

November 2014

To the Friends and Clients of SOLIC Capital Advisors (“SCA”):

We are pleased to share with you the SOLICConnect *Capital Restructuring Perspectives* quarterly update which includes our coverage of key trends, activity, and metrics most relevant to restructuring and bankruptcy professionals, attorneys, workout groups, distressed debt investors, and other interested parties in the capital restructuring space.

In this edition, we provide our third quarter 2014 perspectives on the restructuring market.

- Default rates reported by Moody’s and S&P held relatively steady during the Third Quarter 2014, remaining low at 1.7% and 1.6%, respectively. With some indications of strengthening economic conditions, few corporate defaults are expected in the near term.
- Loan investors who responded to a recent survey predict loan default rates will remain low for the next 12 months in part because low amounts of debt are coming due in the short term, U.S. companies as a whole are expanding their cash flow, and a moderate economic forecast through 2016.
- The percentage of debt that Moody’s considers as having weak or the weakest investor covenant protections climbed to 65% of the market in the first half of this year from 60% in 2013 and 42% in 2012. That is the highest since at least 2008, according to Moody’s. Bond-covenant quality has also deteriorated, having grown consistently weaker not only in the number of loans with sparser terms, but in the terms themselves – a factor that has caused rapid erosion in loan quality.
- U.S. regulators are preparing to offer greater public guidance for banks that provide leveraged loans for private-equity deals, the latest by regulators to drive banks into compliance with March 2013 guidance that urged banks to avoid providing companies with what the agencies deem as too much debt. Regulators have also instructed banks to limit borrowing agreements that stretch out payment timelines or do not contain ample lender covenant protections. About half of U.S. private-equity deals this year have breached a rough limit set by regulators of debt that exceeded 6x EBITDA, according to S&P Capital IQ LCD. At 52%, that is the same rate as 2007, the peak of the leveraged buyout boom.
- Total leveraged credit volume ticked down to \$708 billion during the first three quarters, from \$733 billion during the comparable period in 2013 which, while slightly lower, remains at significantly high historical levels.
- Middle-market Total Debt to EBITDA came in at 5.1x in the third quarter, just inside the 5.2x recorded in the second quarter. The year-to-date average stands at a record 5.0x, up from 4.9x in the first half and 4.8x for all of 2013. Middle-market LBOs averaged 5.4x – inside 2007’s 5.6x reading – with only one deal launching above 7.0x.
- Lower interest rates are helping middle-market borrowers service larger debt loads. All-in yields for middle-market LBOs averaged 6.3% in the third quarter, putting fixed-charge ratios at 2.46x, versus an average yield of 8.8% in 2007 and coverage of 1.79x. Between July and September, in fact, no new LBOs came to market with a cash-flow-coverage ratio of 1.5x or lower. By comparison, that figure was 51% in 2007.
- In the quarter, SOLIC Capital Advisors activity included closing two real estate transactions on behalf of the SageCrest Liquidating Trust. The two transactions included two hotels. Since 2010, the SOLIC team has been responsible for the management of the turnaround of these hotels with significant increases in profitability and cash flow allowing for a 2014 exit transaction which optimized proceeds to the Trust.

We welcome your comments and hope you find our SOLICConnect report informative.



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About SOLIC

SOLIC Capital Advisors, LLC (“SCA”) is a leading specialty investment bank providing merger & acquisition, restructuring, capital placement and valuation advisory services to companies, lenders, institutional investors, the legal community and other creditor constituencies. SCA is a subsidiary of SOLIC Holdings, LLC which includes: SOLIC Capital Advisors (financial advisory), SOLIC Capital Partners (principal investing), SOLIC Capital, LLC (FINRA registered Broker/Dealer), and SOLIC Capital Management (asset management services).

3Q14 Perspectives

■ Distress

Default rates reported by Moody's and S&P held relatively steady during the Third Quarter 2014, remaining low at 1.7% and 1.6%, respectively. With some indications of strengthening economic conditions, few corporate defaults are expected in the near term.

The number of distressed restructuring deals in the U.S. and abroad fell significantly during the first nine months of this year as sparse corporate defaults and continued low-interest rates in the U.S. disguised upticks in Europe and the Middle East. There were 187 distressed restructuring transactions involving \$119 billion of debt completed globally between January and September 2014, according to a Thomson Reuters report. During the same period last year, 381 deals were completed, yet involved slightly less debt. All but two of the top 10 largest restructurings this year have been of companies in Europe or the Middle East. As deals in Europe and the Middle East boomed, restructuring activity elsewhere has plummeted. In the U.S. there have been 37 fewer restructurings so far this year than during the same period last year, with 67 U.S. companies having restructured \$35 billion in debt. Deals involving debt held by either the energy sector or consumer products sector made up 48% of those deal by value.

Loan investors who responded to a recent survey predict loan default rates will remain low for the next 12 months in part because low amounts of debt are coming due in the short term, U.S. companies as a whole are expanding their cash flow, and a moderate economic forecast through 2016. Managers, on average, predict that the default rate by amount will remain below 1.0% through the remainder of 2014 (excluding Energy Future Holdings), according to S&P Capital IQ LCD's latest quarterly buyside survey, conducted in early September.

For the 12 months ending in September of 2015, a period when Energy Future Holdings will no longer be a factor, the predicted default rate stands at 1.38%, below a historical average of 3.22%. Contributing to low predicted default rates is that companies have expanded their EBITDA relatively quickly, which has helped corporations pay down existing debt. Moreover, refinancing has helped in pushing out maturities. As of September 30, about \$26 billion in loans are due through year-end 2016 at companies tracked in the S&P/LSTA Leveraged Loan Index, down significantly from \$61 billion at the end of 2013. Loans that mature pre-2016 stood at a meager \$1 billion. A further reason that respondents are optimistic about default rates remaining low is what is seen as a moderate U.S. economic forecast through 2016.

The percentage of debt that Moody's considers as having weak or the weakest investor covenant protections climbed to 65% of the market in the first half of this year from 60% in 2013 and 42% in 2012. That is the highest since at least 2008, according to Moody's. Bond-covenant quality has also deteriorated, having grown consistently weaker not only in the number of loans with sparser terms, but in the terms themselves – a factor that has caused rapid erosion in loan quality.

