

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA

IN RE:)	Case No: 09-10271
)	
GHOST TOWN PARTNERS, LLC,)	CHAPTER 11 PLAN
)	
Debtor)	

The Plan provides for the distribution to creditors of the Debtors' assets and revenue from ongoing operations as a going concern, including all proceeds from normal park operations, any additional third party revenue through joint ventures or strategic alliances as well as advertising revenue. Additionally, although unable to predict the outcome of any recovery of company assets both monetary and nonmonetary arising from potential claims or causes of action pending, any and all such realized recovery shall be to the further benefit of the plan participants and/or park operations as a whole. The following sections summarize the various components of the Plan.

(1) **Structure** The Plan provides for the ongoing and continued operation and enhancement of Ghost Town in The Sky as a themed attraction to capitalize on the long term name brand and notoriety associated with the park since opening in May of 1961. Further, the continued operation as a going concern will allow management over time to realize the highest and best use of the surplus land, well over 150 acres, therefore maximizing maximize the return to both secured and unsecured creditors as well as all parties of interest.

The legal structure will remain the same with the debtor being 100% owned and operated by its parent company, Ghost Town Holdings, LLC. On the effective date of the plan, a "Board of Directors" for Ghost Town Partners, LLC will be named to oversee the duties and responsibilities of the Managing Member which will be the current President/CEO of the organization. Initial members of the Board of Directors will be named by the managing members of the parent company Ghost Town Holdings, LLC and will include a minimum of the following;

- a. Two (2) equity members of the parent company (Ghost Town Holdings, LLC).
- b. One (1) representative with entertainment/performance experience
- c. One (1) representative of the creditors committee
- d. One (1) rides/amusement professional with regulatory experience

THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCE OR REJECTION OF THE PLAN MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT HAS BEEN SUBMITTED TO THE BANKRUPTCY COURT FOR APPROVAL BUT HAS NOT YET BEEN APPROVED.

It is essential that we recognize the dynamics of park operations with the winter months fast approaching and the critical need to be able to quickly protect the current assets of the company. Further, we must also understand the vital role played by key personnel during the off season to allow for our opening on time and with the appropriate marketing/group sales in place. To maintain this forward progress and allow for seamless and uninterrupted operation, the initial members of the Board of Directors upon consummation and approval of "The Plan" shall be;

1. Steve Shiver (**current operational experience and corporate knowledge**)
2. Lynn Sylvester (**experience and corporate knowledge and C.P.A.**)
3. Robert Bradley (**extensive business experience**)
4. Roger Gardner (**extensive business experience**)
5. Clyde Wagner (**extensive business experience**)

Terms of members shall be determined by the current operating agreement of Ghost Town Partners, LLC as amended time to time and if silent as to term, members will serve at the will of the Board of Managers and elected on an annual basis by the majority shareholders at the time. Initial terms will be no less than 2 years to ensure consistency and compliance with "The Plan."

- (2) **Classes** The Plan classifies Claims and Interests into the following classes:
- 1) Administrative claims;
 - 2) Administrative trade creditors;
 - 3) Secured Claim of BB&I of NC;
 - 4) 2nd Secured Claim of BB&I of NC;
 - 5) Secured Claim of Five Points Capital;
 - 6) Secured/ Lease Claim of Lease Corp. of America
 - 7) Administrative Secured Claim of Resurrection Partners, LLC (post-petition lender);
 - 8) Administrative Super Priority Claim of Alaska Pressley;
 - 9) Priority Tax Claims (Includes property taxes and sales and/or amusement taxes due the NC Department of Revenue);
 - 10) Priority Claims (non-tax);
 - 11) Executory Leases (see summary chart for detail);
 - 12) Unsecured Claims;
 - 13) Post petition financing

NOTE: Interests based upon the Debtors' equity securities, including any options, warrants, rights to purchase, sell or subscribe for an ownership or other interest in respect of any equity security of the Debtors shall be also part of "The Plan" with no payments made until such time as the plan is funded for any given year as described in "The Plan."

