

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLORADO**

In re:)	
)	
BRUSH CREEK AIRPORT, LLC)	Case No. 14-14630 MER
)	Chapter 11
Debtor.)	

**BRUSH CREEK AIRPORT, LLC’S DISCLOSURE STATEMENT FOR FOURTH
AMENDED PLAN OF REORGANIZATION**

I. INTRODUCTION

This is the disclosure statement (the “Disclosure Statement”) in the chapter 11 bankruptcy case of Brush Creek Airport, LLC (“Debtor”). This Disclosure Statement contains information about the Debtor and describes the Fourth Amended Plan of Reorganization (the “Plan” or “Plan of Reorganization”) filed by the Debtor on March 10, 2015. A full copy of the Plan is attached to this Disclosure Statement as **Exhibit 1**.

Pursuant to the terms of the United States Bankruptcy Code, this Disclosure Statement has been presented to, and _____ by, the Bankruptcy Court. Approval of the Bankruptcy Court is required by statute but does not constitute a judgment by the Court as to the desirability of the Plan or as to the value or suitability of any consideration offered under the Plan.

A. Purpose of this Document

The Debtor has prepared this Disclosure Statement to provide information sufficient to permit a creditor to make a reasonably informed decision in exercising the right to vote upon the Plan. The material here presented is intended solely for that purpose and solely for the use of known creditors of the Debtor, and, accordingly, may not be relied upon for any purpose other than determination of how to vote on the Plan.

This Disclosure Statement describes:

- The Debtor and significant events during the bankruptcy case;
- How the Plan proposes to treat claims or equity interests of the type you hold (i.e., what you will receive on your claim or equity interest if the plan is confirmed);
- Who can vote on or object to the Plan;
- What factors the Bankruptcy Court (the “Court”) will consider when deciding

whether to confirm the Plan;

- Why the Debtor and Plan Proponent believe the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation; and,
- The effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

The Court has not yet confirmed the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

1. *Time and Place of the Hearing to Confirm the Plan*

The hearing at which the Court will determine whether to confirm the Plan will take place on _____, _____, 201__, at __:__ a.m., in Courtroom D, of the United States Bankruptcy Court for the District of Colorado, 5th Floor of the Custom House, 721 19th St., Denver, CO 80202.

2. *Deadline for Voting to Accept or Reject the Plan*

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot in the enclosed envelope to Sender Wasserman Wadsworth, P.C., attn. David J. Warner, Esq., 1660 Lincoln St., Suite 2200, Denver, CO 80264 (counsel for the Debtor). See section V.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by 5:00 p.m. on _____, 2015 or it will not be counted.

3. *Deadline for Objecting to the Confirmation of the Plan*

Objections to the confirmation of the Plan must be filed with the Court and served upon counsel for the Debtor by _____, 2015.

4. *Identity of Person to Contact for More Information*

If you want additional information about the Plan, you should contact David J. Warner, counsel for the Debtor, at 1660 Lincoln St., Ste. 2200, Denver, CO 80264; (303) 296-1999; or dwarner@sww-legal.com.

II. DEFINITIONS

Unless otherwise defined herein, capitalized terms used herein have the meanings ascribed thereto in the Plan (see Article II of the Plan entitled “Definitions”).

III. BACKGROUND

A. Description and History of the Debtor’s Business

Debtor is the real estate developer of the Buckhorn Ranch Subdivision in unincorporated Gunnison County, near Crested Butte, Colorado. The Buckhorn Ranch Subdivision consists of 249 lots and features a private airstrip and a limited number of fishing and recreational licenses for a portion of the Upper East River. The Debtor owns 97 improved lots in the Buckhorn Ranch Subdivision that are available for construction, but upon which no homes have been built. The subdivision’s infrastructure is complete. Debtor also owns the Upper East River Water Company, LLC which owns the water rights for the subdivision and provides water taps for lots and water services for homes in the subdivision. The Debtor’s business consists of operating the Water Company and selling lots.

As part of the requirements for final plat approval, Debtor was required to provide 32 units of affordable housing on lots M1-16 and M1-17 in Filing 2b of the Buckhorn Ranch subdivision. These two lots were sold to Brookside Custom Homes, Inc. (“Brookside”) with the intent that Brookside would construct these units. CBC was to provide the construction loan to Brookside in the amount of \$4 million, but required that this loan be cross-collateralized with the Debtor’s previous loan with CBC. Construction commenced in 2005 and 2006 and was going well with 14 of the first 24 units under contract when an owner at Buckhorn Ranch filed a lawsuit against Brookside stating that the units were three feet taller than the county maximum, even though the Board of County Commissioners had approved a variance to the height restriction because Brookside agreed to put indoor parking on the first level.

While the lawsuit was pending, the Debtor was under contract to sell all of its remaining Lots for \$20 million, which sale was to be financed by CBC. During mediation for the lawsuit, CBC urged the Debtor to borrow additional money to settle with the plaintiff. CBC encouraged the Debtor to enter into this settlement by stating that it made economic sense since CBC was about to finance a \$20 million sale. After the Debtor borrowed additional money from CBC to settle the lawsuit, CBC declined to finance the \$20 million sale.

During the Great Recession of 2008 and 2009, the Crested Butte real estate market suffered a severe economic downturn and it became more difficult for the Debtor to sell Lots and service its debt. In late 2010, CBC approached the Debtor and proposed that a third party, Ironwood Capital, LLC provide capital to both Brookside and Brush Creek in the amount of \$1,281,707 (\$806,492 to Brookside and \$475,215 to Brush Creek) to be used to service the interest on the previous CBC loans. To facilitate the new loan from Ironwood Capital, LLC, CBC agreed to lower the rate on its other loans to 4%, and also agreed to subordinate their previous loans to the new Ironwood Capital, LLC loan. The Debtor agreed and borrowed the money to pay CBC. Brookside is no longer active,

leaving the Debtor to service all of the secured debt against the Lots.