In the third quarter, the volume of DIP financing returned to historical levels at over 50 DIPs for \$2.5 billion, after a spike in the prior quarter due to the \$9.9 billion DIP for EFH in May 2014. Q3 2014 DIP median pricing of L+413 for \$100+ MM DIPs have compared similarly to the prior year, yet DIP pricing in the \$25-100 MM range at L+500 were significantly lower when compared to Q3 2013 which included three DIPs in the L+950 to L+1,400 range. The quarter saw 26 §363 asset sales, in line with historical levels of bankruptcy-court asset sales.

■ **Credit Market Perspectives on Future Restructurings**

U.S. regulators are preparing to offer greater public guidance for banks that provide leveraged loans for private-equity deals, the latest by regulators to drive banks into compliance with March 2013 guidance that urged banks to avoid providing companies with what the agencies deem as too much debt. Regulators have also instructed banks to limit borrowing agreements that stretch out payment timelines or do not contain ample lender covenant protections. Some banks have resisted regulators' push — in certain instances based on interpretations of what they called unclear guidance, other times concluding that certain deals can move forward as exceptions. About half of U.S. private-equity deals this year have breached a rough limit set by regulators of debt that exceeded 6x EBITDA, according to S&P Capital IQ LCD. At 52%, that is the same rate as 2007, the peak of the leveraged buyout boom.

At the heart of the matter is the art of gauging the so-called credit cycle, as noted by certain market credit strategists, which reflects companies' capacity to borrow. Market forecasters view the credit cycle as having four phases: a repair phase, where companies focus on repaying debt and generating cash; a recovery phase, where profit margins and cash are growing and leverage is falling; an expansion phase, where leverage increases again as companies seek to accelerate profit growth; and a downturn phase, where earnings slow and companies are unable to repay or refinance their debt from the previous phase, leading to defaults. Current market sentiment is that the U.S. is currently in the expansion phase.

Total leveraged credit volume ticked down to \$708 billion during the first three quarters, from \$733 billion during the comparable period in 2013 which, while slightly lower, remains at significantly high historical levels. In the year to date, leveraged loan volume stands at \$460 billion total, down from \$480 billion during the comparable period last year. At this pace, volume will end 2014 at \$613 billion, edging past 2013's record sum of \$607 billion. High-yield issuance slipped to \$68 billion, from a record \$105 billion during the second quarter and \$82 billion during the same period in 2013. Despite the third-quarter slowdown, high-yield volume in the year to date is running about even with last year, at \$248 billion, versus \$253 billion in 2013.

Regarding middle-market leverage metrics, Total Debt to EBITDA came in at 5.1x in the third quarter, just inside the 5.2x recorded in the second quarter. The year-to-date average stands at a record 5.0x, up from 4.9x in the first half and 4.8x for all of 2013. Middle-market LBOs averaged 5.4x — inside 2007's 5.6x reading — with only one deal launching above 7.0x.

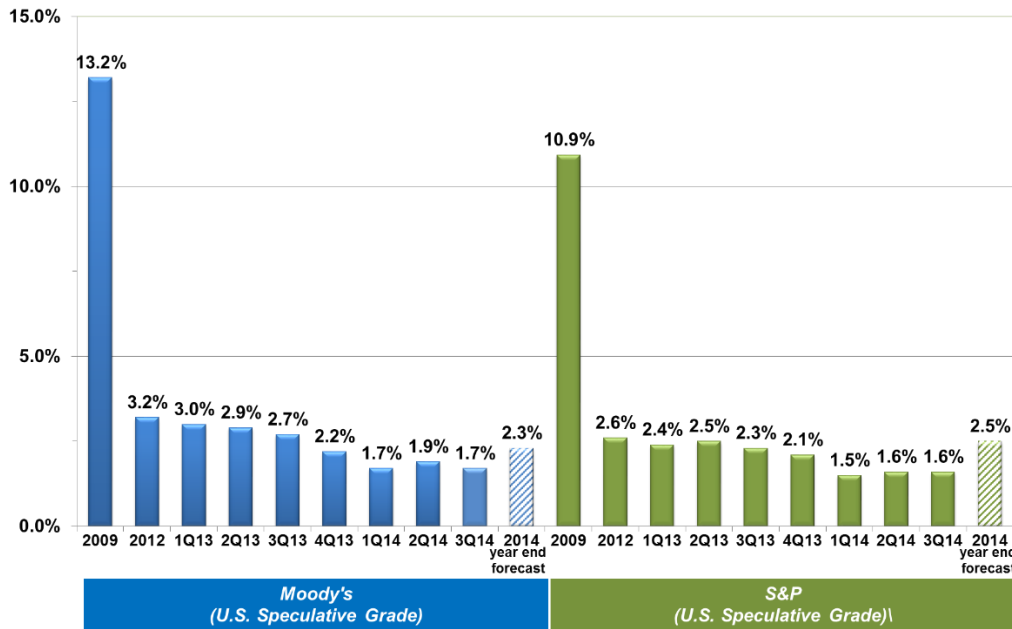
Lower interest rates are helping middle-market borrowers service larger debt loads. All-in yields for middle-market LBOs averaged 6.3% in the third quarter, putting fixed-charge ratios at 2.46x, versus an average yield of 8.8% in 2007 and coverage of 1.79x. Between July and September, in fact, no new LBOs came to market with a cash-flow-coverage ratio of 1.5x or lower. By comparison, that figure was 51% in 2007. Just 14% of the average debt stack for first-half LBOs were in the form of fixed-rate bonds, and provisions that once required borrowers to hedge half of their floating-rate exposure are a relic of a bygone era. Thus, if LIBOR climbs past the average floor of 1%, issuers could be in for higher interest costs, and loans will reset higher. That said, forward three-month LIBOR is not expected to cross the 1% barrier until December 2015, according to Bloomberg, with expectations for 2% in December 2016 and 3% in March 2019. As these figures suggest, the market believes it will be several years before rising rates alone will likely dent coverage levels.

