

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
AT NASHVILLE**

IN RE:)	
)	
RIDGEVIEW HEIGHTS, LLC,)	Case No. 309-14692
)	Chapter 11
Debtor-in-Possession.)	Judge Marian F. Harrison

**DISCLOSURE STATEMENT FOR PLAN OF REORGANIZATION OF
RIDGEVIEW HEIGHTS, LLC**

THIS IS NOT A SOLICITATION OF
ACCEPTANCES OR REJECTIONS OF THE
PLAN. ACCEPTANCES OR REJECTIONS MAY
NOT BE SOLICITED UNTIL A DISCLOSURE
STATEMENT HAS BEEN APPROVED BY THE
BANKRUPTCY COURT. THIS DISCLOSURE
STATEMENT IS BEING SUBMITTED FOR
APPROVAL, BUT HAS NOT BEEN APPROVED
BY THE BANKRUPTCY COURT.

Paul E. Jennings
Paul E. Jennings Law Offices, P.C.
805 South Church Street, Suite 3
Murfreesboro, TN 37130
Telephone: (615) 895-7200
Facsimile: (615) 895-7294
E-mail: paulejennings@bellsouth.net

Attorney for Debtor-in-Possession

Date: March 29, 2010

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
AT NASHVILLE**

IN RE:)	
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RIDGEVIEW HEIGHTS, LLC)	Case No. 309-14692
)	Chapter 11
Debtor-in-Possession.)	Judge Marian F. Harrison

**DISCLOSURE STATEMENT FOR AMENDED PLAN OF REORGANIZATION OF
MID-SOUTH LUMBER OF LEWISBURG, LLC**

ARTICLE 1

INTRODUCTION

The Debtor, Ridgeview Heights, LLC. ("Debtor") has filed its Plan of Reorganization (the "Plan") with the United States Bankruptcy Court for the Middle District of Tennessee, Nashville Division (the "Bankruptcy Court"). This Disclosure Statement ("Disclosure Statement"), filed pursuant to section 1124 of title 11 of the United States Code (the "Bankruptcy Code"), has received the approval of the Bankruptcy Court for use in connection with the solicitation of acceptances of the Plan from holders of Claims against and Interest in the Debtor.

In the opinion of the Debtor, the treatment of Claims and Interest under the Plan provides a greater recovery than that which is likely to be achieved under other alternatives for the reorganization or liquidation of the Debtor.

A GLOSSARY OF TERMS FREQUENTLY USED IN THIS DISCLOSURE STATEMENT IS SET FORTH IN ARTICLE 2 OF THE PROPOSED PLAN, annexed as Exhibit "1" to this Disclosure Statement, and accordingly, reference to that glossary should be made for the definition of terms used herein. Generally, the defined terms will appear as capitalized words, for example, "Effective Date".

ARTICLE 2

PURPOSE OF THE DISCLOSURE STATEMENT

It will be emphasized throughout this document that its purpose is to provide to the Creditors sufficient information to make an informed decision as to the acceptance or rejection of the Debtor's Plan. The provided information will address two areas: first a summary but limited discussion of the provisions of the Bankruptcy Code, and the Federal Rules of Bankruptcy Procedure which are applicable to both the Debtor and the Creditors. This discussion is not a substitute for your reference to the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure. Although not referenced or discussed herein, reference should be made to the Local Rules of Court for the Bankruptcy Court for the Middle District of Tennessee for procedures governing actions filed by all parties.

Secondly, information will be given as to this Debtor and its use of the Bankruptcy Code and the Rules, together with factual information as to the creditors, the claims in the bankruptcy estate, the assets of the estate, the classification of claims, the payment of the claims and the ability of the Debtor to make those payments. This is not intended to be nor is it a substitute for your independent evaluation of the information contained herein and your seeking the advice of your attorneys, accountants, or financial advisors.

You may contact Paul E. Jennings, 805 South Church Street, Suite 3, Murfreesboro, TN 37130, telephone number (615) 895-7200, facsimile number (615) 895-7294, e-mail paulejennings@bellsouth.net regarding the information contained herein, but you must not rely on information which is not contained in this Disclosure Statement in making your decision as to the acceptance or rejection of the Debtor's Plan.