The current ownership structure of the Debtor is as follows. Richard A. Landy is the president and 100% owner of Landy Enterprises, Inc. Landy Enterprises, Inc. is the 6.728% owner and general partner of Rolling Meadows Ranch Associates, L.P. Rolling Meadows Ranch Associates, L.P. is the managing member and 50% owner of the Debtor. Landy Enterprises, Inc. is the 29.98% owner and general partner of Avion Club, LTD. Avion Club, LTD is the other 50% owner of the Debtor. The various limited partners of Rolling Meadows Ranch Associates, LP and their ownership percentages are listed on the Debtor’s Statement of Financial Affairs as follows:

None b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
Richard A. Landy, President Landy Enterprises, Inc. 9618 E. Maplewood Cir. Greenwood Village, CO 80111	President	Richard A. Landy is the president and 100% owner of Landy Enterprises, Inc. Landy Enterprises, Inc. is the 6.7428% owner and general partner of Rolling Meadows Ranch Associates, LP. Rolling Meadows Ranch Associates, LP is the managing member and 50% owner of Brush Creek Airport, LLC. Landy Enterprises, Inc. is the 29.98% owner and general partner of Avion Club, LTD. Avion Club, LTD is the other 50% owner of Brush Creek Airport, LLC.
Rolling Meadows Ranch Associates, L.P. 9618 E. Maplewood Cir. Englewood, CO 80111	Managing Member	Rolling Meadows Ranch Associates, L.P. is the managing member and 50% owner of Brush Creek Airport, LLC

Avion Club, LTD Richard A. Landy 9618 E. Maplewood Cir. Englewood, CO 80111-7016	Member	Avion Club, LTD is a 50% owner and member of Brush Creek Airport, LLC
Landy Enterprises Inc. 9618 E. Maplewood Cir. Greenwood Village, CO 80111	Limited Partner	12.497 % of Rolling Meadows Ranch Associates, LP
Elaine Rosenberg Family Trust 6650 Shannon Ave. San Diego, CA 92115	Limited Partner	9.8966 % of Rolling Meadows Ranch Associates, LP
David Kaminsky 400 Emerson St Denver, CO 80209-2216	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
Robert E. Youngquist 8100 E. Union Ave, Apt 2106 Denver, CO 80237	Limited Partner	2.0835 % of Rolling Meadows Ranch Associates, LP
Michael J. Gershtenson 210 Colinas Sedona, AZ 86351	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
Stanley Kippur 7401 E. Archer Pl Denver, CO 80230	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
RBC Dain Rauscher FBO IRA Polevy IRA 510 MARquette Ave, Mail Stop M 08 Minneapolis, MN 55402	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
Charles Baker 3942 So. Newport Way Denver, CO 80237	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
Lawrence H. Krakow 12920 Ballentine Overland Park, KS 66213	Limited Partner	1.7364 % of Rolling Meadows Ranch Associates, LP
R B Heller 3844 Sp. Poplar St Denver, CO 80237	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
Sam Chaplick 12626 Cedar Leawood, KS 66209	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
Peter Sendroy 2139 E. Floyd Pl Englewood, CO 80113	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
Gary S. Hoffman 259 Spruce St Denver, CO 80230	Limited Partner	1.04175 % of Rolling Meadows Ranch Associates, LP
Lawrence Hoffman 8730 Tierra Lago CV Lake Worth, FL 33467-6983	Limited Partner	1.04175 % of Rolling Meadows Ranch Associates, LP
Brellmatt Associates Ltd. 9618 E. Maplewood Cir Greenwood Village, CO 80111	Limited Partner	13.0215 % of Rolling Meadows Ranch Associates, LP
Cynthia G. Franklin 2345 St. Louis Dr Honolulu, HI 96816	Limited Partner	0.6946 % of Rolling Meadows Ranch Associates, LP
Julie Beth Franklin 41169 Rudd Rd Nevada City, CA 95959	Limited Partner	0.6946 % of Rolling Meadows Ranch Associates, LP
Robert S. Franklin 5236 James Ave Oakland, CA 94618	Limited Partner	0.6946 % of Rolling Meadows Ranch Associates, LP
Gary E. Friedman 11909 Mohawk Lane	Limited Partner	1.3889 % of Rolling Meadows Ranch Associates, LP

Leawood, KS 66209 George Fischer Trust C/O Michael Pool 11240 E. Third Ave, Suite 106 Shakope, MN 55379	Limited Partner	2.0835 % of Rolling Meadows Ranch Associates, LP
Marlene D. Krakow Trustee 12244 Ash Overland Park, KS 66209	Limited Partner	1.7364 % of Rolling Meadows Ranch Associates, LP
Felicia H. Weiner 10711 Bridlespur Kansas City, MO 64114	Limited Partner	1.3889 % of Rolling Meadows Ranch Associates, LP
Marlene F. Landy Family Trust 9618 E. Maplewood Cir Greenwood Village, CO 80111	Limited Partner	5.7548 % of Rolling Meadows Ranch Associates, LP
Marlene F. Landy Marital Trust 9618 E. Maplewood Cir. Greenwood Village, CO 80111	Limited Partner	6.7422 % of Rolling Meadows Ranch Associates, LP
Robert H. Simpson Profit Sharing Trust 560 Valley Rd Lone Tree, CO 80124	Limited Partner	4.167 % of Rolling Meadows Ranch Associates, LP
D & H Group CO Kaminsky & Weinstein 400 So. Emerson St Denver, CO 80209-2116	Limited Partner	3.0800 % of Avion Club Ltd.
Gary S. Hoffman 259 Spruce St Denver, CO 80230	Limited Partner	4.6200 % of Avion Club Ltd.
Elaine Rosenberg C/O Craig Rosenberg 6650 Shannon Ave San Diego, CA 92115-4201	Limited Partner	3.0800 % of Avion Club Ltd.
John D. Gundzik 323 East Palace Ave Santa Fe, NM 87501	Limited Partner	3.0800 % of Avion Club Ltd.
Robert H. Simpson 560 Valley Rd Lone Tree, CO 80124	Limited Partner	3.0800 % of Avion Club Ltd.
MSS Realty C/O Jeff Schrier 9718 Ascott Dr Omaha, NE 68114	Limited Partner	1.5400 % of Avion Club Ltd.
Elaine Franklin 18745 Meadow Lark Ct Penn Valley, CA 95946	Limited Partner	1.5400 % of Avion Club Ltd.
George E. Fischer Trust C/O M. Poole, P 11240 East 3rd Ave, Ste. 106 Shakope, MN 55379	Limited Partner	1.5400 % of Avion Club Ltd.
James P. Kerns 1 Hillside Dr Lakewood, CO 80215	Limited Partner	1.5400 % of Avion Club Ltd.
Dewayne Glenn 5664 So. Jamaica Way Englewood, CO 80111	Limited Partner	1.5400 % of Avion Club Ltd.
William Ramlow 1308 Overhill Rd Columbia, MO 65203-1523	Limited Partner	0.7700 % of Avion Club Ltd.
Landy Enterprises Inc. 9618 E. Maplewood Cir. Greenwood Village, CO 80111	Limited Partner	4.6200 % of Avion Club Ltd.
Seymour Schrier Union Bank & Trust C/O David Wilcos P.O. Box 82535 Lincoln, NE 68501	Limited Partner	1.5400 % of Avion Club Ltd.
Juanita C. Ramlow 508 Marion Dr Columbia, MO 65203	Limited Partner	0.7700 % of Avion Club Ltd.
Marlene F. Landy Family Trust 9618 E. Maplewood Cir Greenwood Village, CO 80111	Limited Partner	19.2000 % of Avion Club Ltd.
Marlene F. Landy Marital Trust 9618 E. Maplewood Cir. Greenwood Village, CO 80111	Limited Partner	15.4000 % of Avion Club Ltd.
Robert H. Simpson Profit Sharing Trust 560 Valley Rd Lone Tree, CO 80124	Limited Partner	3.0800 % of Avion Club Ltd.