■ **3Q14 SCA Case Highlight**

In the quarter, SOLIC Capital Advisors closed two real estate transactions on behalf of the SageCrest Liquidating Trust. The two transactions included the il Lugano Hotel and Residences in Ft. Lauderdale and Crowne Plaza Hotel in Bethel Park, Pennsylvania, a suburb of Pittsburgh. Total transaction value was approximately \$30 million. Since 2010, the SOLIC team has been responsible for the management of the turnaround of these hotels with significant increases in profitability and cash flow allowing for a 2014 exit transaction which optimized proceeds to the Trust.

Distressed Market Indicators

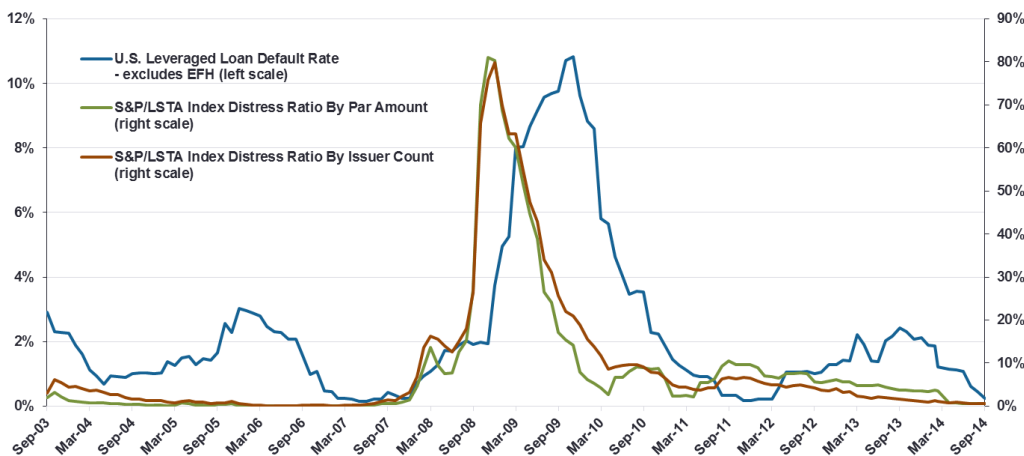
Comparative Default Rates



According to Moody's and S&P, default rates held relatively steady during the Third Quarter 2014, and have remained low. With some indications of strengthening economic conditions and debt service levels having been accommodated by lower yields, few corporate defaults are expected in the near term.

Note: 2Q14 defaults rates from Moody's and S&P exclude EFH

U.S. Speculative Grade Default Rate versus Distressed Credit Ratio



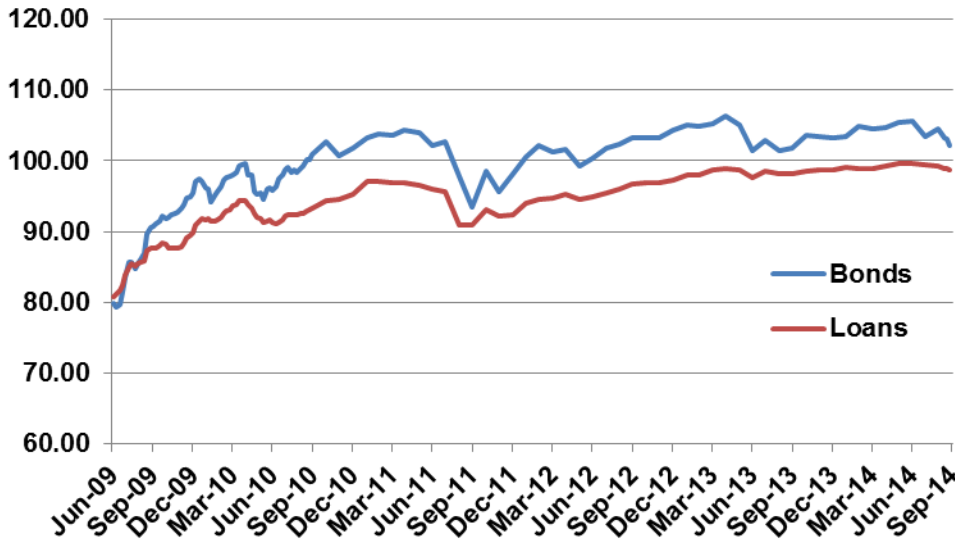
The amount of market distress also remains minuscule. As of September 30, the share of performing S&P/LSTA Index loans continued at a seven-year low of 0.6%, from 3.50% at year-end.

Source: S&P Capital IQ LCD

* Distress ratio is the number of distressed securities divided by the total number of speculative-grade-rated issues. Distressed securities are defined as those securities trading at 1,000 bps or greater over comparable Treasuries.

Distressed Market Indicators (continued)

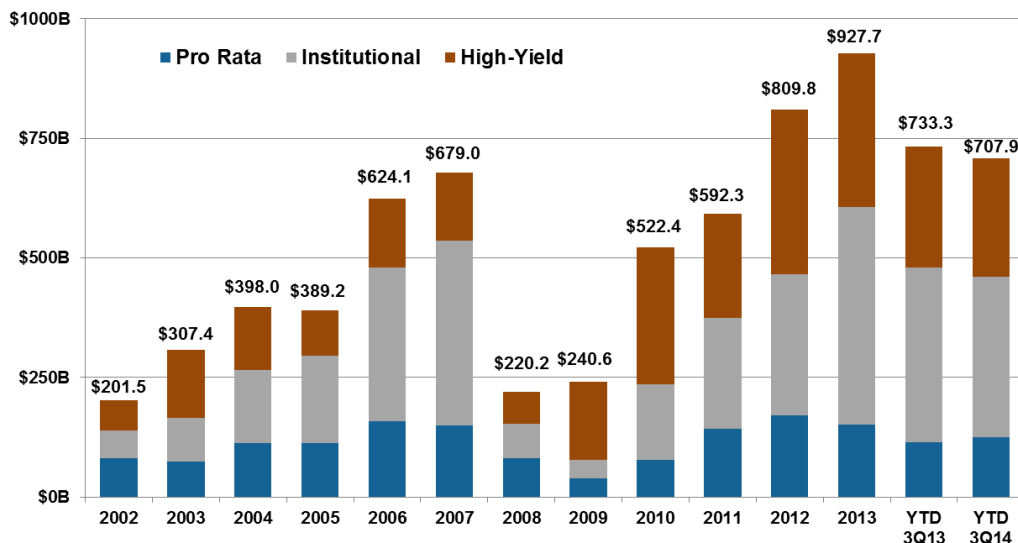
Average Bid Price of Bonds and Institutional Loans



Loans and bond prices continue to hold around par, with an expectation that this should remain for the next 12-24 months in light of the current yield environment and significant levels of debt capital continuing to be raised.