ARTICLE 3

GENERAL PROVISIONS

3.1 **Notice to Holders of Claims and Interest.** This Disclosure Statement and the accompanying ballots are being furnished by the Debtor to its known Creditors pursuant to §

1125(b) of the Bankruptcy Code in connection with a solicitation of acceptances of the plan of reorganization. A copy of the Plan is attached as Exhibit 1 to the Disclosure Statement and is incorporated herein by reference.

The purpose of this Disclosure Statement is to enable you, as a Creditor whose Claim is in a Class impaired under the Plan to make an informed decision in exercising your right to accept or reject the Plan.

THIS DISCLOSURE STATEMENT CONTAINS IMPORTANT INFORMATION THAT MAY BEAR UPON YOUR DECISION TO ACCEPT OR REJECT THE PLAN PROPOSED BY THE DEBTOR. PLEASE READ THIS DOCUMENT WITH CARE.

THIS PLAN HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY BANKRUPTCY COURT, THE SECURITIES EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF THE PLAN OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

3.2 **Historical and Financial Information.** The historical and financial information presented herein or appended to the Disclosure Statement as Exhibits have been prepared using Debtor's books and records and certain filings made with the Bankruptcy Court. The estimates of Claims and Interests set forth herein may vary from the final amounts of Claims or Interests allowed by the Bankruptcy Court. While every effort has been made to ensure the accuracy of all such information, except as noted in the Disclosure Statement, the information presented herein is unaudited and has not been examined, reviewed or compiled by the Debtor's accountant.

3.3 **Projections.** The Projections appended to the Disclosure Statement as Exhibits are a presentation of possible future events based on certain assumptions regarding the operations of the Debtor. The Projections were not prepared with a view toward public disclosure or

compliance with the guidelines established by the Securities and Exchange Commission and were not prepared with a view towards compliance in all instances with the guidelines established by the American Institute of Certified Public Accountants regarding financial forecasts. The Projections have not been prepared in accordance with generally accepted accounting principles in all instances.

While presented with numerical specificity, the projections are based upon a variety of assumptions which, although Debtor believes are reasonable, may not be realized, and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Debtor. Consequently, the projections should not be regarded as a representation by the Debtor (or any other person) that the projections will be realized, and actual results may vary materially from those presented below. Due to the fact that such projections are subject to significant uncertainty and are based upon assumptions which may not prove to be correct, neither the Debtor nor any other person assume any responsibility for their accuracy or completeness.

3.4 **Plan Summary.** This Disclosure Statement contains a summary of certain provisions of the Plan and the transactions contemplated thereunder, as well as descriptions of certain other related documents. While the Debtor believes that these summaries are fair and accurate, such summaries are qualified to the extent that they do not set forth the entire text of such documents. Reference is made to the Plan and any documents referred to therein for a complete statement of the terms and provisions thereof. In the event of any inconsistency between the terms of the Plan and this Disclosure Statement, the terms of the Plan shall be controlling. In reviewing the Plan and this Disclosure Statement, the reader should give special attention to "RISK FACTORS". No statements or information concerning the Debtor or its assets, future business operations, results of operations or financial condition are authorized by the Debtor other than as set forth in this Disclosure Statement and the Exhibits hereto (including the Plan).

3.5 **Date of Disclosure.** The statements contained in this Disclosure Statement are made as of the date on the cover sheet, unless another time is specified herein. The delivery of this Disclosure Statement shall not create, under any circumstances, an implication that there has been any change in the facts set forth herein since the date hereof.

3.6 **Use of Disclosure Statement.** This Disclosure Statement is intended for the sole use of Creditors and Equity Security Holders to make an informed decision about the Plan. Each holder of a Claim or Equity Security Interest should review this Disclosure Statement and all exhibits hereto (including the Plan) before casting a ballot. Holders of Claims or Equity Security Interests are urged to consult with their own legal and financial advisors.

3.7 **Solicitation of Votes.** No solicitation of votes to accept or reject the Plan may be made except pursuant to this Disclosure Statement and § 1125 of the Bankruptcy Code. No Person has been authorized to use or promulgate any information concerning the Debtor or its business or the Plan, other than the information contained in this Disclosure Statement and the exhibits hereto. You should not rely on any information relating to the Debtor or its business or the Plan other than that contained in this Disclosure Statement and the exhibits hereto.

3.8 **The Plan.** The Plan categorizes the Claims against into various classes. The Plan also provides that the reasonable fees and expenses incurred by the Debtor during the Case will be paid in full, and specifies the manner each class of Claims and Equity Security Interests is to be treated.