- (3) **Treatment** Administrative claims, priority tax claims, other priority claims and secured claims will be paid in full or otherwise satisfied appropriately. Other Classes as defined above will be treated as detailed in "The Plan" and summarized in the following chart.

(a) Treatment Of Claims And Interests

The Plan provides for the distribution of the net proceeds from ongoing operations of the park as a going concern in accordance with the relative priority of Claims against the Debtors. The following chart summarizes distributions under the Plan. THIS CHART IS ONLY A DESCRIPTION AND IS QUALIFIED IN ITS ENTIRETY BY THE PLAN. YOU ARE URGED TO READ THE PLAN IN FULL TO DETERMINE THE TREATMENT OF YOUR CLAIM

SUMMARY OF TREATMENT OF CLAIMS AND INTERESTS

Claim or Interest	Impaired Unimprd	Est. \$Amt	Treatment
<i>Unclassified Claims</i>			
CLASS 1. Administrative Claims	N/A	Estimated \$100,000	Pay all administrative claims for the debtor/debtor-in-possession or other administrative claims ordered by the court.
CLASS 2. Administrative Trade Creditor (if any)	N/A	TBD	Paid in full in quarterly payments over 2 years @ 5.25% simple APR to begin 3/31/10 or the first full calendar quarter after consummation.
<i>Classified Claims</i>			
CLASS 3. Secured Claim of BB&T of NC	I	\$6,521,199	Re-amortized for 25 years @ 5.25% simple APR with (6) monthly payments of \$78,238.32 for June-November with a (10) year/80 Month balloon payment at the end of the 10 th year. First payment to begin 12/31/09
CLASS 4. Secured Claim of BB&T of NC	I	\$3,081,774	Re-amortized for 25 years @ 5.25% simple APR with (6) monthly payments of \$36973.88 for June-November with a (10) year/80 Month balloon payment at the end of the 10 th year. First payment to begin 12/31/09
CLASS 5. Secured Claim of Five Points Capital	I	\$84,875	Re-amortized for 7 years @ 5.25% simple APR with (6) monthly payments of \$2,423.58 for June-November for the entire (7) year term. First payment to begin 12/31/09
CLASS 6. Secured/ Lease Claim of Lease Corp. of America		\$6,805	Re-amortized for 5 years @ 5.25% simple APR with (6) monthly payments of \$258.89 for June-November for the entire (7) year term. First payment to begin 12/31/09
CLASS 7. Administrative Secured Claim of Resurrection Partners, LLC (post-petition lender)		\$500,000	To be partially taken in equity of the new company with preferred return of 7% for 5 years there after becoming normal preferred stock. To have the same 6 month payment schedule as above.
CLASS 8. Administrative Super Priority Claim of Alaska Pressley		\$250,000	To be partially taken in equity of the new company with preferred return of 7% for 5 years there after becoming normal preferred stock. To have the same 6 month payment schedule as above.