Over the years various insiders of the Debtor have made secured loans to the Debtor to assist with the Debtor's operating expenses. The loans, amounts, lenders, and dates of the loans are described on Schedule D of the Debtor's bankruptcy filing as follows:

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND ACCOUNT NUMBER. <i>(See Instructions Above.)</i>	CO-DEBTOR HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	QUANTIFIED UNSECURED	DEBTS	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCOUNT NO. Brian Landy 1292 Beacon Hill Dr. Highlands Ranch, CO 80126		Promissory note in the face amount of \$180,000.00 dated July 22, 2009 and secured by Lot 3. VALUE \$			228,600.00	228,600.00
Elaine Franklin 18745 Meadowlark Ct. Penn Valley, CA 95946		\$200,000 dated 4/1/08; promissory note in the face amount of \$125,000.00 dated 10/11/06 secured by Lot 102A. VALUE \$				
ACCOUNT NO. Landy Enterprises Inc. 9618 E. Maplewood Cir. Greenwood Village, CO 80111		Promissory note in the face amount of \$47,700.00 dated 5/1/09. The note is secured by lots M2-52; M2-53; M3-11; 102A; 102B; Lot 3; Lot 50, certain water rights and easements, the "Water Provider and Easement Agreement," and the Upper East River Water Company, LLC. VALUE \$			64,872.00	64,872.00
ACCOUNT NO. Marlene F. Landy Marital Trust 9618 E. Maplewood Cir. Greenwood Village, CO 80111		Promissory note in the face amount of \$111,300.00 dated 5/1/2009; promissory note in the face amount of \$69,588.94 dated 11/6/09; promissory note in the face amount of \$25,000.00 dated 10/31/11; promissory note in the face amount of \$365,832.91 dated 11/17/06. Such notes are secured by lots M2-62; M2-63;			882,490.19	882,490.19
ACCOUNT NO.		M3-11; 102A; 102B; Lot 3; Lot 50, certain water rights and easements, the "Water Provider and Easement Agreement," and the Upper East River Water Company, LLC. VALUE \$				
ACCOUNT NO. Richard A. Landy 9618 E. Maplewood Cir. Greenwood Village, CO 80111		Promissory note in face amount of \$214,010.18 dated 1/1/00; promissory note in the face amount of \$106,000.00 dated 5/1/09; promissory note in the face amount of \$200,000.00 dated 6/1/09; promissory note in the face amount of \$450,000.00 dated 1/1/11; promissory note in the face amount of \$71,030.97 dated 12/27/06; promissory note in the face amount of \$209,553.75 dated 12/31/10. Such notes are			1,672,455.29	1,672,455.29
ACCOUNT NO.		secured by lots M2-62; M2-63; M3-11; 102A; 102B; Lot 3; Lot 50, certain water rights and easements, the "Water Provider and Easement Agreement," and the Upper East River Water Company, LLC. VALUE \$				

B. Events Leading to Chapter 11 Filing

This bankruptcy case was filed after (a) CBC failed and the bank that purchased the Debtor's loans from the FDIC refused to modify partial release prices for lots sales in accordance with current market conditions to allow individual Lot sales and initiated a foreclosure; and (b) a dispute arose between the Debtor and the Association regarding a claim the Association was asserting against the Debtor in the approximate amount of \$200,000.00. The instant bankruptcy proceeding was filed on April 10, 2014.

C. Significant Events During the Bankruptcy Case

Since the Petition Date the Debtor has employed Sender Wasserman Wadsworth, P.C. as counsel and employed 5280 Accounting Services, LLC as accountants and bookkeepers. The Debtor has also reached an agreement with certain investors which will provide an infusion of cash to support the Debtor's Plan. A true and accurate copy of the Plan Funding and Support Agreement between the investors and the Debtor, among others, is attached as Exhibit F to the Debtor's Plan.

The Debtor has also reached a settlement with the Buckhorn Ranch Association that will eliminate a disputed claim of approximately \$200,000.00 against the Debtor's real estate. A copy of the Amended Settlement Agreement is attached as Exhibit E to the Debtor's Plan.

D. Projected Recovery of Avoidable Transfers

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions.

E. Claims Objections

Except to the extent that a Claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to Claims. Therefore, even if your Claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your Claim is later upheld. The procedures for resolving disputed Claims are set forth in Article X of the Plan.

