

EXHIBIT B

Cash Collateral Declaration

captioned debtors and debtors-in-possession (collectively, the “**Debtors**”). In such capacity, I am generally familiar with the Debtors’ operations, business affairs, books, and records.

2. I am familiar with certain matters pertaining to the *Emergency Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Use of Cash Collateral; (II) Granting Adequate Protection to Prepetition Secured Parties; and (III) Scheduling a Final Hearing* (the “**Cash Collateral Motion**”),² in support of which I submit this declaration (this “**Declaration**”). Based on my experience in restructuring engagements, my understanding of the Debtors’ finances, and my understanding of the Debtors’ ability to generate capital sufficient to operate in chapter 11 bankruptcy, I believe the proposed use of Cash Collateral is the only realistic option available to the Debtors under the current facts and circumstances and market conditions.

3. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge, information supplied to me by members of the Debtors’ management or my colleagues, my review of relevant documents or information supplied to me by other members of the Debtors’ management or professionals, or my opinion based upon my experience, discussions with the Debtors’ other advisors, and general knowledge of the Debtors’ financial condition. I am of sound mind, and if called to testify, I would attest to the facts described herein.

4. Through the Cash Collateral Motion, the Debtors request entry of an order: (i) authorizing the Debtors to use Cash Collateral; (ii) providing adequate protection with respect to the diminution in value, if any, of the interests of the Prepetition Secured Parties as may result from the use of Cash Collateral; and (iii) scheduling, pursuant to Bankruptcy Rule

² Capitalized terms used but not otherwise defined in this Declaration have the means ascribed to them in the Cash Collateral Motion.

4001, a Final Hearing granting the relief requested in the Cash Collateral Motion on a final basis pursuant to a Final Order.

5. The Debtors require immediate access to Cash Collateral to ensure that they are able to continue the operation of their businesses. To date, the Debtors have not obtained commitments for postpetition financing, such that the Cash Collateral is the Debtors' sole source of funding for their operations and the costs of administering the chapter 11 process. Absent authority to immediately use Cash Collateral, the Debtors would suffer irreparable harm because the Debtors would immediately cease operations, which, in turn, would cause an immediate and pronounced deterioration in the value of the Debtors' business. Thus, the Debtors' access to Cash Collateral is absolutely necessary to preserve and maximize value for the benefit of all of the Debtors' stakeholders. The Debtors believe that they will be able to satisfy the operational expenses of the Debtors and the administrative costs associated with these chapter 11 cases during the Forecast period.

6. Access to existing Cash Collateral on an interim basis will provide the Debtors with the liquidity necessary to ensure that the Debtors have sufficient working capital and liquidity to operate their business and thus preserve and maintain the going concern value of the Debtors' estates. Without such access to liquidity, the Debtors' ability to navigate through the chapter 11 process will be jeopardized, to the detriment of the Secured Parties and all of the Debtors' other stakeholders. As a result, the Debtors have an immediate need to use Cash Collateral to ensure sufficient liquidity throughout the pendency of these chapter 11 cases.

7. For the reasons noted above, the Debtors have determined, in the exercise of their sound business judgment, that they require the use of Cash Collateral for the maintenance, preservation and operation of their businesses, the expenses relating thereto, and

the expenses of administering these estates. Entry of the proposed Interim Order is necessary to avoid immediate and irreparable harm to the Debtors and their estates.

8. I believe that the value of each Prepetition Secured Parties' prepetition collateral exceeds the debt owed to such Prepetition Secured Party. Accordingly, it is my understanding that each of the Prepetition Secured Parties is adequately protected in relation to their respective interests in the Cash Collateral due to a substantial equity cushion.

9. In 2015, Natixis, one of the Prepetition Secured Parties, obtained Appraisals from Cushman & Wakefield of Connecticut, Inc.'s Valuation and Advisory group ("**Cushman & Wakefield**") on all but two of the Debtors' properties. The Debtors hired Cushman & Wakefield based on their well-regarded real estate appraisal related services for a variety of property types, including the following specialized practice groups: Hospitality & Gaming, Industrial, Manufactured Housing, Multifamily, Office, and Residential Development.

10. The Appraisal for the Courtyard Marriott Property is attached hereto as

Exhibit 1.

11. The Appraisal for the 1 Atlantic Property is attached hereto as **Exhibit 2.**

12. The Appraisal for the 220 Elm Property is attached hereto as **Exhibit 3.**

13. The Appraisal for the Park Square West Property is attached hereto as

Exhibit 4.

14. The Appraisal for the 100 Prospect Property is attached hereto as **Exhibit**

5.

15. The Appraisal for the Residence Inn Property is attached hereto as **Exhibit**

6.

16. The Appraisal for the 88 Hamilton Property is attached hereto as **Exhibit 7**.

17. Based on the Appraisals, and the books and records as of the Petition Date, it is my understanding that the Debtors have the following equity cushions in the underlying properties:³

- a. Courtyard Marriott Property: 36.33%
- b. 300 Main Property: 20.59%⁴
- c. 1 Atlantic Property: 17.34%
- d. 88 Hamilton Property: 25.13%
- e. 220 Elm Property: 30.26%
- f. Park Square West Property: 58.60%
- g. 100 Prospect Property: 24.71%
- h. Clocktower Property: 44.00%
- i. Residence Inn Property: 20.12%⁵

18. The equity cushion in each of these properties is more than sufficient to provide adequate protection to the Prepetition Secured Parties.

19. Although the Debtors' internal investigation is ongoing, it is apparent that the Debtors' enterprise was run as one consolidated entity without any regard for the corporate

³ With respect to the equity cushion analysis, the Debtors evenly allocated the \$4M Promissory Note between the Debtors against which Cedar Hill has a perfected mortgage (100 Prospect, 1 Atlantic, and 88 Hamilton). The Debtors are still reviewing whether such obligations were appropriately authorized, and if they are subject to fraudulent transfer and/or preference. As such, the Prepetition Secured Parties may have a greater equity cushion in such properties.

⁴ This equity cushion is based on a \$17,000,000 valuation based on the Debtors' books and records. The Debtors cannot validate the accuracy of this figure, and are including it in this Motion for illustration purposes only. Cushman & Wakefield is currently appraising the 300 Main Property for an appraisal value.

⁵ This equity cushion calculation was based upon completion of the construction and stabilization at the Residence Inn Property.