Reference should be made to the Plan for a detailed discussion of the summary of the classification and treatment of Claims and Equity Security Interests under the Plan. The figures set forth represent the Debtor's best estimate of the total amount of Allowed Claims and Allowed Equity Security Interests in the Case. These estimates have been developed by the Debtor based on an analysis of its books and records and may not take into account any Proofs of Claim that may have been, or may be filed by creditors or purported creditors. There can be no assurance

the Claims and Equity Security Interest allowed by the Bankruptcy Court will not exceed the amounts set forth herein.

3.9 **Debtor's Recommendation.** In the Debtor's opinion, the treatment of Creditors and Equity Security Holders under the Plan provide a greater recovery than is likely to be achieved under any other alternatives, including competing plans or liquidation under Chapter 7 of the Bankruptcy Code. Perhaps the more likely result than the two above mentioned is ultimately the foreclosure of the property by Pinnacle National Bank ("PNB"). Clearly in that event PNB will become vested with the real property and no other creditor will receive any distribution. The Debtor believes that PNB is better served by Debtor continuing to develop and market the property. The Equity holders of the Debtor have not and do not intend to receive compensation for the time devoted to the sale and development of the property prior to payment of the creditors.

Debtor has a cause of action against Weldon Homes for the breach of a lot purchase contract. That contract has been terminated because of its breach. Recovery possibilities are unknown.

THE DEBTOR BELIEVES THAT CONFIRMATION OF THE PLAN IS IN THE BEST INTERESTS OF CREDITORS AND EQUITY SECURITY HOLDERS AND URGE EACH CREDITOR AND EQUITY SECURITY HOLDER ENTITLED TO VOTE TO ACCEPT THE PLAN.

ARTICLE 4

MISCELLANEOUS BANKRUPTCY CODE PROVISIONS

4.1 **Confirmation of the Plan.** Pursuant to § 1128 of the Bankruptcy Code, the Bankruptcy Court will schedule a hearing to consider Confirmation of the Plan, in Courtroom Three, Customs House, 701 Broadway, Nashville, Tennessee. The Bankruptcy Court will direct that objections, if any, to Confirmation of the Plan be filed and served in the manner described

herein. An order fixing the hearing on confirmation and the time for objections to confirmation will be entered and served on each creditor.

4.2 **Confirmation Hearing.** At the Confirmation Hearing, the Bankruptcy Court will determine whether the requirements of § 1129(a) of the Bankruptcy Code have been satisfied, in which event the Bankruptcy Court will enter an order confirming the Plan. The Debtor intends to seek Confirmation of the Plan at the Confirmation Hearing. In the event that any impaired Class of Claims does not accept the Plan, the Debtor intends to seek a "cramdown" of the Plan pursuant to § 1129(b) of the Bankruptcy Code. **The Debtor believes that the Plan will satisfy all applicable requirements of § 1129(a) and § 1129(b) of the Bankruptcy Code, except it is recognized that absent agreement of PNB, the absolute priority rule will present difficulty.**

4.3 **Confirmation Order and Its Effect.** With the entry of the Confirmation Order, pursuant to § 1141(d) of the Bankruptcy Code, except as otherwise provided in the Plan, the distributions provided for in the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims against the interests in the Debtor or any of its assets or properties, including any Claim or interest accruing after the Petition Date and before the Confirmation Date. As of the Effective Date, all holders of Claims and Equity Security Interest will be precluded from asserting any Claim against the Debtor or its assets or properties or other interest in the Debtor based on any transaction or other activity of any kind that occurred before the Confirmation Date except as otherwise provided in the Plan. Confirmation will make the Plan binding upon the Debtor, its Equity Security Holders, all Creditors and other parties regardless of whether they have accepted the Plan.

4.4 **Retention of Professionals.** Section 327(a) of the Bankruptcy Code provides that a debtor, with the Court's approval, may employ one or more accountants, attorneys or other professional persons that do not hold or represent an interest adverse to the estate and that are disinterested persons to represent or assist the Debtor in carrying out the duties under the Bankruptcy Code. 11 U.S.C. § 327(a).

