

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION**

GREGORY & PARKER, INC., et al)	CASE NO.: 12-01382-8-SWH
Tax ID: xx-xxx0914)	CHAPTER 11
807 Halifax Street)	JOINTLY ADMINISTERED
Raleigh, NC 27604)	
)	
Debtor)	

**DEBTOR'S SECOND AMENDED PLAN OF REORGANIZATION
FOR GREGORY & PARKER, INC.**

Gregory & Parker, Inc., Chapter 11 Debtor-In-Possession, ("Debtor") proposes the following Second Amended Plan of Reorganization.

SUMMARY OF PLAN

The Debtor's Second Amended Plan of Reorganization ("Plan") proposes that all creditors receive distributions in cash on account of their allowed claims. The means of execution for the Debtor's Plan will involve payments from Debtor's disposable income and liquidation of the Debtor's assets.

The Debtor will pay the administrative costs in full on the Effective Date or upon such other mutually acceptable terms as the parties may agree.

Any and all priority taxes due and owing to the Internal Revenue Service, if any, shall be paid over a period of five (5) years from date of the Order for Relief and shall include statutory interest at the rate set by Internal Revenue Code §§ 6601 and 6621 determined in accordance with 11 U.S.C. § 511.

Any and all priority taxes due and owing to the North Carolina Department of Revenue, if any, shall be paid from sales of specific property with balance paid over a period of five (5) years from date of the Order for Relief and shall include statutory interest at the rate set by N.C.G.S. § 105-241.1 determined in accordance with 11 U.S.C. § 511.

Any and all 2011 - 2012 property taxes due and owing to the Wake and Johnston County Tax Collectors, if any, shall be paid at closing upon sales of real property or over a period of five (5) years from date of the Order for Relief, whichever first occurs, and shall include statutory interest determined in accordance with 11 U.S.C. § 511.

The Class 5 undersecured claim of Georgia Capital approximates \$5,035,330.53 as of March 5, 2013. The principal balance as of March 5, 2013 is \$3,950,000.00. The Debtor has filed Amended Objection to claim of Georgia Capital contesting the default interest rate and, alternatively, the ability of Georgia Capital to charge interest on either of its loans post-petition, contending that Georgia Capital is undersecured in each separate Debtor entity. Under the Bankruptcy Code, a unsecured or undersecured creditor is not entitled to post-petition interest. The Debtor proposes to pay Georgia Capital's principal balance on Loans 1 and 2, totaling \$3,950,000.00

plus interest in an amount to be determined by the Bankruptcy Court from sales of real property constituting its collateral within 9 months of the Effective Date in full satisfaction of its claims.

The Debtor is proposing to pay allowed general unsecured claims as per Class 7 the net proceeds from sale of all real property of the Debtor after payment of all allowed § 506(a) secured claims; ad valorem property taxes; assessments; commercial brokers' commissions; closing costs; all priority claims; all Court approved Chapter 11 administrative professional fees and expenses; and quarterly fees.

The class of allowed, general unsecured claims does not include the Class 6 subordinated, disputed and unliquidated claims of Conan R. McClain which are the subject of pending objections to claims and adversary proceeding. The Debtor reserves the right to review and object to other scheduled, general unsecured claims within the time frame allotted per terms of the Plan.

Richard D. Sparkman, Attorney, shall be designated as Disbursement Agent for the benefit of Class 7 allowed general unsecured creditors. The Disbursement Agent shall make first interim distribution to Class 7 unsecured creditors on or before six months after the later of sales of all real property of the Debtor; in the related case of Gregory & Parker-Seaboard, LLC; and as the related case of William Douglas Parker, Jr. and wife, Diana L. Parker; approval and payment of all Chapter 11 administrative claims including quarterly fees; resolution and conclusion of all objections to claims and adversary proceedings; and preparation and filing of all required corporate and individual tax returns.

The Debtor's liabilities will be paid according to the priorities of the Bankruptcy Code and further Orders of the Bankruptcy Court. The specific amounts and terms of payment will be made according to the further terms of this Second Amended Plan and Confirmation Orders of the Court.

ARTICLE I DEFINITIONS

The following terms used in the Plan shall have the meaning as defined below:

1.1 "Administrative Claim" shall mean (a) the actual, necessary costs and expenses of preserving or liquidating the estate within the purview and context of this Plan; (b) any actual, necessary expense of consummating the Plan; or (c) any allowances, costs or fees of Debtor and counsel for Debtor and/or of accountants employed by the Debtor as approved by the Bankruptcy Court in accordance with the Code.

1.2 "Allowed Claim" shall mean a claim (a) which shall have been listed by the Debtor as undisputed, non-contingent and liquidated on the Schedules filed with the Court; (b) which shall have been properly filed as a Proof of Claim with the United States Bankruptcy Court prior to Confirmation, and to which Debtor does not file an objection with the United States Bankruptcy Court, or which is ultimately allowed by the Bankruptcy Court over such an objection; or (c) which arose out of the rejection of an executory contract or unexpired lease as provided for by the terms of this Plan, and which shall have been properly filed as a Proof of Claim with the United States Bankruptcy Court on or before the expiration of twenty days after the Confirmation Date, and to which Debtor does not file an objection or which is ultimately allowed by the Bankruptcy Court over any such objection. Where there is a difference between the amounts scheduled as undisputed by the Debtor in its Schedules and the amount set forth in the Proof of Claim filed by an affected creditor, the amount shown in the Proof of Claim shall govern for purposes of allowance unless objected to by the Debtor, in which case, the Claim shall be the amount allowed by the Bankruptcy

Court.