**SUMMARY OF TREATMENT
OF CLAIMS AND INTERESTS**
(continued)

<p>CLASS 9. Priority Tax Claims (Includes property taxes and sales and/or amusement taxes due the NC Department of Revenue)</p>		<p>\$207,840 72</p>	<p>Deferred and paid over a 5 year period @ a rate established by I R C. Section 6621 for the IRS or the appropriate rate defined by the Statutes of NC Two quarterly payments will be made (2nd & 3rd quarter) each year over the entire 5 year period beginning the first full month after the second quarter of 2010.</p>
<p>CLASS 10 Priority Claims (non-tax)</p>		<p>TBD</p>	<p>After determination, class shall be paid in full within 5 years of confirmation @ 5 25% simple APR by 2 quarterly payments (2nd & 3rd quarter) each year over the entire 5 year period beginning the first full month after the second quarter of 2010.</p>
<p>CLASS 11. Executory Leases (to the extent they are true leases) 1. <u>Global Development</u> (lawn & grounds equipment) 2. <u>GMAC</u> (Dump truck/grounds vehicle) 3. <u>Property lease</u> (favorable land lease partial parking lot) 4. <u>R.P.E. Services, LLC</u> (svc agreement chair lift and railway)</p> <p>If the leases are not true leases and are finance leases and have the appropriate security documentation, the allowed claims will be paid in a similar payment plan as described in Class 6 above.</p>			<p>The debtor potentially has six (6) executory contracts/leases which will be accepted (if they are true leases as defined by the Uniform Commercial Code) as of the time of confirmation/substantial consummation.</p>
<p>CLASS 12. Unsecured Claims</p>	<p>I</p>	<p>\$2,404,178 12</p>	<p>Allowed unsecured claims will be paid 25% of net profits in bi-annual payments on August 31 and December 31 over a 7 year period. Net profit for each operating period (May/June/July and Aug/Sept/Oct) will be distributed on a prorata share at that time to creditors with a minimum payment of 25% over the 7 year period.</p>
<p>CLASS 13. Post-Petition Financer</p>		<p>Approx. \$350,000.00+ (estimated amount)</p>	<p>The debtor intends to obtain a post-petition credit line to allow flexibility for operation, capital expenditure for necessary park expansion, appropriate marketing and group sales as well as normal winter carry.</p>

FINANCIAL STATEMENTS AND INFORMATION

The plan provides for creditors to be paid as follows

CLASS 1. ADMINISTRATIVE CLAIMS: The plan will first pay all administrative claims including but not exclusively court costs, quarterly fees (if any), accountant(s), creditor committee expenses, attorney for the creditors committee (if any), attorney(s) for the debtor/debtor-in-possession and any other administrative claims so ordered by the Court. These costs are estimated to be approximately \$100,000.00.

CLASS 2. ADMINISTRATIVE TRADE CREDITORS: The debtor/debtor-in-possession does not believe there will be any administrative trade creditors; however, if administrative trade creditors including tax claimants are determined, these creditors shall be paid in full by regular quarterly payments for a period of two (2) years at 5.25% simple annual interest with payments to begin at the end of the first full calendar quarter after substantial consummation and each consecutive quarter thereafter for the two year period.

CLASS 3. IMPAIRED SECURED CLAIM OF BB&I OF NC of approximately \$6,521,199.00 secured by real property (270 acres) and improvements, equipment and other personal property. The allowed secured claim will be reamortized for a 25 year time period at 5.25% simple annual percentage rate with six (6) monthly payments of \$58,648.13 per month per year (May – December) for a ten (10) year/80 month payment term with a balloon payout due at the end of the ten (10) year time period for the balance due at that time. The first payment will be November, 2009. The creditor shall retain its liens.

CLASS 4. IMPAIRED SECURED CLAIM OF BB&I OF NC of approximately \$3,081,774.33 secured by real property (270 acres) and improvements, equipment and other personal property. The allowed secured claim will be reamortized for a 25 year time period at 5.25% simple annual percentage rate with six (6) monthly payments of \$27,715.81 per month per year (May – December) for a ten (10) year/80 payment term with a balloon payout due at the end of the ten (10) year time period for the balance due at that time. The first payment will be November, 2009. The creditor shall retain its liens.

CLASS 5. IMPAIRED SECURED CLAIM OF FIVE POINTS CAPITAL of approximately \$83,875.00 secured by three (3) buses. The allowed secured claim will be reamortized for a seven (7) year time period at 5.25% simple annual percentage rate with six (6) monthly payments of \$1,794.66 per month per year (May – December) for the seven (7) year term. The first payment will be November, 2009. The creditor shall retain its liens.

CLASS 6. SECURED/LEASE CLAIM OF LEASE CORP. OF AMERICA of approximately \$6,805.00 secured by lease on radio equipment. The allowed secured claim will be reamortized for a five (5) year time period at 5.25% simple annual percentage rate with six (6) monthly payments of \$193.98 per month per year (May – December) for the seven (7) year term. The first payment will be November, 2009. The creditor shall retain its lien.