Pursuant to the provisions of the Plan, three days prior to the Effective Date, each Professional must provide the Debtor with an estimate of the total amount of compensation and expenses for which the Professional intends to seek final compensation. Pursuant to the terms of the Plan, all Professionals retained by the Debtor must file final fee applications by the Administrative Bar Date (the first business day 60 days after the Effective Date). Section 330 of the Bankruptcy Code sets the standard for the determination by the Bankruptcy Court of the appropriateness of fees to be awarded to Professionals retained by a debtor in a case under the Bankruptcy Code. In general, "bankruptcy legal services" are entitled to command the same competency of counsel as other cases. In that light, the policy of this section is "to compensate attorneys and other professionals serving in a case under title 11 at the same rate as the attorney or other professional would be compensated for performing comparable service other than in a case under title 11". 124 Cong. Rec. H11091 (Daily Ed. Sept. 28, 1978).

4.5 **Bar Date.** The Bankruptcy Code and Rules permit the Court to enter an order fixing the deadline for the filing of Proofs of Claim. In this case, no bar date was established because of the small amount of claims in the case.

4.6 **Committees.** Pursuant to § 1102(a) of the Bankruptcy Code, the United States Trustee may appoint a committee of creditors holding unsecured claims against the Debtor to separately represent the interests of unsecured creditors. However, in cases of this nature, unsecured creditors' committees are typically not appointed. No such committee was appointed in this case.

4.7 **The Automatic Stay.** Pursuant to § 362 of the Bankruptcy Code, the filing of a petition commencing a case under Chapter 11 of the Bankruptcy Code automatically operates as a stay (the "Automatic Stay"), applicable to all entities of, *inter alia*, (i) the commencement or continuation of a judicial, administrative, or other action against the debtor that was or could have been commenced before the commencement of the case, (ii) the enforcement, against the debtor or against property of the estate, of a judgment obtained before the commencement of the

case, or (iii) any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate. 11 U.S.C. § 362(a). The Automatic Stay is a principal form of relief offered a debtor under the Bankruptcy Code. The Automatic Stay provides a debtor with "breathing room" to propose, and hopefully confirm, a plan of reorganization. There is pending a motion of Pinnacle National Bank for relief from the stay.

4.8 **Monthly Reports.** The Debtor is required to file monthly reports with the Bankruptcy Court detailing its operations during the pendency of the Chapter 11 case. Copies of those reports are filed with the Office of the United States Trustee and are reviewed by that office as a part of the monitoring of the Chapter 11 case. Debtor has filed monthly reports on a regular and timely basis. These reports are available for inspection in the office of the Clerk of the United States Bankruptcy Court, Middle District of Tennessee in Nashville. The filed reports indicate no sales since the filing of the case.

The Debtor will continue to timely file with the Bankruptcy Court and the United States Trustee monthly statements of operating expenses and income until the confirmation of this Chapter 11 case. These reports have been and will be prepared by or under the supervision of the Debtor. The monthly reports show no post-petition liabilities. The Debtor has made no payment on secured debt.

ARTICLE 5

RIDGEVIEW HEIGHTS, LLC'S CASE

5.1 **The Debtor.** Ridgeview Heights, LLC ("Mid-South") or ("Debtor") was formed in the State of Tennessee, June 21, 2005. Its sole asset is real property for development and includes both commercial and residential properties. At the present 33 single family lots, 42 townhome units and 31 rear load lots are fully completed and ready for sale. Approximately three acres of commercial property is fully developed and a portion is subject to a sales contract. There is an outstanding obligation to complete installation of turn signals for Thornton's Inc.

under a sales contract previously performed by Thornton's. This maybe subject to a bond issued in favor of the Metropolitan Government.

5.2 **Causes of the Chapter 11 Filing.** The Debtor's filing was occasioned by the collapse of the building business. Residential builders had no available funds for lot purchases. Lending institutions ceased making building loans because of unsold inventory.

5.3 **Management of the Reorganized Debtor.** The Debtor has been and will be managed by Victor Bishara, its Managing Member. There are no current employees of the Debtor.

5.4 **Treatment of Non-Classified Claims.** Pursuant to § 1123(a)(1) of the Bankruptcy Code, the Plan does not classify Administrative Claims entitled to priority treatment under § 507(a)(1) of the Bankruptcy Code or Claims of Governmental Units entitled to priority pursuant to § 507(a)(8) of the Bankruptcy Code. The Plan, however, provides for the manner of treatment of such non-classified Claims.