1.3 "Bankruptcy Court" shall mean the United States Bankruptcy Court for the Eastern District of North Carolina, including the United States Bankruptcy Judge presiding in this case.

1.4 "Business Day" shall mean any day on which banks are open to carry on their ordinary commercial banking business in the State of North Carolina.

1.5 "Case" shall mean Gregory & Parker, Inc., commenced under the provisions of Chapter 11 of the United States Bankruptcy Code on February 22, 2012 in the United States Bankruptcy Court for the Eastern District of North Carolina.

1.6 "Chapter 11" shall mean Chapter 11 of the Bankruptcy Code, 11 U.S.C. § 1101 et seq.

1.7 "Claim" shall mean any right to payment, or any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to payment or right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

1.8 "Code" shall mean The Bankruptcy Reform Act of 1978, Pub. L. No. 95-5-98, as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 and codified at 11 U.S.C. § 101-et seq.

1.9 "Confirmation" shall mean the entry of an Order confirming the Plan in accordance with Chapter 11.

1.10 "Creditor(s)" shall mean each and every creditor of the Debtor holding claims for debts, liabilities, demands or obligations of any character whatsoever.

1.11 "Debtor" shall mean Gregory & Parker, Inc., Case No. 12-01382-8-SWH.

1.12 "Disbursing Agent" shall mean Richard D. Sparkman, Attorney, 32 W. Williams Street, Post Office Box 1687, Angier, NC 27501.

1.13 "Effective Date" shall mean the earliest date upon which (a) the date for appeal of Confirmation has expired (14 days from entry of Confirmation Order), and (b) there is no appeal pending to the Order of Confirmation.

1.14 "General Unsecured Creditors" shall mean all Class 7 creditors of the Debtor (save and except Administrative claims; Priority claims; Related Party claims; claims purchased for voting purposes; Chapter 44A lien claims; and the disputed, unliquidated claims of Conan R. McClain) with allowed claims who hold no lien, security interest, or other encumbrance with respect to the property owned by the Debtor. General Unsecured Creditors shall also include those creditors whose collateral has been liquidated giving rise to a deficiency after the application of proceeds derived therefrom, and those claimants whose leases and/or executory contracts have either been avoided or rejected by the Debtor giving rise to a general unsecured claim. Also included are Chapter 44A claimants with liens on funds and/or real property directly or by subrogation who have elected to abandon their Chapter 44A lien claims and be paid as a Class 7 general unsecured claim.

1.15 "Petition Date" shall mean the date of filing of Debtor's petition initiating this Chapter

11 case, i.e. February 22, 2012.

1.16 "Plan" shall mean this Plan of Reorganization in its present form, or as may be amended, modified or supplemented.

1.17 "Priority Creditors" shall mean all creditors of the Debtor holding claims entitled to priority by §§ 507(a)(3), 507(a)(4), 507(a)(5), and 507(a)(6) of the Bankruptcy Code, as the same are allowed, approved, and Ordered paid by the Court.

1.18 "Related Parties" shall mean creditors of the Debtor who are affiliated with; or otherwise related to the Debtor including, but not limited to William D. Parker, Jr. and Diana L. Parker.

1.19 "Schedules" shall mean the Schedules of Assets and Liabilities, Statement of Affairs, and Statement of Executory Contracts, and the amendments thereto filed by the Debtor with the Bankruptcy Court.

1.20 "Secured Creditor(s)" shall mean each and every creditor who claims a lien, security interest, or other encumbrance on property in which Debtor has an interest, provided that the Debtor acknowledges for purposes of this Plan the validity of such lien, security interest or other encumbrance by listing such creditor as a member of a secured creditor class under this Plan.

1.21 "Tax Claims" shall mean all liquidated, unsecured tax claims of governmental units against the Debtor or its property, which claims are entitled to priority under § 507(a)(8) of the Code.

ARTICLE II CLASSIFICATION OF CLAIMS

2.1 Class 1: Class 1 consists of costs and expenses of administration as defined in the Bankruptcy Code for which application for or allowance of a claim is made, as the same are allowed, approved, and ordered paid by the Court.

2.2 Class 2: All liquidated ad valorem tax claims of Wake and Johnston Counties against the Debtor or its property entitled to priority and/or lien status under § 507(a)(8) of the Code.

2.3 Class 3: All liquidated tax claims of the United States of America, Internal Revenue Service against the Debtor or its property entitled to priority under § 507(a)(8) of the Code.

2.4 Class 4: All liquidated tax claims of the State of North Carolina, Department of Revenue against the Debtor or its property entitled to priority under § 507(a)(8) of the Code.

2.5 Class 5: The allowed undersecured claims of Georgia Capital.

2.6 Class 6: The subordinated, disputed and unliquidated claims of Conan R. McClain.

2.7 Class 7: All holders of undisputed, liquidated, allowed, general unsecured claims of whatever nature and description against the Debtor as defined in Article I, § 1.14, except as otherwise classified in the Plan.

2.8 Class 8: Claims of Related Parties, if any, who are in some way related to the Debtor, excluding only the member/stockholder interests.

2.9 Class 9: Interests of the stockholders in the nature of stock ownership, capital contributions to the Debtor or interests pursuant to any stockholder agreement.

ARTICLE III
TREATMENT OF CLAIMS AND CLASSES NOT IMPAIRED UNDER THE PLAN

3.1 Class 1: Costs and Expenses of Administration

(a) This class is not impaired.

