

**EXHIBIT B**

**Debtor's Liquidation Analysis**

## NOTES TO LIQUIDATION ANALYSIS

A. This liquidation analysis presents the estimated net value of the assets if the Debtor were to be liquidated under the provisions of chapter 7 of the Bankruptcy Code and the net proceeds of the liquidation were to be distributed to the Debtor's creditors.

The liquidation analysis has not been examined or reviewed by independent accountants in accordance with standards promulgated by the AICPA. The estimates and assumptions, although considered reasonable by the Debtor, are inherently subject to significant uncertainties and contingencies beyond the control of the Debtor. Accordingly, there can be no assurance that the results shown would be realized if the Debtor were liquidated. Actual results in such a case could vary materially from those presented.

If actual results were lower than those shown, or if the assumptions used in formulating this liquidation analysis were not realized, distributions could be adversely affected.

These Notes to Liquidation Analysis are an integral part of the analysis. Any term not defined herein has the meaning ascribed to such term in the Disclosure Statement.

B. The Debtor may be able to recover approximately \$103,000 related to a tax escrow from a sale-leaseback transaction with Sovereign Glazed I LLC, approximately \$75,000 related to a tax escrow from the development of the Grand Chute, WI property and approximately \$212,000 related to a tax refund from the State of Minnesota for taxes paid on production equipment.

C. The Debtor has not yet performed a detailed analysis of its avoidance actions. However, a preliminary review of the viable preference actions for payments made in 90 days preceding bankruptcy total approximately \$1.2 million in the aggregate. Generally accounting for defenses and the cost of litigation, the Debtor has assigned 50% of this amount (or \$600,000) as the possible recovery from avoidance actions for this purpose of this liquidation analysis.

D. The liquidation expenses include (1) payment of the chapter 7 trustee's fees under 11 U.S.C. § 326 in the amount of \$434,700, and (2) a conservative estimate of attorneys' fees and closing costs in the amount of \$100,000.

Nothing in this liquidation analysis shall be construed as the Debtor allowing any claims or conceding any defenses. The Debtor reserves all of its rights and defenses with respect to each claim and bankruptcy cause of action.

## Debtor's Liquidation Analysis (A)

<u>Debtor's Assets:</u>	<u>Projected Recovery Amount</u>
Net Proceeds from Sale to Westward Dough	\$9,800,000
Recoverable Outstanding A/R	\$1,900,000
Cash on Hand	\$1,800,000
Tax Escrow>Returns (B)	\$390,000
Total Cash	<u>\$13,890,000</u>
 <u>Other Assets:</u>	
Bankruptcy Causes of Action (C)	\$600,000
 <b>Total Proceeds</b>	 <b><u>\$14,490,000</u></b>
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Liquidation Expenses (D)	<u>\$(534,700)</u>
<b>Net Estate Assets</b>	<b><u>\$13,955,300</u></b>
 <u>Estimated Claims:</u>	
Prepetition Secured Lender's Claims	\$10,660,000
Other Secured Claims; Administrative Claims; Tax Claims; Other Priority Claims	\$3,700,000
Net Estate Assets Less Prepetition Secured Lender's Claims and Total Priority/Administrative/Secured Claims	<u>\$(404,700)</u>

Because there would likely be a deficiency with respect to the Allowed Priority, Administrative and Secured Claims, the holders of General Unsecured Claims would likely not receive any distribution in a chapter 7.