G. Current and Historical Financial Conditions

The identity of the Debtor's real estate assets are listed in Exhibit A and Exhibit B of the Debtor's Plan. CBC asserts that the value of all of the Debtor's real estate is \$2.4 million as set forth in its Real Estate Appraisal Report of the Buckhorn Ranch Subdivision. A copy of the appraisal is available upon request from Debtor's undersigned counsel. CBC's Claim is only secured by 91 of the Debtor's 97 Lots. During the pendency of this bankruptcy case, the Debtor has not sought Court approval for any Lot sales the purpose of which is to facilitate the Plan Funding and Support Agreement resulting in an infusion of cash to support the Debtor's Plan. The Debtor's three most recent monthly operating reports are attached hereto as **Exhibit 2**.

IV. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. What is the Purpose of the Plan of Reorganization?

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. Unclassified Claims

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan Proponent has *not* placed the following claims in any class:

1. *Administrative Expenses*

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the Effective Date of the Plan, unless a particular claimant agrees to a different treatment.

The following chart lists the Debtor's estimated administrative expenses and their proposed treatment under the Plan:

Type	Estimated Amount Owed	Proposed Treatment
Expenses Arising in the Ordinary Course of Business After the Petition Date	Loan for \$11,400.00 used to pay the Association under an Amended Settlement Agreement for dues and fees accruing after January 1, 2015.	Paid in full on or about the due date for the Investment Amount, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date	None	Paid in full on or about the due date for the Investment Amount, or according to terms of obligation if later
Professional Fees, as approved by the Court.	Professional fees of 5280 Accounting Services, LLC in the approximate amount of \$10,000.00 and of Sender Wasserman Wadsworth, P.C. in the approximate amount of \$40,000.00.	Paid in full on or about the due date for the Investment Amount, or according to separate written agreement, or according to court order if such fees have not been approved by the Court on the Effective Date the Plan
Clerk's office fees	None	Paid in full on the Effective Date of the Plan
Other administrative expenses	None	Paid in full on the Effective Date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	None	Paid in full on the Effective Date of the Plan
TOTAL	\$50,000.00 (estimate)	

2. *Priority Tax Claims*

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the Petition Date.

The following chart lists the Debtor's estimated § 507(a)(8) priority tax claims and their proposed treatment under the Plan:

Description (name and type of tax)	Estimated Amount Owed	Date of Assessment	Treatment
Property Taxes	\$38,037.61		Paid in full on the due date for the Investment Amount

C. Classes of Claims and Equity Interests

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

1. *Classes of Secured Claims*

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent the value of the collateral exceeds the creditor's claim as provided under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim.

The following chart lists all classes containing Debtor's secured prepetition claims and their proposed treatment under the Plan:

Class 1	
Creditor:	Tax Lien Certificate Holders
Collateral Description / Value:	97 Lots
Total Claim as of Petition Date:	Unknown
Allowed Secured Amount:	\$202,750.66 + 10% interest per annum from May 14, 2014
Unsecured/Deficiency Amount:	None, fully secured
Priority of Lien:	First
Remaining Claim as of May 14, 2014	\$202,750.66
Insider?	No
Impaired?	Yes
Treatment	
Class 1 consists of the Allowed Secured Claims of Tax Lien Certificate Holders arising from unpaid	

real property taxes. The Class 1 Claims are fully secured. The total aggregate amount of all Class 1 Claims as of May 14, 2014 is \$202,750.66.

All such tax lien certificates are subsumed within Class 1 and shall be redeemed as set forth herein. The redemption amounts for each individual Tax Lien Certificate Holder as of May 14, 2014 are set forth in Exhibit C to the Plan. The Claims of the Tax Lien Certificate Holders are fully secured, shall retain their liens until paid in full, and interest shall accrue on the Class 1 Claims at the statutory rate of ten percent (10%) per annum beginning May 14, 2014.

The Tax Lien Certificate Holders with Allowed Secured Claims against the 93 Lots shall be paid 100% of their Allowed Secured Claims on or about the due date for the Investment Amount in full, final, and complete satisfaction of such Claims out of the Investment Amount. The Tax Lien Certificate Holders with an Allowed Secured Claim against any of the 4 Lots shall be paid 100% of their Allowed Secured Claims during the five (5) year term of the Plan upon the sale of the Lot against which they hold an Allowed Secured Claim or earlier, at the Reorganized Debtor's discretion, in full, final, and complete satisfaction of such Claims. The account numbers for the tax lien certificates held against the 4 Lots are as follows: (a) R031081 for Lot 3; (b) R042737 for Lot 102A; (c) R042738 for Lot 102B; and R042631 for Lot M3-11 and are more fully described in Exhibit C to the Plan.

Pursuant to applicable statutes, Gunnison County acts as the agent of the Tax Lien Certificate Holders with respect to collection of all redemption amounts. The Debtor or Reorganized Debtor shall deliver the redemption amount for each Lot against which there is a tax lien certificate to the Gunnison County Treasurer. Upon receipt of the redemption amount, the treasurer shall deliver the redemption amount to the Tax Lien Certificate Holder pursuant to C.R.S. § 39-12-103 in full satisfaction of said holder's Class 1 Claim. Upon receipt of the redemption amount for each individual Lot, Gunnison County and/or the applicable Tax Lien Certificate Holder shall be deemed to have completely released and waived any and all liens or Secured Claims against the applicable Lot(s).

Class 2-A	
Creditor:	Allowed Secured Claims of CBC Against the 91 Lots for the Ironwood Loan
Collateral Description / Value:	91 Lots
Priority of Lien:	Second
Total Claim as of Petition Date:	\$364,038.55
Allowed Secured Amount:	\$364,038.55 plus 16% interest from April 10, 2014
Unsecured/Deficiency Amount:	\$0.00
Insider?	No
Impaired?	Yes
Treatment	
The Debtor is also obligated to CBC under a Promissory Note dated December 29, 2010 in the	

principal amount of \$1,007,353.00 and Allonge dated January 23, 2013 (“Ironwood Loan”). The Ironwood Loan is secured by a Deed of Trust and Security Agreement dated December 29, 2010 and recorded January 4, 2011 at Reception No. 603026 and an Assignment of Deed of Trust dated January 23, 2013 and recorded on January 24, 2012 at Reception No. 618135 in Gunnison County.