Source: S&P Capital IQ LCD

Volume of Loans and High-Yield Bonds

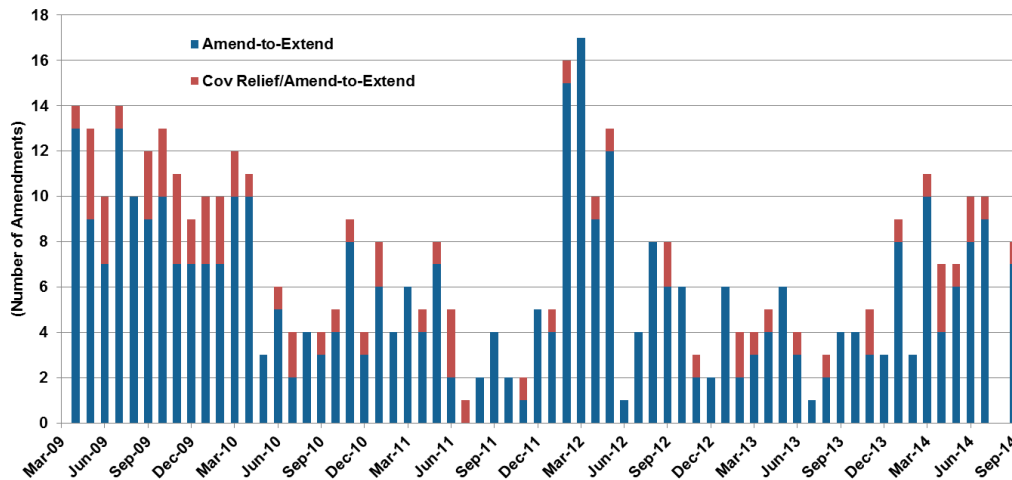


Year-to-date leveraged finance issuance remains on a track similar to the prior year, with a projection that 2014 is likely to end up with another year of significant leveraged debt issuance, adding to the potential for a higher level of restructuring in years to come.

Source: S&P Capital IQ LCD

Distressed Market Indicators (continued)

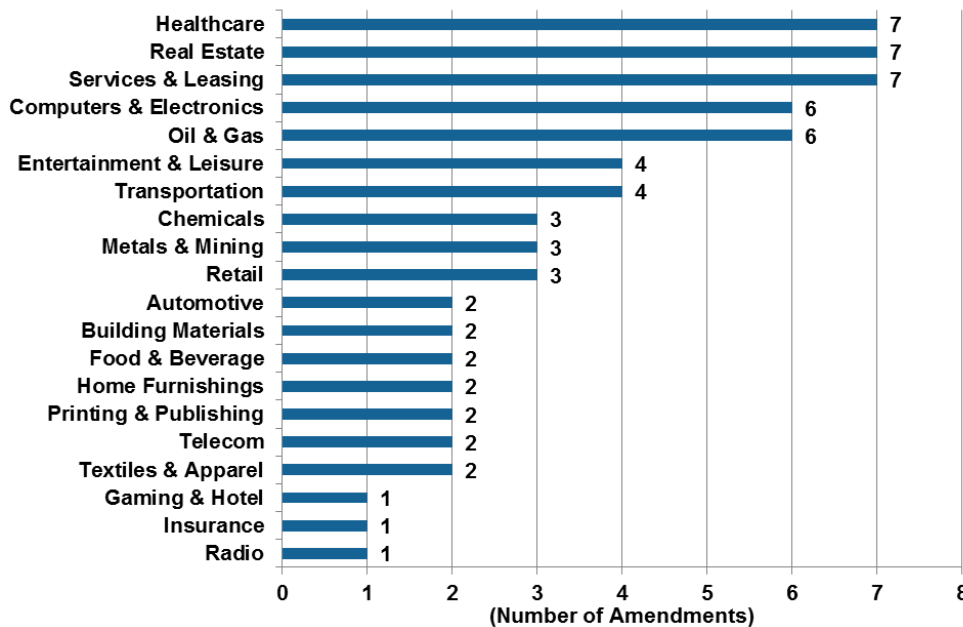
Count of Amend & Extend by Month



Despite a slight summer slump observed over the last several years, Amend-to-Extend activity continues to take place with companies electing to capitalize on the interest of existing lenders to extend maturities on favorable terms to ensure continuity of yield. No A&E activity was observed in the month of August 2014.