CLASS 7. ADMINISTRATIVE SECURED CLAIM OF RESURRECTION PARTNERS, LLC (post-petition lender) for a credit line of up to \$500,000.00 to be accommodated by Class 7 language in summary.

CLASS 8. ADMINISTRATIVE SUPER-PRIORITY CLAIM OF ALASKA PRESSLEY for a line of credit of \$250,000.00 to be paid per court order entered on August 26, 2009.

CLASS 9. PRIORITY TAX CLAIMS: allowed claims of governmental units to the extent they are entitled to priority under 11 USC Section 507(a)(8) of approximately \$207,840.72 shall be deferred and paid over a five (5) year period from the date of the order for relief with interest on a monthly basis. Interest for the I.R.S. is provided for in I.R.C. Section 6621 and for other priority tax claims such as North Carolina Department of Revenue, the legal rate applies. Eight (8) payments (May – December) will be paid each year over a five (5) year period (40 payments) and will begin the next month after the first full quarter after the effective date and each consecutive time period thereafter until the allowed claim is paid. This class consists of property taxes and some sales tax to the North Carolina Department of Revenue.

CLASS 10. PRIORITY CLAIMS: after determination of priority status, all non-tax priority claims shall be paid in full within five (5) years of confirmation with interest at 5 25% simple annual percentage rate by eight (8) payments per year for the five (5) year period.

CLASS 11. EXECUTORY LEASES: The debtor potentially has six (6) executory contracts/leases which will be accepted as of the time of confirmation/substantial consummation as follows:

- a. Global Development
- b. GMAC Lease
- c. Lynn Setser – lease of 3.08 acres/parking lot
- d. R.P.E. Services, LLC – service agreement on chair lift and funicular railway

To the extent that they are leases, the above will apply; if the leases are not true leases and are finance leases and have the appropriate security documentation, the allowed claims will be paid in a similar payment plan as described in Class 6 above.

CLASS 12. IMPAIRED UNSECURED CLAIMS of approximately \$2,404,178.12. The debtor will pay allowed unsecured claims by paying 25% of net profit to the unsecured creditors by two (2) payments per year (August 31 and December 31) over a seven (7) year time period based on the determination of net profit for each time operating period (May/June/July and August/September/October) as described below. Creditors will receive their prorata distribution at that time. The debtor estimates a 25% minimum payout to unsecured creditors for the seven (7) year time period of the plan.

CLASS 13. POST-PETITION FINANCER: In conjunction with confirmation and consummation, the debtor intends to obtain a post-petition credit line to allow it the flexibility for its operation and the static time period each year from November to April when the Park is closed.

DEFINITIONS:

Net Profit: Net profit will be computed as follows:

- Gross sales (plus other income) minus
- cost of goods sold
- expenses of selling
- general and administrative expenses
- other appropriate expenses
- federal, state, local tax obligations
- payments to Classes 1-11 and Class 13

Allowed Claim: An allowed claim is one listed by the debtor on its petition and not designated by the debtor as being contingent/disputed/unliquidated or is a claim filed by or

on behalf of the creditor, either of which is not objected to by the debtor or, if objected to by the debtor, allowed by the Court (subject to appeal) in some amount.

Effective Date: Effective date is the date from which payment dates are computed for each class of creditors and the date at which administrative claim amounts are due to be paid unless other treatment is ordered, agreed upon or provided for in the plan and not objected to. The effective date is no more than 120 days from the entering of the order of confirmation unless the Court extends the time due to litigation which might materially affect implementation of the plan; see below for further description.