CBC alleges that the Debtor owed \$364,038.55 on the Ironwood Loan as of April 11, 2014 with interest accruing at the contract rate of 16%. CBC alleges that the 91 Lots serve as collateral for CBC’s Class 2-A Claim. CBC alleges that all of the real estate owned by the Debtor in the Buckhorn Ranch subdivision has a value of \$2,400,000.00, including the 6 Lots against which CBC does not have a security interest. Thus, CBC’s Class 2-A Claim is fully secured. CBC shall be paid 100% of its Allowed Secured Claim on the Effective Date in full, final, and complete satisfaction is Class 2-A Secured Claim out of the Investment Amount.

Class 2-B	
Creditor:	Allowed Secured and Unsecured Claims of CBC Against the 91 Lots for the Ironwood Loan
Collateral Description / Value:	91 Lots
Priority of Lien:	3rd
Total Claim as of Petition Date:	\$5,098,447.59
Allowed Secured Amount:	\$1,773,502.24
Unsecured/Deficiency Amount:	\$0.00 due to § 1111(b) election
Insider?	No
Impaired?	Yes
Treatment	
<p>The Debtor is obligated to CBC under a Promissory Note dated November 27, 2006 in the principal amount of \$250,000.00 and a Changes in Terms Agreement (“Loan 401”). Loan 401 is secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated December 29, 2010 and recorded on January 4, 2011 at Reception No. 603028 and an Assignment of Deed of Trust dated October 21, 2011 and recorded at Reception No. 614344 in Gunnison County. The Debtor is also obligated to CBC under a Promissory Note dated January 12, 2006 in the principal amount of \$4,100,000.00 and a Changes in Terms Agreement (“Loan 801”). Loan 801 is secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated December 29, 2010 and recorded January 4, 2011 at Reception No. 603029 and an Assignment of Deed of Trust dated October 21, 2011 and recorded on July 24, 2012 at Reception No. 614319 in Gunnison County.</p> <p>CBC alleges that the Debtor owed \$2,264,214.73 on Loan 401 as of April 11, 2014 with interest accruing at the contract rate of 4%. CBC alleges that the Debtor owed \$2,834,232.86 on Loan 801 as of April 11, 2014 with interest accruing at the contract rate of 4%. Thus, the total amount CBC alleges was due and owing on Loan 401 and Loan 801 as of April 11, 2014 is \$5,098,447.59. CBC alleges that the 91 Lots serve as collateral for CBC’s Class 2 Claim.</p> <p>CBC alleges that all of the real estate owned by the Debtor in the Buckhorn Ranch subdivision has a</p>	

value of \$2,400,000.00, including the 6 Lots against which CBC does not have a security interest. Thus, CBC alleges that its Class 2 Claim is partially unsecured under 11 U.S.C. § 506. On or about November 4, 2014, CBC elected to have its claim treated as fully secured under 11 U.S.C. § 1111(b)(2). A copy of the most recent appraisal disclosed by CBC to the Debtor reflecting the \$2.4 million valuation is available upon request from undersigned counsel for the Debtor.

In accordance with CBC's § 1111(b) election, the Reorganized Debtor shall provide CBC with a financial instruments that provide CBC with a total return of at least \$5,098,447.59 and that have a present value of at least \$1,773,502.24 (the amount of CBC's secured claim, \$2,400,000.00, less § 507(a)(8) tax claims of \$41,460.99, less tax lien Claims of \$220,998.22, less the Class 2-A Secured Claim of \$364,038.55).

On the Effective Date, the Reorganized Debtor shall provide CBC with sufficient U.S. Treasury Bonds (which come in \$1,000.00 denominations, pay interest every six months, and mature in 30 years) so that the initial aggregate value of the U.S. Treasury Bonds will be at least \$1,773,505.00 and which will provide a return of at least \$5,098,447.59 over 30 years in full and complete satisfaction of CBC's Allowed Secured Claims against the Debtor's property under 11 U.S.C. § 1129(b)(2)(A)(iii). Upon receipt of the U.S. Treasury Bond, any and all security interests and/or liens held by CBC against the Debtor's property shall be deemed completely released and waived. Such waiver and release shall be self executing without the necessity of any further action on the part of CBC. To the extent CBC disputes its treatment under this Plan pursuant to 11 U.S.C. §§ 1111(b), 1129(a)(7)(B), and/or 1129(b)(2)(A)(iii), the matter will be submitted to the Bankruptcy Court for a determination as a contested matter pursuant to Fed.R.Bankr.P. 9014.

U.S. Treasury Bond rates and prices may change at any time. As of January 23, 2015, the Reorganized Debtor would have to purchase bonds at a cost of approximately \$3,046,355.00 to obtain a total return of \$5,099,600.00 over 30 years. By the time of the due date for the Investment Amount, the purchase price for the U.S. Treasury Bonds may be different and will be adjusted by purchasing more or fewer bonds, in \$1,000.00 increments, to satisfy the formula above required under 11 U.S.C. § 1111(b), i.e., providing CBC with sufficient U.S. Treasury Bonds to have a value of \$1,773,505.00 and which will provide a return of at least \$5,098,447.59 over 30 years.

Class 3-A	
Creditor:	Brian Landy
Collateral Description / Value:	Lot 3
Total Claim as of Petition Date:	\$237,926.74
Allowed Secured Amount:	\$237,926.74 plus interest at the contract rate
Unsecured/Deficiency Amount:	None, fully secured
Priority of Lien:	3 rd after any Tax Claims and Class 1 Claim
Insider?	Yes
Impaired?	Yes
Treatment	

The Debtor is obligated to Brian Landy under a promissory note in the original principal amount of \$180,000.00 dated July 22, 2009 and secured by a deed of trust against Lot 3. Upon information and belief, the amount of the Class 3-A Claim was approximately \$237,926.74 on the Petition Date. Interest shall continue to accrue on the Class 3-A Claim at the contract rate.

Under this Plan, the Reorganized Debtor shall satisfy the Class 3-A Claim through the sale of Lot 3 or otherwise no later than five (5) years after the Effective Date. If sold, the sale price for Lot 3 must be sufficient to satisfy the Tax Claims, Class 1 Claim, and Class 3-A Claim against Lot 3.