Source: S&P Capital IQ LCD

Amend & Extend by Industry - Year-to-date September 2014

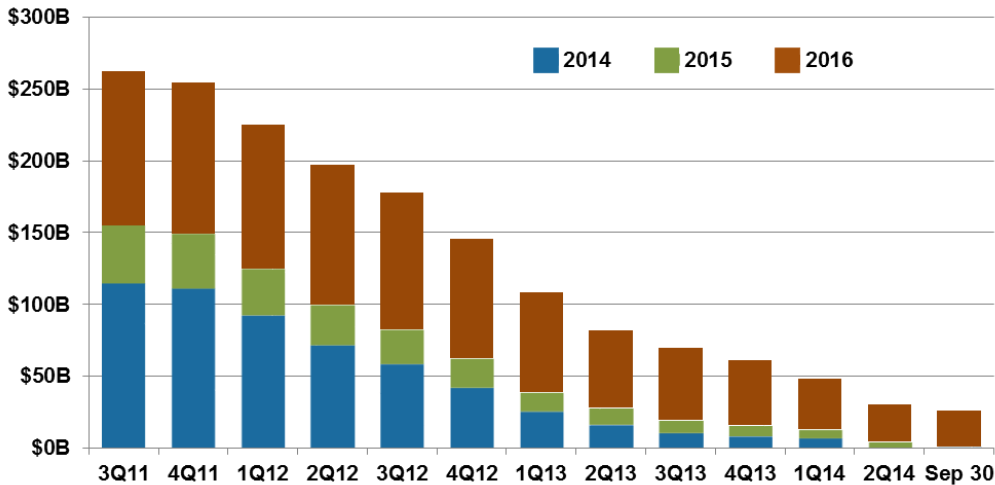


Source: S&P Capital IQ LCD

Amend & Extend activity continues to be spread across a number of sectors. Interestingly, for the first time in 2014, the Chemicals space observed two companies with extension activity during the quarter: Celanese Corp. (revolving credit and term loan) and Cabot Microelectronics Corp. During the quarter, Capsugel Inc. (Healthcare), DuPont Fabros Technology Inc. (Real Estate), and National CineMedia (Services & Leasing) also experienced A&E activity.

Distressed Market Indicators (continued)

Historical 2014-2016 Loan Maturity Wall

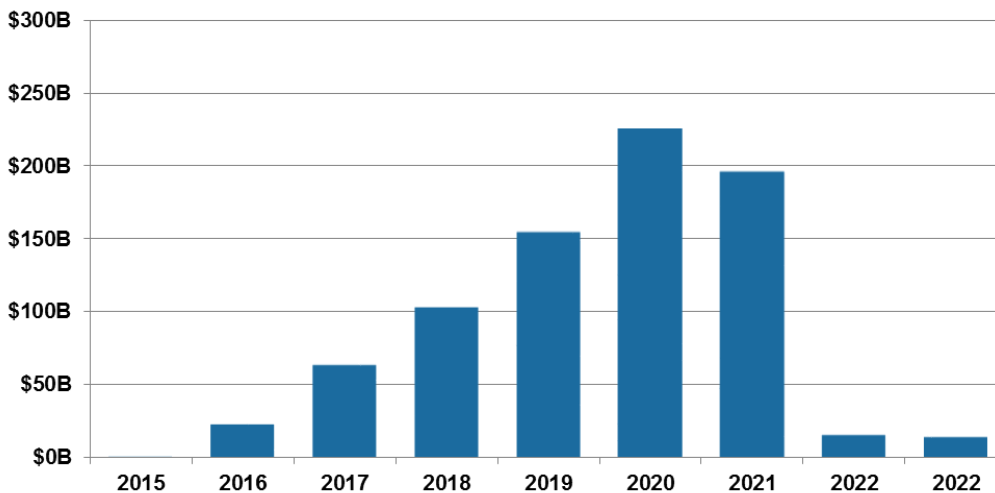


The amount of loans due through year-end 2016 per the S&P/LSTA Leveraged Loan Index stands at just \$26 billion, or 3.4% of performing loans, down from \$61 billion, or 9.1%, at the end of 2013. This scarcity of near-term loan maturities is likely to continue to keep default rates low over the next few years.

Source: S&P Capital IQ LCD

S&P/LSTA Leveraged Loan Index consists of all loans that are in the index, namely Term loans (both amortizing and institutional), acquisition loans (after they are drawn down) and bridge loans, and senior secured

Current Loan Maturities by Year



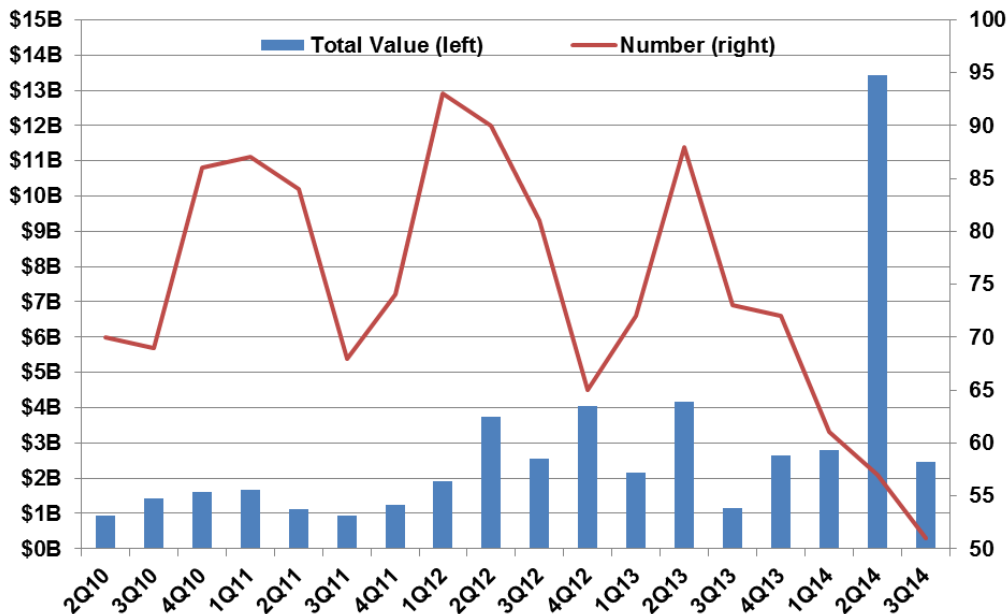
The chart represents a snapshot of current loan maturities by year per the S&P/LSTA Leveraged Loan Index. Strong borrower access to the capital markets has resulted in maturities being pushed out, with higher levels of maturities now to be seen in the 2019-2021 timeframe.