(b) Class 1 Creditors shall be paid in cash and in full as and when their Claims are allowed and ordered paid by the Court, from cash accumulated by the Debtor during this proceeding or from available cash generated from the continued operation of the Debtor's business at such later time as agreed upon by all parties in this class. All pre-confirmation professional fees shall be approved by the Court.

(c) There are currently the following costs of administration claims outstanding:

(1) Richard D. Sparkman, Attorney for Debtor, fees and expenses above and beyond orders allowing first interim compensation dated August 22, 2012, as may be allowed by the Bankruptcy Court.

(2) Capital Associates Management, LLC, commissions, listings, sales and hourly rate fees and expenses to be allowed against a pre-petition retainer of \$-0- as may be allowed by the Bankruptcy Court.

(3) Adams, Martin & Associates, CPA, fees and expenses to be allowed against a pre-petition retainer of \$-0- as may be allowed by the Bankruptcy Court.

(4) K. Matthew Vaughan and William P. Janvier, Special Counsel to Debtor for fees and expenses as may be allowed by the Bankruptcy Court.

(d) All non-tax costs of administration claimants shall file their final applications for compensation within one hundred eighty (180) days of the Effective Date of the Plan, unless the court, for cause, or in its discretion, extends the deadline. Cost of administration claimants shall not be required to apply for Court approval of post-confirmation compensation and the same can be paid directly by the Debtor or at closing upon sales of real property without further Orders of the Bankruptcy Court.

3.2 Class 2: Ad Valorem Tax Claims.

(a) Impairment. This class is unimpaired.

(b) Classification. Class 2 consists of claims for taxes owed by the Debtor to any city, county, or other municipality or taxing entity entitled to tax the property of the Debtor based upon the value of the property assessed. The Debtor is aware of the following claims:

Wake County Revenue Dept. \$35,470.74 (Claim No. 6, Gregory & Parker,

Inc. 2011 and 2012 ad valorem taxes, less credit for payments made pursuant to pre-petition garnishment and post-petition installment payments.)

Johnston County Tax Collector \$5,913.14 (Gregory & Parker, Inc. - 2011 and 2012 property taxes, 3 tracts vacant Land 223 Barber Mill Rd. - 41.56)

(c) Treatment. The Debtor shall pay this class in accordance with §§ 507(a)(8) and 1129(a)(9)(C) of the Bankruptcy Code. This class shall receive payment at closing upon sales of real property, or deferred cash payments over a period ending not later than five years from the date of the Order for Relief, whichever first occurs, of a value equal to the full amount of such secured and/or priority tax claim, with statutory interest on such claim at the rate set by state law determined as of the calendar month in which the Plan is confirmed in accordance with § 511 of the Bankruptcy Code. Monthly payments shall commence on the 10th day of the first full month following the Effective Date. Such payments will be paid directly by the Debtor.

In the event that the Debtor fails to make a monthly payment in accordance with the terms of this Plan then, subject to a ten (10) day right to cure following written notice of default from the Class 2 creditor, the Class 2 creditor shall be permitted to exercise any and all of its collection remedies under non-bankruptcy law without further Orders of the Bankruptcy Court.

During the Plan repayment period as set forth above, the Class 2 creditor's secured (if any) and priority unsecured claims shall maintain their priority status in accordance with 11 U.S.C. § 507(a)(8)(A) and § 523(a)(1)(A), and any applicable statute of limitation on collection shall be tolled.

3.3 Class 3 - Internal Revenue Service

(a) Impairment. This class is unimpaired.

(b) Classification. Class 3 consists of the secured and unsecured priority claims against the Debtor for income taxes and/or any and all other taxes levied or entitled to be levied against the Debtor by the Internal Revenue Service, plus statutory interest as allowed by law. The Debtor is aware of the following asserted claims:

Internal Revenue Service	Secured:	\$-0-
	Priority:	\$1,578.17 (Gregory & Parker, Inc. Claim 1-3)

(c) Treatment. The Debtor proposes the following treatment:

Secured and Unsecured priority tax claims described in § 507(a)(8) of the Bankruptcy Code shall be paid in monthly installments over a period not exceeding five (5) years from the Order for Relief. The Class 3 creditor shall retain its liens and secured status as to the underlying secured tax liability, if any, and shall accrue statutory interest at the rate set by Internal Revenue Code §§ 6601 and 6621, determined as of the calendar month in which the Plan is confirmed in accordance with § 511 of the Bankruptcy Code.

Regular monthly payments shall commence at the conclusion of the first full quarter following the Effective Date and shall continue until the balance of the secured (if any) and unsecured priority Class 3 claims are satisfied. All unpaid principal and accrued interest shall be due and payable in cash on the five (5) year anniversary of the Order for Relief. Such payments will be paid directly by the Debtor.

In the event the Debtor fails to make a monthly payment in accordance with the terms of this Plan then, subject to a ten (10) day right to cure following written notice of default from the Class 3 creditor, the Class 3 creditor shall be permitted to exercise any and all of its collection remedies under non-bankruptcy law without further Orders of the Bankruptcy Court.

During the Plan repayment period as set forth above, the Class 3 creditor's secured and priority unsecured claims shall maintain their secured and priority status in accordance with 11 U.S.C. § 507(a)(8)(A) and § 523(a)(1)(A) and any applicable statute of limitation on collection shall be tolled.

3.4 Class 4 - North Carolina Department of Revenue

(a) Impairment. This class will be unimpaired.

