Allowed Claim accruing from the Effective Date through the date of Distribution.

Tenant Claims---Class 5---Impaired.

(a) Estimated Amount: $600,000.00

(b) Treatment: In full satisfaction, settlement, release, and discharge, each Holder of a Tenant Claim shall be paid in full, plus interest at the Case Interest Rate, the amount of a Tenant Claim within twelve months that it would otherwise be due under the Tenant's lease with Waterfront. Notwithstanding the foregoing, the Reorganized Debtor shall have the right to pay the Holder of a Tenant Claim in full any time after the Effective Date without premium or penalty.

Interests in the Debtors – Class 6 – Impaired

(a) Amount: Not applicable

(b) Treatment: The Holders of Interests shall be permitted to retain their Interests; provided, however, that they contribute five million dollars ($5,000,000) in total to the Reorganized Debtor on the Effective Date, pursuant to the conditions provided in Section C. 1.a-d, immediately below The Class 6 Interests will be extinguished in the event they are not the successful bidder in any auction for the equity in the Reorganized Debtor provided in Section C., immediately below.

C. Means of Implementation of the Plan

1. Sources of Cash for Plan Distributions

a. The sources of Cash necessary for the Reorganized Debtor to pay Allowed Claims that are to be paid in Cash by the Reorganized Debtor under the Plan will be: (a) the Cash of the Reorganized Debtor on hand as of the Effective Date; (b) Cash arising from the operation, ownership, maintenance, and/or sale of the Assets owned and managed by or at the direction of the Debtors, including, without limitation, the DG-Hyp Collateral; and (c) any Cash generated or received by the Reorganized Debtor after the Effective Date from any other source, including the $5,000,000.00 to be contributed by the Holders of the Interest to be issued on the Effective Date under the Plan.

b. Projections, Use, Conditions on Equity Contribution. Attached to the Disclosure Statement, as Exhibit A, are the Debtors' projections for the 5 years following the Effective date that show, among other things, the necessity and use of the $5,000,000 equity contribution required of the Class 6 Interest Holders. In brief, the $5,000,000 is used to replenish reserves that are paid to DG-Hyp Bank on the Effective Date and to make necessary capital improvements. The capital expenditures include the following: Interior Common Area Improvements; Bathroom Upgrades; Parking Lot Lighting; Exterior Storage; Fencing Enclosures (cooling tower/generator); Exterior Door Replacement; Code Compliancy Review; Cooling Tower Upgrade; Parking Lot Asphalt Replacement; Roof Replacement (bldg. 2); Class E Fire Systement Installation; Landscaping Upgrade; Window Replacements; and Dock Repairs.

c. Escrow of Equity Contribution. The Holders of Class Six Interests shall pay into a segregated interest bearing account maintained by the Debtors' counsel the $5,000,000 required $5,000,000 equity contribution no later than days before the Confirmation Hearing. The funds shall remain in escrow until the Effective Date. The return of any portion of the equity

contribution shall be subordinate to the treatment of all Claims and Interests as required by the Plan and the completion of the capital improvements described above and any additional capital expenditures the necessity of which may become apparent prior to the confirmation hearing.

d. Competitive Bid for Equity Interests. Any party may bid for the Reorganized Debtor's equity on the same terms and conditions in Section C. 1a.-c. above, including, the required payment of $5,000,000 into an escrow account maintained by the Debtors' counsel at least ten day prior to the Confirmation Hearing. Bidding will take place at the conclusion of the Confirmation Hearing with a minimum overbid of $5,250,000. Thereafter, bidding increments will be set at $25,000 or such other amount determined by the Court. Notice of the opportunity to bid will be provided to all parties in interest and published in the Stamford Advocate at least 30 days prior to the Confirmation Hearing.

2. Merger

On the Effective Date, Summer will merge into Waterfront. The effect of the merger will include a substantive consolidation of the Summer and Waterfront estates. The Debtors believe that substantive consolidation will not prejudice any party in interest because DG-Hyp asserts a blanket lien which far exceeds the value of both Debtors' properties.

3. Management After the Effective Date

> From and after the Effective Date the Reorganized Debtor shall continue to perform the management responsibilities of the Debtors as of the Petition Date. BLT Management LLC, an affiliate of certain of the Debtors' owners, shall continue to manage the day-to-day affairs of the Reorganized Debtor. Building Land and Technology Corp and 5 Mile Capital Partners LLC indirectly own Stamford Office Portfolio Members, LLC, which is the Holder of the Interests in the Debtors and the Debtors' general partners. Attached as Exhibit B is a corporate chart that shows the Debtors' ownership. BLT Management shall continue to be compensated post effective date as it has been prior to and since the Petition Date pursuant to a management agreement which provides for property management fees, asset management fees, and reimbursement of certain expenses.