In the alternative, and at its sole discretion, at any time within the five (5) year term of this Plan, the Reorganized Debtor may satisfy the Class 3-A Claim in full by conveying Lot 3 to Brian Landy via quitclaim deed subject to all senior liens and free and clear of any junior liens in full and complete satisfaction of his Allowed Secured and Unsecured Claim(s) against the Debtor. The Class 3-A claimant would then be responsible for any senior liens remaining against Lot 3.

Class 3-B	
Creditor:	Elaine Franklin
Collateral Description / Value:	Lot 102A
Total Claim as of Petition Date:	\$483,684.93
Allowed Secured Amount:	\$483,684.93 plus interest at the contract rate
Unsecured/Deficiency Amount:	None, fully secured
Priority of Lien:	3 rd after any Tax Claims and Class 1 Claim
Insider?	Yes
Impaired?	Yes
Treatment	
<p>The Debtor is obligated to Elaine Franklin under a promissory note in the original principal amount of \$200,000.00 dated April 1, 2008, a promissory note in the original principal amount of \$125,000.00 dated October 1, 2006 and secured by deeds of trust against Lot 102A. Upon information and belief, the amount of the Class 3-B Claim was approximately \$483,684.93 on the Petition Date. Interest shall continue to accrue on the Class 3-B Claim at the contract rate.</p>	
<p>Under this Plan, the Reorganized Debtor shall satisfy the Class 3-B Claim through the sale of Lot 102A or otherwise no later than five (5) years after the Effective Date. If sold, the sale price for Lot 102A must be sufficient to satisfy the Tax Claims, Class 1 Claims, and Class 3-B Claim against Lot 102A.</p>	
<p>In the alternative, and at its sole discretion, at any time within the five (5) year period of this Plan, the Reorganized Debtor may satisfy the Class 3-B Claim in full by conveying Lot 102A to Elaine Franklin via quitclaim deed subject to all senior liens and free and clear of all junior liens in full and complete satisfaction of her Allowed Secured and Unsecured Claim(s) against the Debtor. The Class</p>	

3-B claimant would then be responsible for any senior liens remaining against Lot 102A.

The Class 3-B claimant has consented to the treatment of her Claim set forth herein.

Class 3-C					
Creditor:	Richard A. Landy, Marlene F. Landy Marital Trust, Landy Enterprises, Inc.				
Collateral Description / Value:	6 Lots				
Total Claim as of Petition Date:	See Chart Below				
Allowed Secured Amount:	See Chart Below				
Unsecured/Deficiency Amount:	Unknown				
Priority of Lien:	See Chart Below				
Insider?	Yes				
Impaired?	Yes				
Treatment					
<p>The Debtor is obligated to Richard A. Landy, the Marlene F. Landy Marital Trust, and Landy Enterprises, Inc. under various promissory notes and secured by deeds of trust against the 6 Lots pursuant to the following schedule:</p>					
Obligor	Lender	Original Principal Amount	Date of Promissory Note	Dated Recorded	Recording Order
Debtor	Richard A. Landy	\$214,010.18	1/11/00	1/2/12	1st
Debtor	Richard A. Landy	\$106,000.00	5/1/09	1/27/12	2nd
Debtor	Marlene F. Landy Marital Trust	\$111,300.00	5/1/09	1/27/12	3rd
Debtor	Landy Enterprises, Inc.	\$47,700.00	5/1/09	1/27/12	4th
Debtor	Richard A. Landy	\$200,000.00	6/1/09	1/27/12	5th
Debtor	Marlene F. Landy Marital Trust	\$69,588.94	11/6/09	1/27/12	6th

Debtor	Richard A. Landy	\$209,553.75	12/31/10	1/27/12	7 th
Debtor	Richard A. Landy	\$450,000.00	1/1/11	1/27/12	8 th
Debtor	Richard A. Landy	\$25,000.00	10/13/11	1/27/12	9 th
	Total	\$1,433,152.87			
	Total Amount of Class 3-C Claims with interest remaining due and owing on the Petition Date	\$1,901,700.36			

Under this Plan, the Class 3-C claimants will release their liens against the 2 Lots and waive their \$1,901,700.36 Claim in consideration for becoming Investor Group Waterfall Fund Participants.

The Class 3-C claimants will receive their Pro-Rata share of the smaller portion of the Investor Group Waterfall Fund in full, final, and complete satisfaction of their Class 3-C Claim.

Class 3-D	
Creditor:	Richard A. Landy and the Marlene F. Marital Trust
Collateral Description / Value:	Lot 102B, Water Provider and Easement Agreement, and certain other water rights of the Upper East River Water Company
Total Claim as of Petition Date:	\$436,863.88
Allowed Secured Amount:	Unknown
Unsecured/Deficiency Amount:	Unknown
Priority of Lien:	
Insider?	Yes
Impaired?	Yes
Treatment	
<p>The Debtor is obligated to Richard A. Landy and the Marlene F. Landy Marital Trust under a promissory note in the original principal amount of \$71,030.97 in favor of Richard A. Landy and dated December 27, 2006 and another promissory note in the original principal amount of \$365,832.91 in favor of the Marlene F. Landy Marital Trust dated November 17, 2006.</p>	
<p>The Class 3-D Claims are secured by a deed of trust and security agreement against Lot 102B, Water Provider and Easement Agreement, and certain other water rights of the Upper East River Water</p>	

Company, LLC dated August 23, 2012 and recorded on September 9, 2012. Upon information and belief the amount of the Class 3-D Claim was \$436,863.88 on the Petition Date.

Under the Plan the Reorganized Debtor will satisfy the Class 3-C Claims out of the proceeds generated by the collateral listed above and after satisfying the claims of any Allowed Secured Claims of a higher priority). The Class 3-D claimants will retain their liens.

2. *Classes of Priority Unsecured Claims*

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the Effective Date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept different treatment.

There are no claims under §§ 507(a)(1), (4), (5), (6), and (a)(7) of the Code and their proposed treatment under the Plan.

3. *Classes of General Unsecured Claims*

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code.