(b) Classification. Class 4 consists of the secured and unsecured priority claims against the Debtors for income taxes and/or any and all other taxes levied or entitled to be levied against the Debtors by the North Carolina Department of Revenue, plus statutory interest as allowed by law. The Debtors are aware of the following asserted claims (There are no known N. C. Department of Revenue claims):

N. C. Department of Revenue	Secured:	\$-0-
	Priority:	\$-0-

(c) Treatment. The Debtors propose the following treatment:

Secured and unsecured priority tax claims described in § 507(a)(8) of the Bankruptcy Code shall be paid in monthly installments over a period not exceeding five (5) years from the Order for Relief. The Class 4 creditor shall accrue statutory interest at the rate set by N.C.G.S. § 105-241.1, determined as of the calendar month in which the Plan is confirmed in accordance with § 511 of the Bankruptcy Code.

Regular monthly payments shall commence at the conclusion of the first full quarter following the Effective Date and shall continue until the balance of the secured (if any) and unsecured priority Class 4 claims are satisfied. All unpaid principal and accrued interest shall be due and payable in cash on the five (5) year anniversary of the Order for Relief. Such payments will be paid directly by the Debtor.

In the event that the Debtor fails to make a monthly payment in accordance with the terms of this Plan then, subject to a ten (10) day right to cure following written notice of default from the Class 4 creditor, the Class 4 creditor shall be permitted to exercise any and all of its collection remedies under non-bankruptcy law without further Orders of the Bankruptcy Court.

During the Plan repayment period as set forth above, the Class 4 creditor's secured (if any) and priority unsecured claims shall maintain their priority status in accordance with 11 U.S.C. §

507(a)(8)(A) and § 523(a)(1)(A), and any applicable statute of limitation on collection shall be tolled.

ARTICLE IV
TREATMENT OF CLAIMS THAT ARE IMPAIRED UNDER THE PLAN

The following Classes of Claims are impaired under the Plan:

4.1 Class 5: The Undersecured Claim of Georgia Capital ("GACAP").

(a) Impairment: This Class is impaired.

(b) Classification: GACAP has filed a secured claim (Claim No. 2) in the Gregory & Parker, Inc. case in the amount of \$4,006,702.42. As of June 5, 2013, the claim was approximately \$5,349,419.21. The principal obligor under the note is William D. Parker, Jr., President and owner of Gregory & Parker, Inc. and manager of Gregory & Parker-Seaboard, LLC. The note is guaranteed by Mr. Parker's wife, Diana L. Parker, and is secured with certain property of the Parkers. (The Parkers are in a related individual Chapter 11 bankruptcy proceeding.). The note is also guaranteed by Gregory & Parker, Inc. The guaranty is secured by a hypothecated deed of trust on all real property of Gregory & Parker, Inc. valued per Debtor's schedules at \$2,549,233.00. Also, per hypothecated deed of trust, GACAP is secured by a deed of trust on property of Gregory & Parker-Seaboard, LLC consisting of a 1.486 acre tract (presently a paved parking lot/potential apartment complex tract) located at 826 Semart Drive scheduled in Debtor's petition at \$3,000,000.00.

Pursuant to previous consent orders entered by the Bankruptcy Court authorizing Debtor's interim use of cash collateral, GACAP, pursuant to and consistent with 11 U.S.C. § 363(e) and § 361, was granted a post-petition replacement lien on its cash collateral with the same validity, priority, and enforceability as GACAP had against the cash collateral as of Petition Date. The replacement liens on rents and real estate were subject to and subordinate to carve out for the payment of allowed professional fees and disbursements incurred by Court approved professionals free and clear of the liens of GACAP to the extent consistent with the operating budget.

As of the filing of this Amended Plan of Reorganization, the Debtor has filed amended claim objecting to the payment of post-petition interest and post-petition default interest to Georgia Capital.

(c) Treatment: The Class 5 undersecured claim of Georgia Capital approximates \$5,349,419.21 as of June 5, 2013. The principal balance as of March 5, 2013 was \$3,950,000.00. The Debtor has filed Amended Objection to claim of Georgia Capital contesting the default interest rate and, alternatively, the ability of Georgia Capital to charge interest on either of its loans post-petition, contending that Georgia Capital is undersecured in each separate Debtor entity. Under the Bankruptcy Code, a unsecured or undersecured creditor is not entitled to post-petition interest. The Debtor proposes to pay the undersecured claim of Georgia Capital, plus interest in an amount to be determined by the Bankruptcy Court inclusive of its attorney's fees and costs from sale of its collateral, said sale to be conducted within 9 months of the Effective Date in full satisfaction of its claims. The lien of GACAP shall be subject to a continuing "carve out" for payment of remaining Court approved administrative professional fees per cash collateral budget pending sale of real property, and for payment of property taxes incurred by the Debtor and Related Parties as a result of liquidation of real property.

In the event the Debtor fails to sell the collateral of GACAP within the time frame as set forth hereinabove; fails to make timely installment payments; fails to make timely payment to property tax claims per the Plan; fails to pay any post-petition property taxes in a timely manner; or fails to maintain adequate insurance on GACAP's improved collateral with GACAP named as Loss Payee then the automatic stay and/or permanent injunction shall be automatically lifted and GACAP entitled to proceed with its legal remedies under state law without further orders of the Bankruptcy Court.

4.2 Class 6: The Disputed and Unliquidated Claims of Conan R. McClain

(a) Impairment: This Class is impaired.