a. Building and Land Technology Corp ("BLT") is a second-generation real estate development company located in Stamford, Connecticut. Building and Land Technology has

completed ventures worth more than $3 billion including over 4 million square feet of commercial development and 4,000 plus residential units which it manages. While Building and Land Technology's asset base is mostly commercial properties located in Connecticut, Building and Land Technology has been involved in real estate transactions in areas of New Jersey, Florida, and Washington. BLT employs more than 175 people of whom approximately 60% work in Connecticut. As a means of giving back to the communities of Connecticut where most of BLT's assets are located, BLT consistently offers summer internships to local college students looking to major in the fields of real estate or finance. In addition, BLT has supported many local charities such as Shelter for the Homeless in Stamford, Norwalk Emergency Center, American Cancer Society Regional Center, March of Dimes, Boys and Girls Clubs of Stamford among many others. BLT has also been an active sponsor to such organizations and events as the Chamber of Commerce in Norwalk and Stamford, City of Stamford Department of Health and Social Services and career fairs for veterans and members of the military.

b. Five Mile Capital Partners LLC is an alternative investment and asset management company established in 2003. The Firm specializes in investment opportunities in real estate, debt products, structured finance, asset-based lending and financial services private equity. Five Mile's principals have significant experience, knowledge and skills relevant to the financial services industry. Five Mile's is headquartered in Stamford, Connecticut and employs 46 people. Five Mile has approximately $2 billion in assets under management.

4. Release and Exculpation

(a) Release by Debtors. Effective as of the Effective Date, and except as otherwise provided in the Plan or the Confirmation Order, the Debtors and the Reorganized Debtor, in their individual capacities and as debtors in possession, will be deemed to have forever released, waived and discharged the Releasees from any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action and liabilities (other than malpractice actions and the rights of the Debtors or Reorganized Debtor to enforce the Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered or executed thereunder), whether for tort, contract, violations of federal or state securities laws, or otherwise, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or part on any act, omission, transaction, event or other occurrence, including actions in connection with indebtedness for money borrowed by the Debtors, taking

place on or prior to the Effective Date in any way relating to the Debtors, the Reorganized Debtor, the Bankruptcy Cases, or the Plan; provided, however, that no Releasee shall be released or discharged from any of the Debtors or from any Claim or Cause of Action specifically preserved or transferred under the Plan.

(b) Exculpation. Effective as of the Effective Date, and except as otherwise provided in the Plan or the Confirmation Order, the Debtors and all other Persons, along with their respective present or former employees, agents, officers, directors and principals, shall be deemed to have released the Releasees from, and none of the Releasees shall have or incur any liability or obligation for, any Claim, cause of action or other assertion of liability, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, and whether asserted or assertable directly or derivatively, in law, equity, or otherwise, to any Holder of a Claim or Interest or any other Person for any act or omission originating or occurring on or after the Petition Date through and including the Effective Date in connection with, relating to or arising out of the Bankruptcy Cases, the operation of the Debtors' business during the Bankruptcy Cases, the formulation, negotiation, preparation, filing, dissemination, approval, or confirmation of the Plan, the Disclosure Statement, and the solicitation of votes for or confirmation of the Plan, except for malpractice and for their willful misconduct or gross negligence as determined by a Final Order of a court of competent jurisdiction. The foregoing parties will be entitled to rely reasonably upon the advice of counsel in all respects regarding their duties and responsibilities under the Plan.

Each Person to which Section 9.05 of the Plan (Release and Exculpation) applies shall be deemed to have granted the releases set forth in such Section notwithstanding that it may hereafter discover facts in addition to, or different from, those that it now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and such Persons expressly waive any and all rights that they may have at common law or under any statute or other applicable law that would limit the effect of such releases to those claims or causes of action actually known or suspected to exist as of the Effective Date.

5. Injunction

Except as otherwise provided in the Plan, the Confirmation Order shall provide that from and after the Effective Date, all Holders of Claims against and Interests in the Debtors are permanently enjoined from taking any of the following actions against the Debtors or the Reorganized Debtor or any of their properties on account of any such Claim or Interest: (a) commencing or continuing in any manner or in any place, any action or other proceeding; (b)

enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any encumbrance or Lien; (d) asserting a setoff, subrogation, or recoupment of any kind against any debt, liability, or obligation due to the Debtors; and (e) commencing or continuing, in any manner or in any place, any action that does not conform to or comply with, or is inconsistent with, the provisions of the Plan; provided, however, that nothing contained herein shall preclude such Persons from exercising their rights pursuant to and consistent with the terms of the Plan or the Confirmation Order. If allowed by the Bankruptcy Court, any Person 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.