Source: S&P Capital IQ LCD

S&P/LSTA Leveraged Loan Index consists of all loans that are in the index, namely Term loans (both amortizing and institutional), acquisition loans (after they are drawn down) and bridge loans, and senior secured

Distressed Market Indicators (continued)

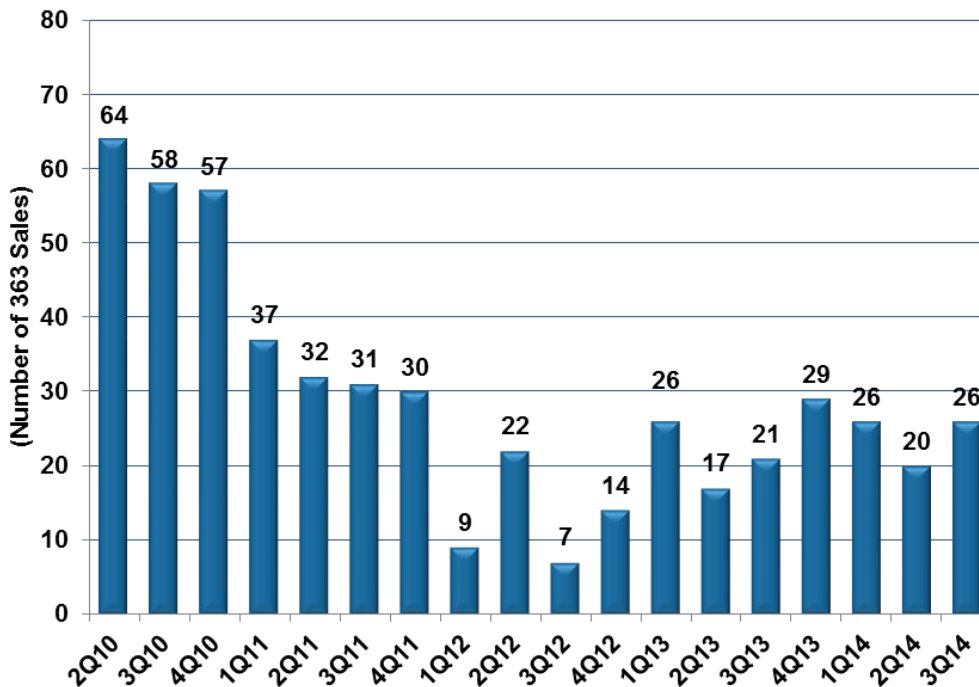
DIP Financings



The dollar volume of DIP activity returned to historical levels during the Third Quarter 2014, after last quarter's surge due to Energy Future Holdings' DIP issuance.

Source: The Deal

Section 363 Sales



Section 363 asset sale activity again remained stable during the Third Quarter 2014 in the range of 20-30 transactions. The abundance of capital has resulted in a lower overall level of reliance on distressed asset sales relative to the 2010-2011 timeframe, a period which witnessed a greater scarcity of capital and lenders demanding more certainty/rapid bankruptcy outcomes via the bankruptcy sale process.

Source: The Deal

Select Bankruptcies

166 companies with over \$10 million of aggregate debt filed for bankruptcy during the Third Quarter, 2014 across a variety of sectors. Filings included the following:

Debtor Name	Petition Date	Liabilities	Assets	Industry	Jurisdiction
Johnson Industries, Inc.	9/15/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Automobile/Auto Parts/Services, Retail	Northern District of Georgia
Lenco Mobile Inc.	9/6/2014	10,000,000 to 100,000,000	Less than 10,000,000	IT Services, Software	Western District of Washington
Cleveland Imaging & Surgical Hospital, LLC	9/4/2014	10,000,000 to 100,000,000	Less than 10,000,000	Health, Hospital	Southern District of Texas
Creative Recycling Services, LLC	8/29/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Environmental Services	Middle District of Florida
Randhurst Hotel Partners, LLC	8/27/2014	10,000,000 to 100,000,000	Less than 10,000,000	Lodging	Northern District of Illinois
Bluefish Energy Corporation	8/25/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Energy, Metals/Mining	District of Delaware
AmMed Surgical Equipment, LLC	8/22/2014	10,000,000 to 100,000,000	Less than 10,000,000	Manufacturing, Medical Device	Middle District of Florida
DTI Logistics, Inc.	8/11/2014	10,000,000 to 100,000,000	Less than 10,000,000	Transportation, Trucking	Northern District of Georgia
Phoenix Payment Systems, Inc.	8/4/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Financial Services	District of Delaware
American Resource Staffing Network, Inc.	7/31/2014	10,000,000 to 100,000,000	Less than 10,000,000	Human Resources	District of New Hampshire
Crumbs Bake Shop, Inc.	7/11/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Food & Beverage, Retail	District of New Jersey
Super Buy Furniture, Inc.	7/3/2014	10,000,000 to 100,000,000	10,000,000 to 100,000,000	Retail, Household Products	Puerto Rico
Siga Technologies, Inc.	9/16/2014	100,000,001 to 500,000,000	100,000,001 to 500,000,000	Pharmaceutical/Biotech, Health	Southern District of New York
Monroe Hospital, LLC	8/8/2014	100,000,001 to 500,000,000	10,000,000 to 100,000,000	Health, Hospital	Southern District of Indiana
Amsterdam House Continuing Care Retirement Community, Inc.	7/22/2014	100,000,001 to 500,000,000	100,000,001 to 500,000,000	Real Estate, Health	Eastern District of New York
Reichhold, Inc.	9/30/2014	500,000,001 to 1 Billion	100,000,001 to 500,000,000	Manufacturing	District of Delaware
Trump Taj Mahal Associates, LLC (Second Filing)	9/9/2014	500,000,001 to 1 Billion	100,000,001 to 500,000,000	Lodging, Gaming	District of Delaware
NII Holdings, Inc. (Second Filing)	9/15/2014	Over 1 Billion, but less than 5 Billion	Over 1 Billion, but less than 5 Billion	Telecommunications/Cable	Southern District of New York
Eagle Bulk Shipping Inc.	8/6/2014	Over 1 Billion, but less than 5 Billion	500,000,001 to 1 Billion	Marine, Transportation	Southern District of New York
Entegra TC LLC	8/4/2014	Over 1 Billion, but less than 5 Billion	Over 1 Billion, but less than 5 Billion	Oil/Gas, Energy	District of Delaware

Source: Federal Judiciary

Select Bankruptcies (continued)

Summary	
Liabilities	Number of Filings (3Q14)
Less than \$10,000,000	882
\$10,000,000 to \$100,000,000	109
\$100,000,001 to \$500,000,000	23
\$500,000,001 to \$1 Billion	8
Over \$1 Billion, but less than \$5 Billion	26
Over \$5 Billion	--
Total Filings	1,048

Source: Federal Judiciary

Select DIP Financings

Five (5) DIP financings over \$25 million were announced during the Third Quarter, 2014.