(b) Classification: Conan R. McClain was an insider of the Debtor and/or a "person in control" of the Debtor prior to bankruptcy and during the first few months of the Chapter 11 bankruptcy proceeding. Mr. McClain's services were terminated for cause by the Debtor shortly after the filing of the Chapter 11 bankruptcy proceeding. Mr. McClain was scheduled as a disputed and unliquidated creditor. He has filed unsecured claim no. 3 in the amount of \$1,498,903.14 and unsecured claim 4 in the amount of \$345,350.00, both claims being for "services performed" to the jointly administered Debtor.

As of the filing of the Second Amended Plan of Reorganization, the claims of Conan R. McClain were the subject of objections to claims and related adversary proceeding in the jointly administered corporate cases and in the related individual Chapter 11 case of William Douglas Parker, Jr. and wife, Diana L. Parker.

(c) Treatment: As of the filing of the Second Amended Plan of Reorganization, the claims of Conan R. McClain were the subject of the filing of objections to claim and pending adversary proceeding to disallow claims in their entirety; to seek affirmative recovery of alleged fraudulent conveyances and insider preferences; and to deny claims of Mr. McClain until alleged fraudulent conveyances and preferential transfers were re-paid to the bankruptcy estate. The Debtor shall pay Conan R. McClain, an insider and/or "person in control" of the Debtor, only such amounts as may be allowed and approved by separate Orders of the Bankruptcy Court, if any, on a general unsecured basis. Any such allowed claim, however, shall be paid on the same deferred basis as a Class 8 Related Party claim herein. (Class 8 Related Party claims are subordinated to all other claims of the corporate Debtors, and are to only be paid once all other claims are paid in full per terms of the confirmed Plan as amended. For plan confirmation purposes, it is proposed that the allowed claims of Conan R. McClain, if any, as may be allowed by the Court, shall receive payment commencing the first of the month following 90 days from payment in full of all creditors pursuant to terms of the confirmed Plan as amended.)

4.3 Class 7: General Unsecured Claims.

(a) Impairment: This Class is impaired.

(b) Classification: All holders of allowed, general unsecured claims of whatever nature and description against the Debtor, as defined in Article I, § 1.14 except as otherwise classified in Plan.

(c) Treatment: The Debtor is proposing to pay allowed, unsecured claims as per Class 7 treatment, from sale of all real property of the Debtor after payment of all allowed § 506(a) secured claims; ad valorem property taxes; assessments; closing costs; commercial real estate brokers' commissions; allowed priority claims; all Court approved Chapter 11 administrative professional fees

and expense; and quarterly fees.

In order to secure payment of any dividend to which Class 7 may become entitled under the Plan, the Debtor will grant a deed of trust for the benefit of this Class on its unencumbered real property, which is three tracts of vacant land totaling 41.56 acres, located in Johnston County, North Carolina, tract numbers 163500-18-0441, 164600-82-3240 and 164600-82-4780, with said deed of trust to be subordinate to pre-confirmation and post-confirmation cost of administration claims.

Richard D. Sparkman, Attorney, shall be designated as Disbursement Agent for the benefit of Class 7 allowed, general unsecured creditors. The Disbursement Agent shall make first interim distribution to Classes 7 unsecured creditors on or before six months after the later of sales of all real property of the Debtor; the related case of Gregory & Parker-Seaboard, LLC; and the related case of William Douglas Parker, Jr. and wife, Diana L. Parker; approval and payment of all Chapter 11 administrative claims including quarterly fees; resolution and conclusion of all objections to claims and adversary proceedings; and preparation and filing of all required corporate and individual tax returns.

The Disbursing Agent shall be entitled to reasonable compensation for his services billed at his normal hourly rates then in effect. These post-confirmation fees and expense shall not require Court approval, and can be disbursed from funds held in trust on a monthly basis after 10 day notice of same without objection thereto by the Bankruptcy Administrator.

4.4 Class 8: Claims of Related Parties.

(a) Impairment: This Class is impaired.

(b) Classification: This class consists of the allowed, general unsecured claims of Related Parties that are affiliated, or otherwise related to officers, stockholders, or members of the Debtor, excluding only the stockholder/member interests hereinbelow. The Class of Related Parties shall consist of those creditors that are affiliated with the Debtor; or with the officers, stockholders and/or members of the Debtor by blood or marriage having pre-petition claims against the Debtor whether in the form of unsecured notes, loans or accounts to the extent allowed by this Court. The known Related Party claims are as follows:

1. William D. Parker, Jr.

Member/Gregory & Parker-Seaboard, LLC; \$-0-
(Amount listed does not include guaranty of debt
to Regions Bank and Georgia Capital.)

(c) Treatment: The Related Parties, if any, shall be paid in full from surplus, if any, from future revenues and/or sales of property, but only after all other classes of creditors have been paid their allowed claims, including a distribution in full to allowed, general unsecured claims per terms of confirmed Plan. For Plan confirmation and feasibility purposes, this class shall receive payment commencing the first of the month following 90 days from payment in full of all creditors pursuant to terms of the confirmed Plan as amended.

4.5 Class 9: Interest of Stockholders.

(a) Impairment: This Class is impaired.

(b) Classification: The claims of this class shall consist of the interests of the Stockholders whether in the nature of stock ownership, capital contributions or interests pursuant to any stockholder agreement, to the extent allowed by this Court.

(c) Treatment: This is a liquidating Chapter 11 bankruptcy proceeding for Debtor. No payment will be made to this Class. Upon entry of Final Decree, the stockholder will retain its present interest in the Debtor entity if (i) the Debtor has satisfied the DPO with Regions Bank and (ii) the Debtor has liquidated all of its assets in accordance with the Plan. However, if these two conditions have not been satisfied upon entry of the Final Decree, then the stockholder's present interest in the Debtor entity shall be held by the Disbursing Agent in trust for the benefit of the Class 7 creditors. The present ownership is as follows: William D. Parker, Jr., President and 100% stockholder of Gregory & Parker, Inc.