6. Revocation or Withdrawal of the Plan

The Debtors reserve the right to revoke and/or withdraw the Plan at any time before the Confirmation Date. If the Debtors revoke or withdraw this Plan, or if confirmation or the Effective Date of the Plan does not occur, then the Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against the Debtors or any other Person or to prejudice in any manner the rights of the Debtors or any other Person in any further proceedings involving the Debtors or any other Person.

7. Modification of the Plan

The Debtors reserve the right to modify the Plan in writing at any time before the Confirmation Date, provided that (a) the Plan, as modified, meets the requirements of Bankruptcy Code sections 1122 and 1123 and (b) the Debtors shall have complied with Bankruptcy Code section 1125. The Debtors further reserve the right to modify the Plan in writing at any time after the Confirmation Date and before substantial consummation of the Plan, provided that (a) the Plan, as modified, meets the requirements of Bankruptcy Code sections 1122 and 1123, (b) the Debtors shall have complied with Bankruptcy Code section 1125, and (c) the Bankruptcy Court, after notice and a hearing, confirms the Plan as modified, under Bankruptcy Code section 1129. A Holder of a Claim or Interest that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, such Holder changes its previous acceptance or rejection.

C. Executory Contracts and Unexpired Leases

The Plan constitutes and incorporates a motion by the Debtors under Bankruptcy Code sections 365 and 1123(b)(2) to (a) reject, as of the Effective Date, all Executory Contracts to which a Debtor is a party, except for any Executory Contract that has been assumed or rejected pursuant to an order of the Bankruptcy Court entered before the Effective Date, and (b) assume all Executory Contracts identified in the Schedule of Assumed Contracts that will be included in the Plan Supplement.

The Confirmation Order shall constitute an order of the Bankruptcy Court under Bankruptcy Code sections 365 and 1123(b)(2) approving the rejection or assumption, as applicable, of Executory Contracts pursuant to the Plan as of the Effective Date. Notice of the Confirmation Hearing shall constitute notice to any non-debtor party to an Executory Contract that is to be assumed or rejected under the Plan of the Debtors' intent to assume or reject such Executory Contract and any related Cure Amount proposed by the Debtors.

If the rejection of an Executory Contract pursuant to Section 7.01 of the Plan gives rise to a Claim by any non-Debtor party or parties to such Executory Contract, such Claim shall be forever barred and shall not be enforceable against the Debtors or the Reorganized Debtor or the Estates, or the agents, successors, or assigns of the foregoing, unless a proof of such Claim is filed with the Bankruptcy Court and served upon the Reorganized Debtors on or before the Rejection Bar Date. Any Holder of a Claim arising out of the rejection of an Executory Contract that fails to file a proof of such Claim on or before the Rejection Bar Date shall be forever barred, estopped, and enjoined from asserting such Claim against the Debtors, Reorganized Debtors, The Reorganized Debtor, the Estates or any of their Assets and properties. Nothing contained herein shall extend the time for filing a proof of Claim arising from or related to rejection of any Executory Contract rejected before the Confirmation Date.

Any Rejection Claim arising from the rejection of an Executory Contract shall be treated as a General Unsecured Claim pursuant to the Plan, except as limited by the provisions of Bankruptcy Code sections 502(b)(6) and 502(b)(7) and other applicable law. Nothing contained herein shall be deemed an admission by the Debtors that such rejection gives rise to or results in a Rejection Claim or shall be deemed a waiver by the Debtors or any other party in interest of any objections to such Rejection Claim if asserted.

Except as otherwise provided in a Final Order, pursuant to Bankruptcy Code sections

365(a), (b), (c) and (f), all Cure Amounts that may require payment under Bankruptcy Code section 365(b)(1) under any Executory Contract that is assumed pursuant to a Final Order shall be paid by The Reorganized Debtor within fifteen (15) Business Days after such order becomes a Final Order with respect to undisputed Cure Amounts or within fifteen (15) Business Days after a Disputed Cure Amount is Allowed by agreement of the parties or a Final Order. If a party to an assumed Executory Contract has not filed an appropriate pleading on or before the date of the Confirmation Hearing disputing the amount of any Cure Amount proposed by the Debtor, the cure of any other defaults, the promptness of the Cure Amount payments, or the provisions of adequate assurance of future performance, then such party shall be deemed to have waived its right to dispute such matters. Any party to an assumed Executory Contract that receives full payment of a Cure Amount shall waive the right to receive any payment on a Class 3 General Unsecured Claim that relates to or arises out of such assumed Executory Contract.