Debtor	Industry	DIP Date	Amount (\$ millions)	Margin Over LIBOR	Term/Length of Agreement (months)	Upfront Fee
Reichhold Inc.	Manufacturing	9/30/2014	106	1,177	5	na
Associated Wholesalers Inc.	Distribution	9/9/2014	193	500	3	na
LightSquared Inc.	Telecommunication	8/25/2014	121	200	-	na
Eagle Bulk Shipping Inc.	Transportation	8/6/2014	50	500	9	1.5%
Energy Future Holdings Second Lien ¹	Energy	7/16/2014	1625	325	24	na

¹ NextEra Energy, acting in concert with an ad hoc group of second-lien bondholders of Energy Future Intermediate Holdings (EFIH), proposed to either purchase 41% of the equity in the reorganized EFIH pursuant to a reorganization plan for \$1.625 billion, or alternatively, would invest \$1.625 billion in a new second-lien DIP. This investment would then be converted into 42% of the reorganized company's equity pursuant to a reorganization plan. The investment would be part of a larger mandatorily convertible second-lien debtor-in-possession facility that would involve the rollover of a portion of EFIH's prepetition second-lien notes into notes under such facility.

Sources: S&P Capital IQ LCD, The Deal, and PACER

Summary Comparison

	Margin over LIBOR	Term / Length of agreement (months)	Upfront Fee
Third Quarter 2014:			
Mean (\$100MM+)	551	11	--
Median (\$100MM+)	413	5	--
Mean (\$25-\$100MM)	500	9	1.50%
Median (\$25-\$100MM)	500	9	1.50%
Third Quarter 2013:			
Mean (\$100MM+)	594	14	2.36%
Median (\$100MM+)	338	10	2.36%
Mean (\$25-\$100MM)	962	5	2.00%
Median (\$25-\$100MM)	962	5	2.00%

Q3 2014 DIP pricing for \$100+ MM DIPs have compared similarly to the prior year, while DIP pricing in the \$25-100 MM range significantly lower when compared to Q3 2013 which included: LightSquared Inc. priced at 1,400 over LIBOR, Personal Communications Devices LLC at 974 over LIBOR, and Rural/Metro Corp. at 950 over LIBOR.

Sources: S&P Capital IQ LCD, The Deal, and PACER

Section 363 Sales

Twenty-six (26) Section 363 sales were completed during the Third Quarter, 2014.

Target	Buyer	Industry	Deal Value (\$ in millions)	Date Completed	Deal Description
Ambient Corp.	Ericsson Inc.	Technology; Telecommunication	\$7.5	9/26/2014	Stalking-horse bidder Ericsson Inc. agrees to acquire Ambient Corp. for \$7.5 million.
MacKeyser Holdings LLC	Emerging Vision Inc.	Healthcare	\$4.9	9/22/2014	Emerging Vision Inc. won the auction to acquire MacKeyser Holdings LLC with a \$4.93 million bid.
Simonton Windows Inc.; SimEx Inc.	Ply Gem Industries Inc.	Manufacturing; Construction - Building products	\$130.0	9/22/2014	Ply Gem Holdings Inc., a manufacturer of exterior building products in North America, through its subsidiary, Ply Gem Industries, acquired Simonton Windows from Fortune Brands Home & Security Inc. for approximately \$130 million in cash.
Source Interlink Distribution LLC	Cortland Capital Market Services LLC; GoldenTree Asset Management LP	Manufacturing	\$24.0	9/19/2014	Stalking-horse bidders and term lenders, including Cortland Capital Market Services LLC and GoldenTree Asset Management LP, agree to acquire Source Interlink Distribution LLC from Source Home Entertainment LLC for \$24 million.
TEC/Gull Creek Inc.	Greenwich Investors Gull Creek Owner LLC	Healthcare; Real Estate	\$8.0	9/17/2014	Stalking-horse bidder Greenwich Investors Gull Creek Owner LLC agrees to acquire TEC/Gull Creek Inc. for \$8.033 million.
SoCal Eats LLC	Individual Investor(s)		\$1.8	9/11/2014	Stalking-horse bidder and individual Investor Bchara Mouannes agrees to acquire SoCal Eats LLC for \$1.8 million offer.
Florida Gulf-to-Bay Anesthesiology Associates LLC	TeamHealth Holdings Inc.	Healthcare		9/9/2014	TeamHealth Holdings Inc. has acquired Florida Gulf-to-Bay Anesthesiology Associates LLC from MTS Health Investors LLC for an undisclosed amount.
Kids Line LLC; CoCaLo Inc.	TG Valentine LLC	Consumer and household products; Retail	\$8.0	9/5/2014	TG Valentine LLC won the auction to acquire CoCaLo Inc. and Kids Line LLC from Kid Brands Inc. with an \$8 million bid.
PSL - North America LLC	Jindal Saw USA LLC	Manufacturing	\$100.0	9/2/2014	Stalking-horse bidder Jindal Tubular USA LLC, an affiliate of Jindal Saw USA LLC, agrees to acquire PSL - North America LLC for \$100 million.
Crumbs Bake Shop Inc.	Lemonis Fischer Acquisition Co. LLC	Food; Retail	\$6.6	8/29/2014	Stalking-horse bidder Lemonis Fischer Acquisition Co. LLC, a joint venture created by Marcus Lemonis LLC and Fischer Enterprises LLC, has acquired Crumbs Bake Shop Inc. via a \$6.64 million credit-bid.
Baptist Home of Philadelphia	Deer Meadows Property LP	Real Estate; Healthcare	\$30.3	8/28/2014	Stalking-horse bidder Deer Meadows Property LP, an acquisition vehicle 360 LLC of Lakewood, agrees to acquire Baptist Home of Philadelphia for \$30.25 million.
Boardwalk and Baseball Inc.	City Center Community Development District	Real Estate	\$25.0	8/27/2014	City Center Community Development District agrees to acquire Boardwalk and Baseball Inc. for \$25 million.
S.B. Restaurant Co.	Chalak Mitra Group Inc.	Retail - Restaurants	\$23.4	8/26/2014	Stalking-horse bidder and private equity firm Chalak Mitra Group Inc. agrees to acquire S.B. Restaurant Co. for \$23.4 million.
Massif Holdings LLC	Matchmaster Dyeing and Finishing Inc.	Manufacturing		8/22/2014	Matchmaster Dyeing and Finishing Inc. won the auction to acquire Massif Holdings LLC from Tactical Intermediate Holdings Inc.
HDOS Enterprises	Global Franchise Group LLC	Retail - Restaurants	\$12.2	8/21/2014	Global Franchise Group LLC, a portfolio company of Levine Leichtman Capital Partners, completed the strategic acquisition of Hot Dog on a Stick through the purchase of HDOS's operating assets.

