

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
WILMINGTON DIVISION

IN RE:

EAST COAST DEVELOPMENT II, LLC,

DEBTOR

CASE NO. 11-02792-8-RDD
CHAPTER 11

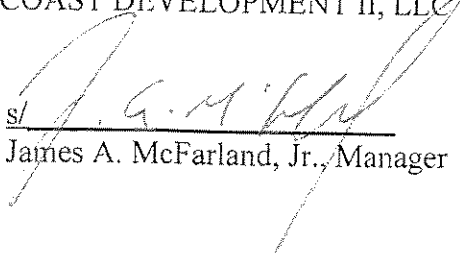
AMENDMENT TO DISCLOSURE STATEMENT

Pursuant to the provisions of Section 1125(b) of the Bankruptcy Code ("Code"), the Debtor hereby amends and restates Exhibits A, B, and C to the Disclosure, as attached hereto.

Respectfully submitted, this the 20th day of April, 2012.

s/Rodney A. Currin
RODNEY A. CURRIN
N.C. State Bar #7078
AMY MARVINE CURRIN
N.C. State Bar #26031
STUBBS & PERDUE, P.A.
P.O. Box 1654
New Bern, NC 28563-1654
(252) 633-2700
(252) 633-9600 Facsimile
rcurrin@stubbsperdue.com
Attorneys for Debtor

EAST COAST DEVELOPMENT II, LLC

By: s/ 
James A. McFarland, Jr., Manager

East Coast Development II, LLC
11-02792-8-RDD
EXHIBITS TO DISCLOSURE STATEMENT

EXHIBIT A**REAL PROPERTY**

| | | |
|---|----|--------------|
| 67 & 69 and 71 & 73 Court Street and 14.4 acres- Osprey Pt | | Surrendered |
| 20 N. Front St, Wilmington, NC | | Surrendered |
| 127 Market Street, Wilmington, NC | | Surrendered |
| 3404 & 3412 Castle Haynes Rd & 109 Gladiolus Rd, Castle Hayne, NC | | Surrendered |
| 118-122 Princess Street, Wilmington, NC | | Surrendered |
| 125 Market St, Wilmington, NC | | Surrendered |
| 121 Market St, Wilmington, NC | | Surrendered |
| 126 Princess Sr, Wilmington NC | | Surrendered |
| 304 & 308 Castle Hayne Rd, Castle Hayne, NC | | Surrendered |
| 145 & 147 Brentwood Rd, Wilmington, NC | | Surrendered |
| 1020 N. Front St, Wilmington, NC | \$ | 360,000.00 |
| 105 Swing Rd, Greensboror, NC | \$ | 654,808.03 |
| 5600 Chapel Hill Hwy, Raleigh, NC | \$ | 924,435.22 |
| 2841 Azalea Drive, Charleston, NC | \$ | 745,015.91 |
| 1400 Bluff Rd, Columbia, NC | \$ | 611,916.60 |
| 1000 Woodruff Rd, Greenville NC | \$ | 1,006,000.00 |
| 50% interest in 4 acres located in Hampstead, NC | \$ | 50,000.00 |
| 33.3 % interest in 30.41 acres, Leland, NC | | Surrendered |
| 121 Brentwood Rd, Wilmington, NC | \$ | 50,000.00 |
| 8325 Bald Eagle Lane, Wilmington, NC | \$ | 150,000.00 |
| <i>Total Real Property:</i> | \$ | 4,552,175.76 |

PERSONAL PROPERTY

| | VALUE |
|--|-----------------|
| DIP Checking Accounts | \$ 110,000.00 |
| Furniture locates at 67 Court Street | \$ 5,000.00 |
| A/R- Mad Hatter of Wilmington, NC | \$ - |
| A/R- Koke & Company | \$ 54,102.87 |
| A/R- Creole Café, LLC | \$ 114,539.15 |
| A/R- Movie One, LLC and Hampstead 504, LLC v. ABZ, LLC | \$ 125,000.00 |
| 50% in 2005 Volvo | \$ 6,150.00 |
| <i>Total Personal Property:</i> | \$ 414,792.02 |
| <i>Total Real & Personal Property:</i> | \$ 4,966,967.78 |

**EXHIBIT B
LIABILITIES**

ADMINISTRATIVE CLAIMS

Class 1: ADMINISTRATIVE CLAIMS

Stubbs & Perdue

PRIORITY CLAIMS

Class 2: AD VALOREM TAXES

Brunswick Co. Tax Office

New Hanover Co. Tax Office

Onslow Co. Tax Office

Pender Co. Tax Office

TOTAL CLASS 2 CLAIMS:

Class 3: TAX CLAIMS

IRS

SECURED CLAIMS

Class 4: BB&T

121 Market Street, Wilmington, NC

Class 5: CIENNA CAPITAL, LLC

118-122 Princess St, Wilmington, NC

Class 6: FIRST BANK

304 & 308 Castle Haynes Rd

145 & 147 Brentwood Rd, Wilmington, NC

1020 N. Front St, Wilmington, NC

33.3% interest in 30.41 acres

Class 7: GEORGIA CAPITAL, LLC

Osprey Pt- 67/69 & 71/73 Court Street

Class 8: WELLS FARGO BANK

1020 N. Front St. - \$1,752,271.62

4 Properties: 105 Swing Rd, 5600 Chapel Hill Hwy, 2841 Azaela Dr,

and 1000 Woodruff Rd - \$3,259,197.16

Swap - \$322,603.54

| <u>Clim</u> | <u>Impairment</u> Impaired | <u>Amount</u> To be determined by Court |
|-------------|-------------------------------|---|
| 12 | Unimpaired | \$ 21,832.58 |
| 1 | | \$ 12,347.78 |
| 13 | | \$ 24,966.66 |
| 5 | | \$ 362.86 |
| | | \$ 59,509.88 |
| 4 | Unimpaired | \$ - |
| 3 | Impaired | \$ 744,553.90 |
| 17 | Impaired | \$ 2,549,815.89 |
| 11 | Impaired | \$ 163,562.44 |
| 10 | | \$ 272,095.11 |
| 9 | | \$ 365,610.77 |
| 14 | | \$ 552,994.65 |
| 15 | | \$ 1,501,615.07 |
| 21.amd | | \$ 5,334,072.32 |

Class 9: EXECUTORY CONTRACTS & LEASES

| | ASSUME | REJECT |
|------------------------------|--------|--------|
| ADAMS OUTDOOR THERAPY | X | |
| BLUE SKY SERVICES, LLC | X | |
| CG DAWGS | X | |
| CITY OF WILMINGTON | | X |
| NANCY CLAYMAN | X | |
| CREOLES CAFÉ, LLC | | X |
| HOOKS BURGLAR & FIRE ALARM | X | |
| KOKE & COMPANY, LLC | | X |
| MAD HATTER WILMINGTON, LLC | | X |
| RIVERS END ENTERPRISES, INC. | X | |
| RSC EQUIPMENT RENTAL | X | |
| EDDIE WILLIAMSON | X | |

UNSECURED

Class 10: UNSECURED CLAIMS INSIDER, DISPUTED, OR CONTINGENT UNSECURED CLAIMS

| | Impaired | | |
|---|----------|-------------------------|------------|
| 40-59 Hampton Street, LLC | 20 | \$ 180,243.83 | Contingent |
| Jamestown Pender Com LP/Jamestown Pender Res LP | 19 | \$ 11,593,000.00 | Disputed |
| McFarland, James A. Jr. | | \$ 359,932.27 | Insider |
| Mazurek, Ruth | 18 | \$ 180,243.83 | Contingent |
| Pender Co. Board of Education | 16 | \$ 426,981.87 | Disputed |
| York, Cindy, Esq. | 8 | \$ 155,000.00 | Disputed |
| TOTAL | | \$ 12,895,401.80 | |

GENERAL UNSECURED CLAIMS

| | | |
|-----------------------------------|-------------------------|--|
| Clayman, Brad | \$ 55,000.00 | |
| Clayman, Nancy | \$ 151,500.00 | |
| Clayman, Nancy | \$ 131,038.29 | |
| Fire Technologies, Inc. | \$ 5,111.60 | |
| Geshickter, Brian, Esq. | \$ 3,569.19 | |
| Paramount Engineering | \$ 12,201.80 | |
| State of North Carolina | unknown | |
| Atrium Develop. Assoc., LLC | \$ 111,136.63 | |
| Atrium Develop. Assoc., LLC | \$ 324,382.81 | |
| TOTAL: | \$ 793,940.32 | |
| TOTAL ALL UNSECURED CLAIMS | \$ 13,689,342.12 | |

TOTAL OF ALL CLAIMS: \$ 25,233,172.15

**EXHIBIT C:
LIQUIDATION ANALYSIS**

ASSETS:

| REAL PROPERTY | LIENHOLDER | CLM | LIEN AMOUNT | MAR. VALUE | EQUITY | AUCTION ITEMS |
|--|-----------------|-----|-----------------|-----------------|---------------|---------------|
| - 67 & 69 and 71 & 73 Court Street and 14.4 acres and 20 N. Front St, Wilmington, NC | Georgia Capital | | \$ 1,501,615.07 | Surrendered | - | - |
| - and 127 Market Street, Wilmington, NC | | | \$ 1,501,615.07 | Surrendered | - | - |
| - and 3404 & 3412 Castle Haynes Rd & 109 Gladiolus Rd | | | \$ 1,501,615.07 | Surrendered | - | - |
| - 118-122 Princess Street, Wilmington, NC | Ciena Capital | | \$ 2,549,815.89 | Surrendered | - | - |
| - and 125 Market St, Wilmington, NC | Ciena Capital | | \$ 2,549,815.89 | Surrendered | - | - |
| - 121 Market St, Wilmington, NC | BB&T | | \$ 744,553.90 | Surrendered | - | - |
| - and 126 Princess Sr, Wilmington NC | BB&T | | \$ 744,553.90 | Surrendered | - | - |
| - 304 & 308 Castle Hayne Rd, Castle Hayne, NC | First Bank | | \$ 163,562.44 | Surrendered | - | - |
| - 145 & 147 Brentwood Rd, Wilmington, NC | First Bank | | \$ 261,242.26 | Surrendered | - | - |
| - 1020 N. Front St, Wilmington, NC | First Bank | | \$ 365,610.77 | \$ 360,000.00 | - | - |
| - 105 Swing Rd, Greensboro, NC | Wells Fargo | | \$ 4,917,781.51 | - | - | - |
| - and 5600 Chapel Hill Hwy, Raleigh, NC | Wells Fargo | | \$ 4,917,781.51 | \$ 654,808.03 | - | - |
| - and 2841 Azalea Drive, Charleston, NC | Wells Fargo | | \$ 4,917,781.51 | \$ 924,435.22 | - | - |
| - and 1400 Bluff Rd, Columbia, NC | Wells Fargo | | \$ 4,917,781.51 | \$ 745,015.91 | - | - |
| - and 1000 Woodruff Rd, Greenville NC | Wells Fargo | | \$ 4,917,781.51 | \$ 611,916.60 | - | - |
| - 50% interest in 4 acres located in Hampstead, NC | Wells Fargo | | \$ 4,917,781.51 | \$ 1,006,000.00 | - | - |
| - 33.3 % interest in 30.41 acres, Leland, NC | First Bank | | \$ - | \$ 50,000.00 | \$ 50,000.00 | \$ 50,000.00 |
| - 121 Brentwood Rd, Wilmington, NC | | | \$ 552,994.65 | Surrendered | - | - |
| - 8325 Bald Eagle Lane, Wilmington, NC | | | \$ - | \$ 50,000.00 | \$ 50,000.00 | \$ 50,000.00 |
| TOTAL FOR REAL PROPERTY: | | | | \$ 4,552,175.76 | \$ 250,000.00 | \$ 250,000.00 |

PERSONAL PROPERTY:

| | | | | | | |
|--|-------------|--|-----------------|-----------------|---------------|---------------|
| DIP Checking Account | Wells Fargo | | \$ 4,917,781.51 | - | - | - |
| Furniture located at 67 Court Street | | | | \$ 110,000.00 | - | - |
| A/R- Mad Hatter of Wilmington, NC - Out of business | | | | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 |
| A/R- Koke & Company - Out of business | | | | - | - | - |
| A/R- Creole Café, LLC - Out of business | | | | - | - | - |
| A/R- Movie One, LLC and Hampstead 504, LLC v. ABZ, LLC | | | | - | - | - |
| 50% in 2005 Volvo | | | | - | - | - |
| TOTALS FOR PERSONAL PROPERTY | | | | \$ 6,150.00 | \$ 6,150.00 | \$ 6,150.00 |
| TOTALS FOR REAL & PERSONAL PROPERTY: | | | | \$ 4,673,325.76 | \$ 261,150.00 | \$ 261,150.00 |

LESS THE FOLLOWING EXPENSES:

| | | | | | | |
|--|-----|----|------------|--|--|---------------|
| Real Property Expenses- | | | | | | |
| Chapter 7 Auctioner Fees Real Property with Equity | | | | | | |
| 10% of first \$25,000.00 | 10% | \$ | 25,000.00 | | | \$ (2,500.00) |
| 4% of balance | 4% | \$ | 225,000.00 | | | \$ (9,000.00) |

Chapter 7 Auctioner Fees Personal Property with Equity

| | | | | | |
|---|-----|----|------------|----|------------------|
| 20% of first \$20,000.00 | 20% | \$ | 11,150.00 | \$ | (2,230.00) |
| 10% of next \$50,000 | | | | | |
| 4% of balance | | | | | |
| <u>Trustee's Commission</u> | | | | | |
| 25% of first \$5,000 | 25% | \$ | 5,000.00 | \$ | (1,250.00) |
| 10% of next \$5,000 to \$50,000 | 10% | \$ | 45,000.00 | \$ | (4,500.00) |
| 3% of balance | 3% | \$ | 261,150.00 | \$ | (7,834.50) |
| <u>Attorney's Fees for Chapter 7 Trustee (est.)</u> | | | | | |
| Chapter 11 Administrative Claims (est.) | | \$ | | \$ | (50,000.00) |
| Priority Claims | | \$ | | \$ | (100,000.00) |
| | | \$ | | \$ | (59,509.88) |
| | | \$ | | \$ | <u>24,325.62</u> |

AMOUNT AVAILABLE FOR UNSECURED CREDITORS

** ABZ is in Bankruptcy