V. DESCRIPTION OF THE DEBTORS

A. Overview

The Debtors own certain parcels of developed real property in Stamford, Connecticut. Specifically, Summer is the owner of a commercial real estate property known as 600 Summer Street in Stamford, Connecticut consisting of 99,424 square feet of commercial office and retail space for lease. Waterfront is the owner of the commercial real estate premises known as Stamford Landing, that consists of commercial buildings located at 42, 62, 68, 78 and 102 Southfield Street in Stamford, Connecticut with 206,186 square feet of commercial office and retail space for lease and a 71-slip marina. The Debtors are both owned by Stamford Office Portfolio Members LLC, which acquired the equity interests in the Debtors upon its foreclosure of its mezzanine loan to the Debtors in 2010, following their failure to make interest payments when due. The Debtors depend on income from their leasing office and retail space in order to fund their operations and make payments to DG-Hyp Bank

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B. Events Leading to the Filing (Relationship with DG-Hyp Bank)

The Debtors remain joint borrowers under a non-recourse mortgage loan on their Properties in the face amount of $55,000,000 in favor of Deutsche Genossenschafts Hypothekenbank AG ("DG Hyp" or the "Senior Lender"), the senior lender, as successor to Column Financial, Inc. The Senior Lender has alleged that its Loan matured on August 9, 2012, and has refused to enter into a forbearance agreement, amendment or other restructuring that would allow the Debtors to

continue to operate their businesses in the ordinary course and maximize the value of their assets for all stakeholders involved. The weakness in the Stamford commercial real estate leasing market has caused the Debtors to experience some difficulty securing leases for a portion of the available space in the Properties. Further compounding these issues, DG-Hyp, who, upon information and belief, is intent on exiting the United States market has refused to approve leases negotiated by the Debtors' management with retailers and other parties, despite the fact that such leases would provide rental income that would assist the Debtors in paying for operations and servicing the DG-Hyp claims, and ultimately augment the value of the Debtors' Properties. Accordingly, to preserve the value of the Debtors' assets, the Debtors have commenced these bankruptcy cases to allow them an opportunity to restructure the Mortgage Loan and pursue reorganization of their businesses.

In summary, the Debtors under current ownership have never missed an interest payment to DG-Hyp Bank. Because DG-Hyp refused to restructure its claims, however, the Debtors sought protection under Chapter 11 in order to avoid the destruction of value and maximize return to all parties in interest.

VI. THE DEBTORS' BANKRUPTCY CASES

A. Events Since Commencement of Bankruptcy Case

Upon the filings of the Chapter 11 petitions, the Debtors filed papers seeking to (i) administratively consolidate the two cases, (ii) retain Zeisler and Zeisler, P.C. as counsel to the Debtors, and (iii) schedule preliminary and final hearings on use of cash collateral.

On or about December 4, 2012, the Bankruptcy Court granted the Debtors' motion for administrative consolidation and on December 21, 2012 entered an interim order authorizing use of cash collateral which gave the Debtors access to rent proceeds in order to operate their properties. The cash collateral Order was entered on consent of DG-Hyp Bank.

Subsequently, DG-Hyp Bank and the Debtors have negotiated three extensions of the cash collateral order, all on a preliminary basis and a final hearing has been scheduled for April 12, 2013.

On July 19, 2010 the Debtors filed the schedules, statement of financial affairs for both Waterfront and Summer and said schedules were amended on March 27, 2013.

On or about March 6, 2013 DG-Hyp Bank filed a motion to dismiss these cases or alternative for relief from the automatic stay. The Debtors intend to defend vigorously DG-Hyp's motion. While the Debtors intend to prosecute the Plan, the confirmation of which will moot the DG-Hyp motion, the Debtors, nevertheless, will attempt simultaneously to reach a consensual resolution with DG-Hyp Bank

VII. CONFIRMATION OF THE PLAN

A. Solicitation of Votes; Voting Procedures

1. Ballots and Voting Deadline

A Ballot is enclosed with all copies of this Disclosure Statement mailed to all Holders of Claims and Interests entitled to vote. BEFORE COMPLETING YOUR BALLOT, PLEASE READ CAREFULLY THE INSTRUCTION SHEET THAT ACCOMPANIES THE BALLOT.

The Bankruptcy Court has directed that in order to be counted for voting purposes, Ballots for the acceptance or rejection of the Plan must be received no later than 5:00 p.m. Eastern Time on _____, 2014, at the following address:

James Berman, Esq.
ZEISLER & ZEISLER, P.C.
10 Middle Street
15th Floor
Bridgeport, CT 06604
Tel. 203-368-4234
Fax 203-367-9678

YOUR BALLOT MAY NOT BE COUNTED IF IT IS RECEIVED AT THE ABOVE ADDRESS AFTER 5:00 P.M. EASTERN TIME ON _____, 2014. FACSIMILE BALLOTS WILL BE ACCEPTED NO LATER THAN 5:00 P.M. EASTERN TIME ON_____, 2014.

