

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

IN RE:

HAMBONE DOG PROPERTIES, LLC Debtor.

CHAPTER 11

Case No. 10-05375-8-SWH

AMENDMENT TO PLAN OF REORGANIZATION
FOR CLASS 4— RBC BANK

In order to conform the plan with the oral representations of counsel for Debtor and counsel for RBC Bank during the confirmation hearing, Debtor amends the treatment of Class 4— RBC Bank beginning on page 7 of the first amended plan as follows:

Class 4 — RBC Bank:

1. Description of Debt. Debtor has two loan agreements with RBC Bank.

a. Note A. Debtor and RBC Bank entered into a loan agreement dated August 29, 2005 in the original amount of \$3,670,000.00. The loan was secured by a first deed of trust on Debtor's property in Sanford, North Carolina (both the Ham's and Zheng Garden), Goldsboro, North Carolina, and Rocky Mount, North Carolina.

b. Note B. Debtor and RBC bank entered into a loan agreement dated November 22, 2006 in the original amount of \$1,675,000.00. The loan was secured by a first deed of trust on Debtor's property in Greenville, North Carolina.

2. Impairment. This class will be impaired.

3. Treatment.

NOTE A. The Debtor's obligation to RBC Bank shall be treated as set forth below, The terms of treatment shall survive dismissal, conversion and the appointment of a Trustee or Examiner.

a. The automatic stay shall be deemed lifted as to Debtor's Rocky Mount, Goldsboro, and Sanford properties on the Effective Date and Debtor will, in RBC Bank's sole discretion, transfer the property to RBC Bank by quitclaim deed or RBC Bank will foreclose on the property. RBC Bank will credit Note A in the amount of \$2,960,000.00 as the agreed value of the Rocky Mount property. The net remaining loan amount will be \$205,689.00 which amount will be increased by the addition of the actual attorneys fees and expenses of RBC Bank incurred as of the date of the entry of the order of confirmation. A statement of attorneys' fees and expenses incurred will be mailed to counsel for the Debtor within 10 days of the entry of the

order of confirmation.

b. The sum of the net remaining Note A loan amount and attorneys fees set forth in subparagraph (a) above will be unsecured debt and will bear interest at 4.25% per annum. Monthly interest payments will begin on the 15th day of the first full month following the effective date. All principal and interest shall come due and will be paid in full 36 months after the Effective Date. It shall be an event of default if the Debtor fails to make any payment within ten (10) days of the due date. All other terms and conditions of Note A shall remain in full force and effect as they were on the date of Debtor's filing of its petition.

c. The Debtor shall maintain insurance on the collateral with RBC named as a loss payee at the expense of RBC until RBC takes possession of the property.

d. Transfer of the Rocky Mount property to RBC Bank shall not be subject to any transfer tax or revenue stamp tax pursuant to 11 U S C 1146. RBC Bank and its assigns shall have no liability nor in any manner be responsible for any liabilities or obligations of the Debtor whether in rem or in personam and all creditors and claimants of the Debtor and all persons having any interest of any nature derived from or through the Debtor, are permanently enjoined from pursuing any action against RBC.

NOTE B. The Debtor's obligation to RBC Bank shall be treated as set forth below . The terms of treatment shall survive dismissal, conversion and the appointment of a Trustee of Examiner.

a. The automatic stay shall be deemed lifted as to the Debtor's Greenville property and Debtor will, in RBC Bank's sole discretion, transfer the Greenville property to RBC Bank by quitclaim deed or RBC Bank will foreclose on the Greenville property. RBC Bank will credit Note B in the amount of \$1,005,700.00 as the agreed value of the Greenville property. The net remaining loan amount will be \$590,259.00, which amount will be increased by the addition of the actual attorneys fees and expenses of RBC Bank incurred as of the date of the entry of the order of confirmation. A statement of attorneys' fees and expenses incurred will be mailed to counsel for the Debtor within 10 days of the entry of the order of confirmation.

b. The sum of the net remaining Note B loan amount and attorneys fees set forth in subparagraph (a) above will be treated as unsecured debt and will bear interest at 4.25% per annum. Monthly interest payments will begin on the 15th day of the first full month following the effective date. All principal and interest shall come due and will be paid in full 36 months after the Effective Date. It shall be an event of default if the Debtor fails to make any payment within ten (10) days of the due date. All other terms and conditions of Note B shall remain in full force and effect as they were on the date of Debtor's filing of its petition.

c. The Debtor shall maintain insurance on the collateral with RBC named as a loss payee at the expense of RBC until RBC takes possession of the property.

d. The transfer of the Greenville property shall not be subject to any transfer tax or revenue stamp tax pursuant to 11 U.S.C. Section 1146. RBC Bank and its assigns shall have no liability nor in any manner be responsible for any liabilities or obligations of the Debtor, whether in rem or in personam and all creditors and claimants of the Debtor and all persons having any interest of any nature derived from or through the Debtor are permanently enjoined from pursuing any action against RBC Bank after the transfer of the Greenville property.

4. Cash collateral of RBC in the amount of \$47,141.44 minus any costs of insurance shall be paid to RBC upon transfer of the property securing notes A and B. Any insurance premium refunds from policies insuring properties which secure Notes A&B will be remitted to RBC.

This the 18th day of March, 2011.

/s/ Nigle B. Barrow, Jr.
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