The following chart identifies the Plan's proposed treatment of general unsecured claims against the Debtor:

Class 4	
Creditor:	Buckhorn Ranch Association, Inc.
Description:	Amounts due under an Amended Settlement Agreement for dues and assessments for the Debtor's 97 Lots for the first half 2015.
Basis for Claim:	Stipulation
Total Claim as of Petition Date:	See Exhibit E to the Plan
Disputed?	No
Allowed Claim:	\$11,640.00 as an administrative expense
Insider?	No
Impaired?	Yes
Treatment	
<p>Prior to the Petition Date, a dispute arose between the Buckhorn Ranch Association, Inc. (the "Association") and the Debtor. Specifically, the Association claims the Debtor is liable to the Association for \$216,049.86 for homeowner association dues and fees from January 2011 forward including approximately \$75,625.00 in dues and fees and \$140,424.86 in late fees, penalties, interest, and lien fees. The Association asserts that its Claim is secured pursuant to C.R.S. § 38-33.3-3-</p>	

316(11). The Debtor disputes the amount of the Association's pre-petition claim and alleges that the Association is liable to the Debtor for repairs and improvements completed by the Debtor to the Association's property in late 2010 in the amount of \$158,500.00. The Debtor has been withholding payment of any dues and assessments to offset the amounts allegedly owed to the Debtor by the Association since January of 2011. As of the Petition Date, the Debtor had not paid approximately \$75,625.00 in dues and fees, and alleges that \$82,875.00 is still due and owing from the Association to the Debtor.

The Debtor and the Association entered into an Amended Settlement Agreement on or about March 10, 2015. A true and accurate copy of the Amended Settlement Agreement (with a redline draft showing the differences between the Settlement Agreement and Amended Settlement Agreement) is attached to the Debtor's Plan as Exhibit E. The Amended Settlement Agreement has been ratified by the Association's members and is before the Bankruptcy Court for approval. The Debtor incorporates the terms of the Amended Settlement Agreement into its Plan. Among other things, the Amended Settlement Agreement provides that the Association and Debtor agree to completely release and waive any existing claims against one another except as stated in the Settlement Agreement. The Debtor also agrees to begin paying its ordinary dues and assessments to the Association beginning on January 1, 2015 (in the approximate amount of \$11,640.00). After the dues and assessments for the first half of 2015 are paid and the Debtor complies with other non-monetary obligations, the Association will waive and release its disputed Claim for \$216,049.86 and release all of its liens against the Debtor's real estate. The Amended Settlement Agreement is contingent upon the success of the Debtor's Plan, as amended.

For information regarding Class 5, please see Section C.4. below.

Class 6

Class 6 shall be comprised of creditors holding Allowed Unsecured Claims against the Debtor, including any allowed penalty Claims held by any taxing authority which are not related to actual pecuniary loss. Each holder of an Allowed Class 6 Claim shall be paid in full on the due date for Payment of the Investment Amount.

4. *Classes of Executory Contract and Unexpired Leases*

The Debtor is a party to an Agreement for Marketing of Fishing Club dated October 6, 2004 with Paul P. Guerrieri & Son, Inc. whereby The River Club at Buckhorn Ranch, Inc. manages and operates a fishing and recreation club as the grantee of an easement for the fishing and recreational use of certain land that belongs to Paul P. Guerrieri & Son, Inc. Under the parties' agreement, the Debtor is to market 22 fishing and recreation memberships in connection with its sale of Lots at a total price of \$1,500,000.00. Approximately eight memberships remain to be sold. Previously, Debtor sold 7 memberships with Lot sales and an additional 7 memberships were purchased by the Debtor. Provided that the Investor Group elects to assume this executory contract as provided for in the APA, the Debtor will cure an alleged default under the Agreement for Marketing of Fishing Club on or about the Effective Date of the Plan, assume its executory contract with Paul P. Guerrieri & Son, Inc., and assign the executory contract at issue to the Investor Group. Paul P. Guerrieri & Son, Inc. is the only known creditor in this class.

Any unexpired leases or executory contracts not otherwise dealt with in the Plan and for which a motion to assume has not been filed by Debtor prior to the hearing on Confirmation, shall be deemed rejected. Under the terms of the lease agreements, in the event that a lease is rejected, the equipment or property will be returned to the lessor, unless Debtor and the lessor otherwise agree.

Any Class 5 claimant asserting a Claim for damages arising from rejection of a lease shall file a proof of claim with the Bankruptcy Court by the later of 30 days after the Effective Date or thirty days after entry of the Order granting the motion to reject or the claim shall be forever barred. The Allowed Claims held by holders of rejected leases or executory contracts shall be treated the same as the most favored class of unsecured Claims subject to the limitations of Section 502 of the Bankruptcy Code.

5. *Classes of Equity Interest Holders*

Equity Interest holders are parties who hold an ownership interest (*i.e.*, equity interest) in the Debtor. In a corporation, entities holding preferred or common stock are equity interest holders. In a partnership, equity interest holders include both general and limited partners. In a limited liability company ("LLC"), the equity interest holders are the members.

On the Effective Date of the Plan, all Equity Interests in the Debtor shall be voided and shall vest in the Reorganized Debtor as they existed prior to the Petition Date.

D. Means of Implementing the Plan

The Reorganized Debtor shall fund its Plan obligations with the Investment Amount (as provided under the Plan Funding and Support Agreement and Asset Purchase Agreement), the sale of 4 Lots, the amounts paid to it from the Investor Group from future sales of the 93 Lots, and operation of the Water Company. Such funds shall be sufficient to pay in full all amounts due under the Plan.

On the due date for the Investment Amount, Reorganized Debtor shall sell the Purchased Assets to the Investor Group in accordance with the terms of the APA, free and clear of all encumbrances, liens, claims and interests of creditors. The Investor Group shall assume the obligation to make the

Investor Group Waterfall Fund payments and other payments to the Reorganized Debtor in accordance with the Plan and the Plan Funding and Support Agreement.

The proceeds generated from the 4 Lots and Water Company will be used first to satisfy any Allowed Secured Claims against such property and then to pay costs of sale and ordinary operating expenses of the Reorganized Debtor before distribution to any Equity Interest holders.

Additional background information regarding the Investor Group and its ability to close on the transaction described herein is included on **Exhibit 3**, attached hereto. The only potential insiders with any connection to the Investor Group are the Investor Group Waterfall Fund Participants as described herein.