Parties in Interest Entitled to Vote

Any Holder of a Claim or Interest as of the date on which the Disclosure Statement Order was entered and whose Claim or Interest has not previously been disallowed by the Bankruptcy

Court is entitled to vote to accept or reject the Plan, if such Claim or Interest is impaired under the Plan and either (a) such Holder's Claim has been scheduled by a Debtor (and such Claim is not scheduled as disputed, contingent, or unliquidated), (b) the Holder of an Interest has been identified in a list of equity security holders filed by a Debtor with the Bankruptcy Court or is authorized by the Bankruptcy Court to vote on the Plan, or (c) such Holder has filed a proof of Claim or proof of Interest on or before the applicable Bar Date.[1] Any Claim or Interest as to which an objection has been filed is not entitled to vote unless the Bankruptcy Court, upon application of the Holder to whose Claim or Interest an objection has been made, temporarily allows such Claim or Interest in an amount that it deems proper for the purpose of voting to accept or reject the Plan. Any such application must be heard and determined by the Bankruptcy Court on or before commencement of the Confirmation Hearing. A vote may be disregarded if the Bankruptcy Court determines, after notice and a hearing, that such vote was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

Definition of Impairment

As set forth in section 1124 of the Bankruptcy Code, a class of claims or equity interests is impaired under a plan of reorganization unless, with respect to each claim or equity interest of such class, the plan:

(a) leaves unaltered the legal, equitable, and contractual rights of the holder of such claim or equity interest; or

(b) notwithstanding any contractual provision or applicable law that entitles the holder of a claim or equity interest to demand or receive accelerated payment of such claim or equity interest after the occurrence of a default:

(i) cures any such default that occurred before or after the commencement of the case under the Bankruptcy Code, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code;

(ii) reinstates the maturity of such claim or interest as it existed before

[1] If a Holder did not file a proof of Claim or Interest on or before the applicable Bar Date, but such Holder subsequently obtained an order from the Bankruptcy Court allowing the Holder to file a proof of Claim or Interest thereafter, such Holder will be entitled to vote to accept or reject the Plan.

such default;

(iii) compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance on such contractual provision or such applicable law; and

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

Classes Impaired Under the Plan

Classes of claims or equity interests that are not "impaired" under a plan of reorganization are conclusively presumed to have accepted the plan and thus are not entitled to vote. Accordingly, acceptances of a plan will be solicited only from those persons who hold claims or equity interests in an impaired class. A class is "impaired" if the legal, equitable, or contractual rights attaching to the claims or equity interests of that class are modified in any way under the plan. Modification for purposes of determining impairment, however, does not include curing defaults and reinstating maturity or payment in full in Cash.

All Classes are impaired. and are entitled to vote on the Plan.

Vote Required For Class Acceptance

Under the Bankruptcy Code, a Class of Claims that is entitled to vote to accept or reject the Plan shall have accepted the Plan if it is accepted by at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in such Class that have voted on the Plan. The Bankruptcy Code also provides that a Class of Interests that is entitled to vote to accept or reject the Plan shall have accepted the Plan if it is accepted by the Holders of at least two-thirds (2/3) in amount of the Allowed Interests in such Class that have voted on the Plan.

B. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of a plan. By order of the Bankruptcy Court, **the Confirmation Hearing on the Plan has been scheduled for _____, 2014 at __:__ __.m. Eastern Time** in the United States Bankruptcy Court for the District of Connecticut, Bridgeport Division. The

Bankruptcy Court may adjourn the Confirmation Hearing from time to time without further notice except for an announcement made at the Confirmation Hearing or any adjournment thereof.

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of a plan. **Any objection to confirmation of the Plan must be made in writing and filed with the Bankruptcy Court on or before 5:00 p.m. Eastern Time on _____, 2014**, at the following address:

Clerk of the United States Bankruptcy Court
District of Connecticut–Bridgeport Division
915 Lafayette Blvd.
Bridgeport, CT 06604

In addition, any such objection must be served upon the following parties, together with proof of service, so that they are ***received*** **by such parties on or before 5:00 p.m. Eastern Time on _____ 2014**:

James Berman, Esq.
Zeisler & Zeisler, P.C.
10 Middle Street
15th Floor
Bridgeport, CT 06604
Tel. 203-368-4234
Fax 203-367-9678

Holley L. Claiborn, Esq.
Office of the U.S. Trustee
The Giaimo Federal Building
150 Court Street, Room 302
New Haven, CT 06510

Objections to confirmation of the Plan are governed by Bankruptcy Rule 9014 and the Order Approving Disclosure Statement and Setting Deadline for Objections. **UNLESS AN OBJECTION TO CONFIRMATION IS SERVED AND FILED ON THE DEBTORS, THROUGH THEIR COUNSEL, SO THAT IT IS ACTUALLY RECEIVED BY NO LATER THAN 5:00 P.M. EASTERN TIME ON _____ 2013, THE**

BANKRUPTCY COURT MAY NOT CONSIDER IT.