ARTICLE V MEANS FOR EXECUTION OF THE PLAN

5.1 Richard D. Sparkman, Attorney, shall be designated as Disbursement Agent for the benefit of Class 7 allowed general unsecured creditors. The Disbursement Agent shall make first interim distribution to Class 7 unsecured creditors on or before six months after the later of sales of all real property in the Debtor; the related case of Gregory & Parker-Seaboard, LLC; and the related case of William Douglas Parker, Jr. and wife, Diana L. Parker; approval and payment of all Chapter 11 administrative claims including quarterly fees; resolution and conclusion of all objections to claims and adversary proceedings; and preparation and filing of all required corporate and individual tax returns. The Disbursing Agent shall be entitled to reasonable compensation for his services billed at his normal hourly rates then in effect. These post-confirmation fees and expense shall not require Court approval and can be disbursed from funds held in trust on a monthly basis after 10 day notice of same without objection thereto by the Bankruptcy Administrator.

5.2 Post-confirmation, the Debtor shall not be required to obtain Court permission or approval for payment of professional fees, nor shall it be required to continue to file monthly reports with the United States Bankruptcy Court, but shall furnish such periodic reports and pay quarterly fees as may be required from time to time either by the United States Bankruptcy Court, Bankruptcy Administrator, or interested parties of record, including reports to Regions Bank required by the Debtor's Settlement Agreement.

5.3 Exemption from Transfer Taxes. Pursuant to § 1146(a) of the Bankruptcy Code, issuance, transfer, or exchange of notes or equity securities under the Plan, the creation of any mortgage, or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any instrument of transfer under, in furtherance of, or in connection with the Plan, including without limitation, deeds, or bills of sale or assignments of personal property executed in connection with any of the transactions contemplated under the Plan, will not be subject to any stamp, real estate transfer, mortgage recording, sales, use, or other similar tax. Each of the relevant state or local governmental officials or agents will forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment consistent with the applicable provisions of the Plan.

ARTICLE VI MODIFICATION OF CLAIMS AND CANCELLATION UPON PAYMENT

The claims stated herein, by modification, Court Order, or other legally appropriate manner, might be modified throughout the course of payment under this Plan. The Debtor, upon full payment as called for under the notes and deeds of trust, if any, shall be entitled to have the notes marked paid and satisfied and the deeds of trust canceled as a matter of record, by the Trustee, or by appropriate application to this Bankruptcy Court, and upon a showing that the full amount of the monthly

payments were made by the Debtor.

ARTICLE VII
PROVISIONS GOVERNING DISTRIBUTIONS

A. Delivery of Distributions in General. Distributions to holders of allowed claims shall be made: (i) at the addresses set forth in the proofs of claim filed by such holders; (ii) at the addresses set forth in any written notices of address change submitted to the Court or Attorney for the Debtor after the date on which any related proof of claim was filed; or, if the information described in clauses (i) or (ii) is not available, (iii) at the addresses reflected in the Debtor's schedules of liabilities.

B. Distribution Dates. It is the intent of this Plan that the distribution shall occur as early as practicable following the Effective Date, unless otherwise stated herein. There shall be no prepayment penalty.

C. Vesting of Property in Debtor Upon Substantial Consummation. The property of the estate shall vest in the Debtor upon substantial consummation of the Plan. Substantial consummation shall be defined by the Bankruptcy Code; however, 11 U.S.C. 1101(2)(a) shall be deemed not satisfied until all real property of the Debtor's estate has been liquidated.

ARTICLE VIII
CAUSES OF ACTION

Except as waived and released in the Debtor's Settlement Agreement with Regions Bank, the Debtor may pursue any causes of action arising under §§ 544, 545, 547, 548, 549, 550, or 553(b) of the Bankruptcy Code, or under any similar provisions of applicable state or federal law to recover money owed, damages, and/or any preferences or fraudulent conveyances from any person. Funds recovered as a result of such actions shall be applied first in reimbursement of attorneys' fees and other costs of such actions. The remainder shall be the property of the Debtor.

All adversary proceedings to recover preferences and fraudulent conveyances or to otherwise implement the terms of this Plan and all objection to claims, if any, shall be filed within one hundred twenty (120) days of the Effective Date of this Plan.

Non-core causes of action in which the Debtor is plaintiff in state and/or federal court may continue to be pursued by Debtor at its sole option.

ARTICLE IX
CONFIRMATION AS WAIVER AND RELEASE OF DEBTOR

Confirmation shall constitute waiver and release of the right to pursue litigation and causes of actions against the Debtor, which releases and waivers are supported by the requirements of this Plan and covenants contained herein.

ARTICLE X
ASSUMPTION OF UNEXPIRED LEASES AND EXECUTORY CONTRACTS

Except as specified hereinbelow, all unexpired leases and executory contracts which exist between the Debtor and any individual or entity, whether such unexpired lease and executory contract be in writing or oral, which have not heretofore been rejected or heretofore been approved by Orders of the Court, are hereby specifically rejected; provided, however, that this provision is not intended to reject any unexpired leases and/or executory contracts in which the Debtor is landlord and which leases will be assumed and then assigned to buyers of said commercial real property pursuant to court approved sales; and further provided that this provision does not reject the previously assumed lease

obligations, if any, of the Debtor with Triangle Transit Authority pursuant to previous orders of the Bankruptcy Court; and provided further however, that this provision in no way affects the previously assumed and assigned cell tower lease with SBA Services in conjunction with the court's previous order authorizing sale of the property of Gregory & Parker, Inc. at 518 S. West Street, Raleigh, N. C. to Clancy & Theys.