Section 363 Sales (continued)

Target	Buyer	Industry	Deal Value (\$ in millions)	Date Completed	Deal Description
Document Technologies Inc.	Omers Private Equity	Services - Business services		8/19/2014	OMERS Private Equity, the private equity arm of OMERS, and the management team of Document Technologies completed a recapitalization of the Company resulting in a successful liquidity event for Harvest Partners. Private equity firm and stalking-horse bidder and Speyside Fund LLC agrees to acquire Pacific Steel Casting Co. for \$17.6 million.
Pacific Steel Casting Co.	Speyside Fund LLC	Manufacturing; Metals	\$17.6	8/15/2014	Original Footwear Holding Inc. is the stalking-horse bidder to acquire Tactical Intermediate Holdings Inc.'s combat footwear branch with a \$6.91 million offer.
Tactical Intermediate Holdings Inc. - combat footwear branch	Original Footwear Holding Inc.	Manufacturing	\$6.9	8/15/2014	SCG America Group Inc. won the auction to acquire Hilltop Suites Hotel and Diamond Bar Inn & Suites from Coastline Investments LLC with a \$19.5 million bid.
Diamond Bar Inn & Suites; Hilltop Suites Hotel	SCG America Group Inc.	Leisure; Real Estate	\$19.5	8/7/2014	United LC Capital LLC won the auction to acquire Love Culture Inc.'s intellectual property with a \$10.1 million bid.
Love Culture Inc. - intellectual property	United LC Capital LLC	Retail	\$10.1	8/7/2014	Angelcare Monitors Inc. is the stalking-horse bidder to acquire Sassy Inc. from Kid Brands Inc. with a \$14 million offer.
Sassy Inc.	Angelcare Monitors Inc.	Retail	\$14.0	8/5/2014	Liquidators and stalking-horse bidders Hilco Merchant Resources LLC and Gordon Brothers Retail Partners LLC agree to acquire Love Culture Inc.
Love Culture Inc.	Gordon Brothers Retail Partners LLC; Hilco Merchant Resources LLC	Retail - Clothing		7/31/2014	TreeHouse Foods Inc. acquired Flagstone Foods, the leading provider of private label healthy snacks for \$860 million in cash.
Flagstone Foods	TreeHouse Foods Inc.	Food	\$860.0	7/29/2014	Doosan Corp. was the stalking-horse bidder that acquired ClearEdge Power Inc. with a \$47.9 million offer.
ClearEdge Power Inc.	Doosan Corp.	Energy - Alternative	\$47.9	7/18/2014	Stalking-horse bidder 417 Royal Street LLC agrees to acquire Brennan's Inc. for \$3 million.
Brennan's Inc.	417 Royal Street LLC	Retail - Restaurants	\$3.0	7/14/2014	Stalking-horse bidder BayWa AG agrees to acquire Martifer Aurora Solar LLC for \$7.59 million.
Martifer Aurora Solar LLC	BayWa AG	Energy - Alternative	\$7.6	7/1/2014	

Source: The Deal

Amend & Extend Deals

Eighteen (18) Amend & Extend deals were announced during the Third Quarter, 2014.

Name	Amend Deal Date	S&P Loan Rating	Moody's Loan Rating	Extension
Exide Technologies	9/30/2014	NR	NR	3 months
Alpha Natural Resources LLC	9/26/2014	NR	NR	15 months
RR Donnelley & Sons	9/15/2014	BB+	Baa2	23 months
American Midstream Partners LP	9/10/2014	NR	NR	37 months
Celanese Corp. (US RC 4/07)	9/9/2014	BBB	Baa3	36 months
Celanese Corp. (US Amend 10/13)	9/9/2014	BBB	Baa3	24 months
Atlas Pipeline Partners LP.	9/2/2014	NR	NR	27 months
WhiteWave Foods Company	9/2/2014	NR	NR	24 months
DuPont Fabros Technology Inc.	7/25/2014	NR	NR	5 months
PBF Energy Company LLC	7/23/2014	NR	NR	24 months
Aircell Business Aviation Services LLC	7/21/2014	NR	NR	9 months
Calumet Specialty Products	7/18/2014	NR	NR	37 months
Formula One	7/17/2014	B	B1	28 months
Roadrunner Transportation Systems Inc.	7/16/2014	NR	NR	11 months
Capsugel Inc.	7/15/2014	B+	Ba3	36 months
Exide Technologies	7/8/2014	NR	B1	na
National CineMedia	7/3/2014	BB-	Ba2	24 months
Cabot Microelectronics Corp.	7/2/2014	NR	NR	28 months

Source: S&P Capital IQ LCD

Notes

- Sources: S&P, Moody's, Fitch, The Deal, and others as indicated.
- The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

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