The management and ownership structure of the Reorganized Debtor shall remain as constituted prior to the Petition Date and as set forth in the Debtor's bankruptcy schedules. The Debtor shall continue to manage and maintain the airstrip after the Effective Date.

Projections for the Investor Group and Reorganized Debtor (the Water Company) are attached to the Plan as Exhibit G and show how Lot sale proceeds will be distributed between the Investor Group and Reorganized Debtor. Exhibit 4 also shows the anticipated return to the Investor Group Waterfall Fund Participants and that the Debtor will have sufficient funds to continue operations after it is left with the Water Company, 4 Lots, airstrip, and begins receiving its 15% share from sales of the 93 Lots from the Investor Group.

E. Risk Factors

There is no guarantee that the investor group will not default on its obligations under the Plan Support Agreement. There is no guarantee that the Reorganized Debtor will be able to meet its projected sales numbers and make the payments as set forth in the the Plan. The real estate market in and around Crested Butte could be detrimentally affected by natural disaster or another economic downturn.

F. Executory Contracts and Unexpired Leases

All unexpired leases and executory contracts between the Debtor and any other Person (if any) which have not prior to the Effective Date of the Plan been affirmatively assumed by the Debtor, will be rejected. The Debtor is not aware of any executory contracts or leases not disclosed herein.

G. Tax Consequences of Plan

Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, and/or Advisors.

V. CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the

Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in § 1129, and they are not the only requirements for confirmation.

A. Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that classes 1, 3, 4, 5, and 6 are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. Class 3 includes impaired insider claims that have the right to vote but pursuant to 11 U.S.C. § 1129(a)(10), such votes may not be counted toward confirmation under certain scenarios.

1. *What Is an Allowed Claim or an Allowed Equity Interest?*

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

The deadline for filing a proof of claim in this case was June 4, 2014.

2. *What Is an Impaired Claim or Impaired Equity Interest?*

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is *impaired* under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

3. *Who is Not Entitled to Vote*

The holders of the following five types of claims and equity interests are *not* entitled to vote:

- holders of claims and equity interests that have been disallowed by an order of the Court;
- holders of other claims or equity interests that are not “allowed claims” or “allowed equity interests” (as discussed above), unless they have been “allowed” for voting purposes.
- holders of claims or equity interests in unimpaired classes;
- holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code;
- holders of claims or equity interests in classes that do not receive or retain any value under the Plan; and,
- administrative expenses.

Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan [and to the Adequacy of the Disclosure Statement].

4. *Who Can Vote in More Than One Class*

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

B. Votes Necessary to Confirm the Plan

If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by “cram down” on non-accepting classes, as discussed later in Section B.2.

1. *Votes Necessary for a Class to Accept the Plan*

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

2. *Treatment of Nonaccepting Classes*

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the nonaccepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds nonaccepting classes is commonly referred to as a “cram down” plan. The Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of the Code, does not “discriminate unfairly,” and is “fair and equitable” toward each impaired class that has not voted to accept the Plan.

You should consult your own attorney if a “cramdown” confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.

C. **Liquidation Analysis**

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is included in Section VII of this Disclosure Statement.

D. **Feasibility**

The Court must find that 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, unless such liquidation or reorganization is proposed in the Plan.

1. *Ability to Initially Fund Plan*

The Plan Proponent believes that the Debtor will have enough cash on hand on the Effective Date of the Plan to pay all the claims and expenses that are entitled to be paid on that date due to the Plan Funding and Support Agreement.

VI. **EFFECT OF CONFIRMATION OF PLAN**

A. **Discharge of Debtor.**

Discharge. On the Effective Date of the Plan, the Debtor shall be discharged from any debt that arose before confirmation of the Plan, subject to the occurrence of the Effective Date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor shall not be discharged of any debt (i) imposed by the Plan, (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure, or (iii) of a kind specified in § 1141(d)(6)(B). After the Effective Date of the Plan your claims against the

Debtor will be limited to the debts described in clauses (i) through (iii) of the preceding sentence.

B. Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan.

The Plan Proponent may also seek to modify the Plan at any time after confirmation only if (1) the Plan has not been substantially consummated *and* (2) the Court authorizes the proposed modifications after notice and a hearing.

C. Final Decree

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

VII. LIQUIDATION ANALYSIS

The Debtor believes that confirmation of the Plan is in the best interests of creditors as CBC has estimated that the liquidation value of all of the Debtor's real estate will only provide a return of \$2.4 million to the Debtor's creditors. Even assuming that the Water Company is worth a significant amount, the Plan provides a greater return to creditors (approximately \$4 million) than could be accomplished under a liquidation under chapter 7 of the Bankruptcy Code. Due to the current economic climate and the inherent risks liquidating assets in summary fashion, the Debtor's assets could be sold for significantly less than their scheduled value. A liquidation would also result in higher administrative costs. The Debtor projects that the return to unsecured creditors will be much higher through a plan of reorganization than a liquidation sale.

Another alternative to conversion is dismissal of the bankruptcy case. Again, the Debtor does not believe that dismissal is in the best interests of creditors. Prior to filing, a foreclosure of the Debtor's main asset had been commenced. If the reorganization is dismissed, the foreclosure could proceed and would almost certainly result in a lower return to unsecured creditors than the distribution proposed by the Debtor.

VIII. MANDATORY DISCLOSURES

The Bankruptcy Code requires disclosure of certain facts:

(a) There are no payments made or promises of the kind specified in Section 1129(a)(4)(A) of the Bankruptcy Code which have not been disclosed to the Court.

(b) The Reorganized Debtor will remain in control of those assets not conveyed pursuant to the APA after confirmation of the Plan for the purpose of operating the business of the

DATED March 10, 2015.

BRUSH CREEK AIRPORT, LLC

/s/ Richard A. Landy

By Richard A. Landy, President of Landy Enterprises, Inc., the general partner of Rolling Meadows Ranch Associates, LP, the managing member of Brush Creek Airport, LLC

SENDER WASSERMAN WADSWORTH P.C.

/s/ David J. Warner

Harvey Sender, #7546

David J. Warner, #38708

1660 Lincoln Street, Suite 2200

Denver, Colorado 80264

(303) 296-1999, Fax: (303) 296-7600

ATTORNEYS FOR DEBTOR