The Debtors believe that the key dates leading up to and including the Confirmation Hearing are:

_____, 2014, 5:00 p.m. Eastern Time: Deadline for parties to file and serve any objection to the Plan.

_____, 2014, 5:00 p.m. Eastern Time: Deadline for parties entitled to vote on the Plan to have their ballots received by the tabulation agent.

_____, 2014, __:__ __.m. Eastern Time: Commencement of the Confirmation Hearing.

C. Requirements For Confirmation of a Plan

At the Confirmation Hearing, the Bankruptcy Court must determine whether the Bankruptcy Code's requirements for confirmation of the Plan have been satisfied, in which event the Bankruptcy Court will enter an order confirming the Plan. As set forth in section 1129 of the Bankruptcy Code, these requirements are as follows:

1. The plan complies with the applicable provisions of the Bankruptcy Code.

2. The proponent of the plan complied with the applicable provisions of the Bankruptcy Code.

3. The plan has been proposed in good faith and not by any means forbidden by law.

4. Any payment made or promised by the debtors, by the plan Debtors, or by a person issuing securities or acquiring property under the plan, for services or for costs and expenses in, or in connection with, the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable.

5. (a) (i) The proponent of the plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a

joint plan with the debtor, or a successor to the debtor under the plan; and

(ii) the appointment to, or continuance in, such office of such individual, is consistent with the interests of creditors and equity security holders and with public policy; and

(b) the proponent of the plan has disclosed the identity of any insider that will be employed or retained by the reorganized debtors, and the nature of any compensation for such insider.

6. Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the debtor has approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.

7. With respect to each impaired class of claims or interests:

(a) each holder of a claim or interest of such class has accepted the plan or will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the Debtor was liquidated on such date under chapter 7 of the Bankruptcy Code on such date; or

(b) if section 1111(b)(2) of the Bankruptcy Code applies to the claims of such class, the holder of a claim of such class will receive or retain under the plan on account of such claim property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

8. With respect to each class of claims or interests:

(a) such class has accepted the plan; or

(b) such class is not impaired under the plan.

9. Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that:

(a) with respect to a claim of a kind specified in section 507(a)(2) or 507(a)(3) of the Bankruptcy Code, on the effective date of the plan, the holder of such claim will receive on account of such claim cash equal to the allowed amount of such claim;

(b) with respect to a class of claims of a kind specified in section 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of the Bankruptcy Code, each holder of a claim of such class will receive:

(i) if such class has accepted the plan, deferred cash payments of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(ii) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim; and

(c) with respect to a claim of a kind specified in section 507(a)(8) of the Bankruptcy Code, the holder of a claim will receive on account of such claim regular installment payments in cash –

(i) of a total value, as of the effective date of the plan, equal to the allowed amount of such claim;

(ii) over a period ending not later than 5 years after the date of the order for relief under section 301, 302, or 303; and

(iii) in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the plan (other than cash payments made to a class of creditors under section 1122(b); and

(d) with respect to a secured claim which would otherwise meet the description of an unsecured claim of a governmental unit under section 507(a)(8), but for the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as described in subparagraph (c) above.

10. If a class of claims is impaired under the plan, at least one class of claims that is impaired has accepted the plan, determined without including any acceptance of the plan by any insider holding a claim of such class.

11. Confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

12. All fees payable under 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the hearing on confirmation of the plan, have been paid or the plan provides for the payments of all such fees on the effective date of the plan.

13. The plan provides for the continuation after its effective date of payment of all retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114, at any time prior to confirmation of the plan, for the duration of the period the debtor has obligated itself to provide such benefits.

The Debtors believe that the Plan satisfies all the statutory requirements of chapter 11 of the Bankruptcy Code that they have complied or will have complied with all the requirements of chapter 11.

D. Cramdown

In the event that any impaired Class of Claims or Interests does not accept the Plan, the Bankruptcy Court may still confirm the Plan at the request of the Debtors if, as to each impaired Class that has not accepted the Plan, the Bankruptcy Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to that Class. A plan of reorganization "does not discriminate unfairly" within the meaning of the Bankruptcy Code if no Class receives more than it is legally entitled to receive for its claims or equity interests.

"Fair and equitable" has different meanings with respect to the treatment of secured and unsecured claims and interests. As set forth in section 1129(b)(2) of the Bankruptcy Code, those meanings are as follows:

1. With respect to a class of *secured claims*, the plan provides:

(a) (i) that the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims; and

(ii) that each holder of a claim of such class receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the estate's interest in such property;

(b) for the sale, subject to section 363(k) of the Bankruptcy Code, of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (a) and (b) of this subparagraph; or

(c) the realization by such holders of the "indubitable equivalent" of such claims.