PROVISO: Notwithstanding any of the terms and conditions of the plan, disputed claims shall be paid only upon allowance by the Court. Upon confirmation, the debtor/debtor-in-possession will be revested with its assets subject only to all outstanding liens which are not avoidable by the debtor/debtor-in-possession under the provisions of Title 11 of the Code, and entitled to manage its affairs without further orders of this Court. However, subject to the debtor/debtor-in-possession being so revested with its assets, the Court will retain jurisdiction until the plan has been fully consummated, for adversaries, objections to claims, collecting accounts receivables, avoidance actions, post-confirmation rights involving creditors or other matters pending post-confirmation, or as otherwise indicated in this plan or confirmation order. The debtor/debtor-in-possession specifically reserves the right to object to any and all claims, post-confirmation, and all claims are deemed objected to until the plan is substantially consummated and/or allowed by the Court.

EFFECTIVE DATE: The effective date of the debtor/debtor-in-possession's plan will be the date of substantial consummation which is contemplated to be approximately 60 to 90 days after confirmation.

On a monthly basis, the debtor/debtor-in-possession will pay its current bills and salaries, retain 75% of the net profits for operating expenses and deposit 25% of net profits into the Chapter 11 escrow account for disbursement to allowed unsecured creditors by two (2) payments per year for the seven (7) year time period of the plan.

Because the debtor/debtor-in-possession's business is to a large extent seasonal, payments to creditors may be smaller during one payment quarter and larger during the other payment quarter.

The maximum period for repayment will be ten (1) years – seven (7) years for unsecured creditors. If 25% of the net profits will not pay the creditors as indicated in the plan by the 84th month, the debtor/debtor-in-possession will lump sum all payments as the final payment.

MANAGEMENT AND OWNERSHIP

The debtor is a limited liability corporation with Roy S. Shiver serving as the general manager. The owner/member of the debtor is Ghost Town Holdings, LLC. Ghost Town Holdings, LLC is owned by 14 individuals.

The plan contemplates that there will be no changes in the legal structure of the debtor.

REMEDY OF CREDITOR

Remedy of Creditors in event of default: The debtor/debtor-in-possession shall be deemed in default under the terms and provisions of this plan in the event it fails to carry out any of the terms and provisions imposed upon it by said plan and said condition is not corrected by it within 60 days after receipt of written notice of default from any creditor owed money hereunder at the time of default. In the event that the debtor/debtor-in-possession shall default under the terms and conditions of this plan, the creditor hereunder affected by the default may pursue its normal legal non-bankruptcy remedies, subject to the Liquidation Proviso below.

Liquidation Proviso: If the debtor defaults on the Chapter 11 plan, the debtor shall have 180 days to liquidate its assets/the business(es) and pay the net receipts to the plan/creditors. A tangible asset liquidation will result in little, if no value, to unsecured creditors. Only a sale of the business as a going concern would result in value to the creditors, thus the need for 180 days.

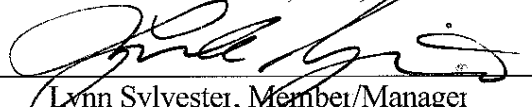
DISCHARGE

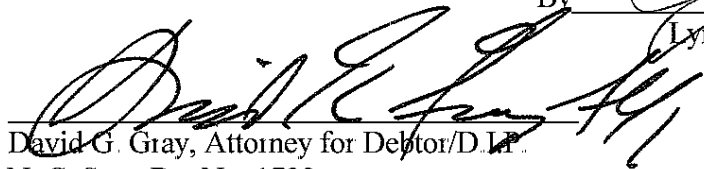
Pursuant to 11 USC Sections 1141, 523, 524 and 727, any and all amounts due by the debtor/debtor-in-possession, officers, directors, guarantors, endorsers and/or indemnitors to its creditors shall be discharged (upon confirmation). The debtor/debtor-in-possession shall issue promissory notes to the creditors reflecting the confirmed plan and new indebtedness to the creditors.

This the 7th day of October, 2009.

GHOST TOWN PARTNERS, LLC, Debtor/D.I.P.

By


Lynn Sylvester, Member/Manager


David G. Gray, Attorney for Debtor/D.I.P.
N. C. State Bar No. 1733

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