ARTICLE XI
DEFAULT OF DEBTOR

Should the Debtor default in the terms of this Chapter 11 proceeding prior to substantial consummation (which default includes but is not limited to failure to meet any deadlines set forth in this Plan and in the Settlement Agreement with Regions Bank, which is fully incorporated herein by reference and is attached as Exhibit A), then the Court, upon Motion of any party in interest, shall set the proceeding up for Show Cause Hearing as to why the Debtor should not be converted to a straight bankruptcy proceeding under Chapter 7 of the Bankruptcy Code, and for such other sanctions as the Court may deem necessary. In addition, the Debtor has agreed to other consequences of default as set forth in its Settlement Agreement with Regions Bank. These remedies upon default include consensual conversion by the Debtor to a Chapter 7 case or appointment of a Chapter 11 Trustee (with the choice of Chapter being at the Court's discretion), with the Trustee in any such case being authorized and directed to proceed with prompt liquidation of the Debtor's assets. With respect to the Seaboard Station shopping center owned by the Debtor's affiliate, Gregory & Parker-Seaboard, LLC ("Seaboard"), the Debtor and Seaboard have agreed that upon default by either Debtor, they shall jointly request that the Court appoint such property manager for Seaboard Station as Regions Bank shall then designate in its sole discretion (subject to court approval) as the property manager for Seaboard Station pending sale by the Trustee, with such property manager replacing current management of the Debtor so that no insiders or affiliates of the Debtors remain in control of Seaboard Station operations if not yet sold by the time of entering the Final Decree. Creditors' remedies upon default after substantial consummation may also be in state court according to the terms of their claims as amended or modified by this Plan.

ARTICLE XII
ACCEPTANCE OR REJECTION OF PLAN;
EFFECT OF REJECTION BY AN IMPAIRED CLASS

A. Each Impaired Class Entitled to Vote Separately. Each impaired class of claims shall be entitled to have the holders of claims therein vote separately as a class to accept or reject the Plan.

B. Acceptance by a Class of Creditors. Consistent with § 1126(c) of the Bankruptcy Code, and except as provided in § 1126(e) of the Bankruptcy Code, a class of claims shall have accepted the Plan if the Plan is accepted by holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the allowed claims of that class that have timely and properly voted to accept or reject the Plan.

- C. Claimants Entitled to Vote. Holders of impaired claims shall be entitled to vote if:
- (1) Such claim has been filed against the Debtor in a liquidated amount or has been listed on the Debtor's schedules other than as contingent, unliquidated or disputed, and as to which no proof of claim has been filed. The claim shall be allowed solely for the purpose of voting on the Plan in the amount in which such claim has been filed or listed on the Debtor's schedules;
 - (2) Such claim has been filed against the Debtor or listed on the Debtor's schedules and

is the subject of an existing objection filed by the Debtor, and is temporarily allowed for voting purposes by order of the Court in accordance with Bankruptcy Rule 3018 or by agreement of the Debtor and a particular creditor, as is the case with the claim of Regions Bank;

- (3) Such claim has been filed in an undetermined amount, in which case the creditor shall not be entitled to vote unless the Debtor and the holder of the claim agree on an amount for voting purposes or the Court enters an order setting the amount of the claim that the creditor may ballot.
- (4) Any entity holding two or more duplicate claims shall be entitled to vote only one claim.

D. Confirmation Hearing. The Court will set a hearing on the confirmation of the Plan to determine whether the Plan has been accepted by the requisite number of creditors and whether the other requirements for confirmation of the Plan have been satisfied.

E. Acceptances Necessary to Confirm the Plan. At the hearing of confirmation of the Plan, the Court shall determine, among other things, whether the Plan has been accepted by each impaired class. Under § 1126 of the Bankruptcy Code, an impaired class of creditors is deemed to accept the Plan if at least two-thirds (2/3) in amount and more than one-half (1/2) in number vote to accept the Plan. Further, unless there is unanimous acceptance of the Plan by an impaired class, the Court must also determine that class members will receive property with a value, as of the Effective Date of the Plan, that is not less than the amount that such class member would receive or retain if the Debtor was liquidated as of the Effective Date of the Plan under Chapter 7 of the Bankruptcy Code.

F. Confirmation of Plan Without Necessary Acceptances. The Bankruptcy Code provides that the Plan may be confirmed even if it is not accepted by all impaired classes. In order to be confirmed without the requisite number of acceptances of each impaired class, the Court must find that at least one impaired class has accepted the Plan without regard to the acceptances of insiders, and the Plan does not discriminate unfairly against, and is otherwise fair and equitable, to such impaired class. In the event that any class votes against the Plan, the Debtor hereby requests and moves the Court under the provisions of this Plan outlined in § IX hereinbelow, for confirmation pursuant to the "cramdown" provisions of § 1129(b) of the Bankruptcy Code. In connection therewith, the Debtor shall be allowed to modify the proposed treatment of the allowed claims in any class that votes against the Plan consistent with § 1129(b)(2)(A).