2. With respect to a class of *unsecured claims*, the plan provides:

(a) that each holder of a claim of such class receive or retain on

account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(b) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property.

3. With respect to a class of *equity interests*, the plan provides:

(a) that each holder of an interest of such class receive or retain on account of such interest property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest; or

(b) that the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property.

In the event that any impaired Class of Claims or Interests does not accept the Plan, the Bankruptcy Court will determine at the Confirmation Hearing whether the Plan is fair and equitable with respect to, and does not discriminate unfairly against, any rejecting impaired Class of Claims or Interests. The Debtors believe the Plan does not discriminate unfairly against, and is fair and equitable with respect to, each impaired Class of Claims or Interests and, thus, that the Plan may be confirmed under the applicable "cramdown" standards if necessary.

VIII. RISK FACTORS

The following is intended as a summary of certain risks associated with the Plan, but it is not exhaustive and must be supplemented by the analysis and evaluation made by each Holder of a Claim or Interest of the Plan and this Disclosure Statement as a whole with such holder's own advisors.

A. Insufficient Acceptances

For the Plan to be confirmed, each impaired Class of Claims and Interests is given the opportunity to vote to accept or reject the Plan. With regard to such impaired voting Classes, the Plan will be deemed accepted by a Class of impaired Claims if the Plan is accepted by claimants of such Class actually voting on the Plan who hold at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the total Claims of the Class voted. The Plan will be deemed accepted by a Class of impaired Interests if the Plan is accepted by Interest Holders in such Class actually voting on the Plan who hold at least two-thirds (2/3) of the number of shares actually voting. Only those members of a Class who vote to accept or reject the Plan will be counted for voting purposes. The Debtors reserve the right to request confirmation pursuant to the cramdown provisions in section 1129(b) of the Bankruptcy Code, which will allow confirmation of the Plan regardless of the fact that a particular Class of Claims or Interests has not accepted the Plan. However, there can be no assurance that any impaired Class of Claims or Interests under the Plan will accept the Plan or that the Debtors would be able to satisfy the cramdown provisions of the Bankruptcy Code for confirmation of the Plan.

B. Confirmation Risks

The following specific risks exist with respect to confirmation of the Plan:

(i) Any objection to confirmation of the Plan filed by a member of a Class of Claims or Interests can either prevent confirmation of the Plan or delay confirmation for a significant period of time.

(ii) Since the Debtors may be seeking to obtain approval of the Plan over the rejection of one or more impaired Classes of Claims or Interests, the cramdown process could delay confirmation.

(iii) Although the Debtors believe that the Plan will meet all applicable standards and tests for confirmation, there can be no assurance that the Bankruptcy Court will reach the same conclusion and confirm the Plan.

C. Conditions Precedent

Confirmation of the Plan and occurrence of the Effective Date are subject to certain conditions precedent that may never occur or be waived. The Debtors, however, are working diligently with all parties in interest to ensure that all conditions precedent are satisfied.

IX. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

One alternative to the Plan would be the conversion of the Bankruptcy Cases to cases under chapter 7 of the Bankruptcy Code and the liquidation of the Assets under chapter 7. The Debtors believe that the Plan is the best option for creditors and Interest Holders because it is intended to maximize recoveries by all Holders of Allowed Claims and Interests.

The Debtors have analyzed whether a chapter 7 liquidation of the Assets would be in the best interest of Holders of Claims and Interests and concluded that the liquidation value in a chapter 7 would be substantially lower than the value that may be realized under the Plan

Thus, the assets would be liquidated at a discount. The ability of unsecured creditors to be paid any amount, as proposed in the Plan, would be jeopardized. Clearly, the interest of the equity holders would be significantly diluted or eliminated.

The Debtors believe that a chapter 7 conversion and liquidation would result in substantial diminution in the value to be realized by Holders of Allowed Claims and Interests because: (1) a chapter 7 trustee or trustees would be appointed, which would lead to significant additional administrative expenses for the fees and costs of the trustee(s), and the attorneys, accountants, asset managers and/or servicers, and other professionals that would assist such trustee(s) in a chapter 7 liquidation; (2) additional expenses and claims, some of which would be entitled to priority in payments, would arise in a chapter 7 liquidation; (3) a chapter 7 trustee would likely liquidate the Assets on a greatly accelerated "forced sale" pace (at the behest of DG-Hyp Bank or otherwise) and without the benefit of the $5,000,000 the Holders of Interests will make to enhance the Reorganized Debtor's assets under the Plan, which would erode the value of the Debtors' Assets and yield much lower sale proceeds and distributions to creditors and investors on the whole (with the possible exception of DG-Hyp Bank) than the proposed Plan; and (4) distributions to Holders of Claims and Interests could be delayed substantially due, in part, to the additional time necessary to convert the Bankruptcy Cases to cases under chapter 7

and for the chapter 7 trustee(s) and related professionals to become familiar with the complexities of managing and servicing the Debtors' Assets. Consequently, the Debtors believe that the Plan will provide a greater return to Holders of Allowed Claims and Interests than a rapid liquidation under chapter 7 administered by a trustee who has no familiarity with the Debtors' assets or the $5,000,000 which the Holders of Interests will contribute under the Plan.

X. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

The following is a brief summary of certain federal income tax consequences that Holders of Claims and Interests should consider. This summary does not address all aspects of federal income taxation that may be relevant to all persons considering the Plan. Special federal income tax considerations not discussed in this summary may be applicable to, among other persons, financial institutions, insurance companies, foreign corporations, tax-exempt institutions and persons who are not citizens or residents of the United States. In addition, this summary does not discuss any foreign, state or local tax law, the effects of which may be significant.

This summary is based on the Internal Revenue Code of 1986, as amended ("IRC"), the regulations promulgated thereunder, judicial decisions, and administrative positions of the Internal Revenue Service (the "Service"). All Section references in this summary are to Sections of the IRC. Any change in the foregoing authorities may be applied retroactively in a manner that could adversely affect persons considering the Plan.

No ruling will be sought from the Service with respect to the federal income tax aspects of the Plan and there can be no assurance that the conclusions set forth in this summary would be accepted by the Service. No opinion has been sought or obtained with respect to the tax aspects of the Plan.

THIS SUMMARY IS INTENDED FOR GENERAL INFORMATION ONLY. PERSONS CONSIDERING THE PLAN ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE PLAN AND THE LIQUIDATION OF THE DEBTORS AND OTHER TRANSACTIONS PROVIDED OR CONTEMPLATED UNDER THE PLAN, THE RECEIPT OF ANY PAYMENT UNDER THE PLAN, AND THE IMPACT ON THAT PERSON OR ANY OTHER PERSON OF ANY OBLIGATION IMPOSED UNDER THE PLAN.

A. Tax Consequences to the Debtors

Under the IRC, a taxpayer generally must include in gross income the amount of any discharge-of-indebtedness income realized during the taxable year. If, as contemplated under the Plan, the Debtors pay all Allowed Claims, the Debtors will not recognize any discharge-of-indebtedness income pursuant to Section 108 of the IRC. If, however, the Debtors do not pay all Allowed Claims in full, then the Debtors may be required to realize discharge-of-indebtedness income.

B. Tax Consequences To Creditors or Investors

A Holder of an Allowed Claim or an Allowed Interest who receives Cash or other consideration in satisfaction of any Allowed Claim or Allowed Interest may recognize ordinary income. Each Holder of a Claim or Interest is urged to consult with its tax advisor regarding the tax implications of any Distributions it may receive under the Plan.

C. Information Reporting and Withholding

All distributions to Holders of Claims and Interests are subject to any applicable withholding (including employment tax withholding). Under the IRC, interest, dividends and other "reportable payments" may, under certain circumstances, be subject to "backup withholding" then in effect. Backup withholding generally applies if the Holder (a) fails to furnish a social security number or other taxpayer identification number ("TIN"), (b) furnishes an incorrect TIN, (c) fails properly to report interest or dividends or (d) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is his correct number and that he is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

THE FOREGOING SUMMARY OF CERTAIN MATERIAL FEDERAL INCOME TAX CONSEQUENCES HAS BEEN PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM OR INTEREST. EACH HOLDER OF A CLAIM OR INTEREST IS URGED TO CONSULT ITS OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES THAT MAY BE APPLICABLE UNDER THE PLAN.

XI. CONCLUSION

The Debtors urge Holders of Claims and Interests who are entitled to vote on the Debtors' Plan to **ACCEPT** the Debtors' Plan, for all parties in interest, regardless of whether they are entitled to vote, to indicate a preference for the Debtors' Plan, and to evidence such acceptance and/or preference by returning their Ballots so that they will be received by **5:00 p.m. Eastern Time on _____, 2014.**

WATERFRONT OFFICE BUILDING, LP

/ s / Paul J. Kuehner
Manager of Summer Lending LLC, managing member of Stamford Office Portfolio Member, LLC, sole member of the Company's general partner, Waterfront Office Building, GP LLC
Duly Authorized

SUMMER OFFICE BUILDING, LP

/ s / Paul J. Kuehner
Manager of Summer Lending LLC, managing member of Stamford Office Portfolio Member, LLC, sole member of the Company's general partner, Waterfront Office Building, GP LLC
Duly Authorized