ARTICLE XIII
"CRAMDOW" FOR IMPAIRED CREDITORS NOT ACCEPTING THE PLAN

In respect to any class of creditors impaired but not accepting the Plan by the requisite majority in number or two-thirds in amount, the proponent of this Plan requests the Court to find that the Plan does not discriminate unfairly and is fair and equitable in respect to each class of claims or interests that are impaired under the Plan and that the Court confirm the Plan without such acceptances by the said impaired classes. The Debtor will also request that the Court establish a value for any assets, the value of which is in dispute between the Debtor and any secured creditor, at a valuation hearing under § 506 of the Bankruptcy Code, to be scheduled at the same time as the hearing on confirmation of the Plan.

ARTICLE XIV
RETENTION OF JURISDICTION

The Bankruptcy Court shall retain jurisdiction of these proceedings pursuant to and for the purposes of §§ 105(a) and 1127 of the Code and for, without limitation, the following purposes, inter alia:

1. to determine any and all objections to the allowance of claims and/or interests;
2. to determine any and all applications for allowance of compensation for periods prior to or after the Confirmation Date;
3. to determine any and all applications pending on the Confirmation Date for the rejection and disaffirmance or assumption or assignment of executory contracts and the allowance of any claim resulting therefrom;
4. to determine all controversies and disputes arising under or in connection with the Plan;
5. to determine all applications, adversary proceedings and litigated matters pending on the Confirmation Date;
6. to effectuate payments under, and performance of, the provisions of the Plan, including, but not limited to, future sales of personal and real property retained by the Estate;
7. to determine such other matters and for such other purposes as may be provided for in the confirmation order;
8. to determine all disputes regarding property of the estate;
9. to establish and adjust procedures for the orderly administration of the estate;
10. to determine matters that are subject to proceedings duly removed to the Bankruptcy Court;
11. to replace the Debtor-in-Possession with a Trustee for good cause shown; and
12. to reopen this proceeding for purposes of granting a discharge in accordance with the provisions of 11 U.S.C. § 1141(d)(5).

ARTICLE XV
MISCELLANEOUS PROVISIONS

Survival of Terms. The covenants, representations and agreements made in this Plan shall survive the Confirmation Date and the transactions contemplated herein.

Entire Agreement. This Plan constitutes the entire and only agreement among the Debtor and its Creditors and claimants, and such supersedes all negotiations and any other commitments, understandings, agreements or proposals, whether oral or otherwise, except for the Debtor's Settlement Agreement with Regions Bank, which is fully incorporated herein by reference and is attached as Exhibit A.

Controlling Law. This Plan shall be read and construed and take effect in all respects in accordance with the law as set forth in the Bankruptcy Code and Rules promulgated thereunder and shall be governed by North Carolina law where it is necessary to consult state law.

Construction of Terms. Whenever the context so requires, the masculine gender is deemed to include the feminine and neuter gender, and the singular is deemed to include the plural, and vice versa. In most cases, words with the initial letter capitalized are defined terms, and therefore will have the meanings so defined in the Plan.

Headings Not Part of Plan. All paragraph and subparagraph headings herein, wherever they appear, are for convenience only and shall not effect the construction of any term or provisions hereof.

Notices. If notice is required or permitted to be made in accordance with the Plan, said notice shall be in writing and shall be delivered personally or by telefax or other telegraphic means or mailed by regular first class mail, postage prepaid.

(a) If to the Debtor: Gregory & Parker, Inc., Attn.: William D. Parker, Jr., President, 807 Halifax Street, Raleigh, NC 27604, with copy to counsel for the Debtor: Richard D. Sparkman, Attorney, Richard D. Sparkman & Associates, P.A., Post Office Box 1687, Angier, NC 27501, and with copy to counsel for William D. Parker, Jr. and Diana L. Parker: William P. Janvier, Attorney, Janvier Law Firm, PLLC, 1101 Haynes Street, Suite 102, Raleigh, NC 27604.

(b) If to a holder of an allowed claim, at the address set forth in its allowed Proof of Claim or Proof of Interest, or, if none, at its address set forth in the schedule prepared and filed with the Court by the Debtor.

(c) Notice shall be deemed given when mailed unless the Plan provides otherwise. Any person may change the address at which it is to receive notices under the Plan by sending written notice pursuant to the provisions of this section to the person to be charged with knowledge of such change. All notices to the Debtor must also be sent to counsel for the Debtor.

Section and Articles References. Unless otherwise specified, all references in the Plan to sections and articles are those sections and articles contained in the Plan.

Reservations of Rights. Neither the filing of this Plan, nor any statement or provision contained herein, nor the taking by any creditor of any action with respect to this Plan shall

(a) Be or be deemed to be an admission against interest; and

(b) Until the Effective Date, be or be deemed to be a waiver of any rights which any Creditor might have against the Debtor or any of its properties or any other Creditor of the Debtor, and in the event that the Effective Date does not occur, neither this Plan nor any statement contained herein, may be used or relied upon in any manner in any lawsuit, action, proceeding or controversy or dispute in any form within or outside the reorganization case involving this Debtor.

ARTICLE XVI CONCLUSION

The materials provided in this Plan of Reorganization are intended to assist you in voting on this Plan in an informed fashion. Since, if the Plan is confirmed, you will be bound by its terms, you are urged to review this material and make such inquiries as you may deem appropriate and then cast an informed vote on the Plan.

This the 11th day of July, 2013.

GREGORY & PARKER, INC.

BY: /s/ William D. Parker, Jr.
William D. Parker, Jr.
President of Gregory & Parker, Inc.

RICHARD D. SPARKMAN & ASSOCIATES, P.A.

BY: /s/ Richard D. Sparkman
Richard D. Sparkman
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