5.5 **Administrative Claims Defined.** Administrative Claims are the costs and expenses of administration of this Case, allowable under § 503(b) of the Bankruptcy Code, other than Bankruptcy Fees. Administrative Claims include Claims for the provision of goods and services to the Debtor after the Petition Date; the liabilities incurred in the ordinary course of the Debtor's business (other than claims of governmental units for taxes or interest or penalties related to such taxes) after the Petition Date; Claims of Professionals, such as attorneys, appraisers, and accountants, retained pursuant to an order of the Bankruptcy Court, for compensation and reimbursement of expenses under § 330 of the Bankruptcy Code; and tax claims for the period from the Petition Date to the Effective Date of the Plan.

5.6 **Payment of Administrative Claims.** Subject to the treatment set forth in the following paragraphs with respect to ordinary course liabilities, professionals' fees and expenses and post-petition tax claims, all other Administrative Claims, to the extent not previously paid, shall be paid by the Debtor in Cash in full on (i) the later of the Effective Date, the date payment

of such Claim is due under applicable law, or three business days after such Claim becomes an Administrative Claim or (ii) as may be otherwise mutually agreed in writing between the Debtor and the holder of such Claim; *provided, however*, that any Administrative Claim incurred by the Debtor in the ordinary course of its business shall be paid in full or performed by the Debtor in accordance with the terms and conditions of the particular transaction giving rise to such liability and any agreements relating thereto.

5.7 Time for Filing Administrative Claims. Except as set forth below, Proofs of Administrative Claim must be filed no later than the first Business Day that is 60 days after the Effective Date ("the Administrative Bar Date"). Copies of all Proofs of Administrative Claim must be served on counsel for the Debtor. Holders of Administrative Claims that do not file Proofs of Administrative Claim on or before the Administrative Bar Date, shall be forever barred from asserting such Claims against the Debtor or its property.

Holders of Administrative Claims for liabilities incurred in the ordinary course of the Debtor's business (other than claims of governmental units for taxes or interest or penalties related to such taxes) shall not be required to file any Proofs of Administrative Claim and such Claims shall be assumed and paid by the Debtor pursuant to the terms and conditions of the transaction giving rise to such Claim without any further action by the holders of such Claims.

All professionals employed under §§ 327 or 1103 of the Bankruptcy Code shall file final applications for compensation and reimbursement of reasonable and necessary expenses pursuant to § 330 of the Bankruptcy Code no later than the first Business Day that is 60 days after the Effective Date. Any such application timely filed shall be deemed to be a Proof of Administrative Claim. No later than three days prior to the Effective Date, each such professional shall provide the Debtor with an estimate of the total amount of compensations and expenses for which such professional expects to seek final compensation pursuant to § 330 of the Bankruptcy Code. Objections to any professional's application for compensation or reimbursement must be filed and served upon such professional, the Debtor, and the United

States Trustee pursuant to notice given for the allowance of such compensation or reimbursement. Any such objection not timely filed and served shall be deemed to have been waived.

All Proofs of Administrative Claim for Post-Petition Tax Claims for which no bar date has otherwise previously been established, must be filed on or before the later of (i) 60 days following the Effective Date; or (ii) 120 days following the filing of the tax return for such taxes for such tax year or period with the applicable Governmental Unit. Any holder of any Post-Petition Tax Claim that does not file a Proof of Administrative Claim by the applicable bar date shall be forever barred from asserting any such Post-Petition Tax Claim against the Debtor or its Property, whether any such Post-Petition Tax Claim is deemed to arise prior to, on, or subsequent to the Effective Date.

Reference is made to the Plan for the discussion of the inapplicability of this provision in the event of the failure to file required returns by a taxpayer.

5.8 **Administrative Claims Due in this Case.** Debtor is unaware of the amounts due to this group of claimants. Fees will be due to the attorney and accountant for the Debtor.

5.9 **Priority Tax Claims.** Except as may be otherwise mutually agreed in writing between the Debtor and such Governmental Units or as may be otherwise provided in the Plan, all Allowed Claims of Governmental Units entitled to priority pursuant to § 507(a)(8) of the Bankruptcy Code, shall be paid pursuant to 11 U.S.C. § 1129(a)(9)(c).

5.10 **Bankruptcy Fees.** All fees and charges assessed against the Debtor under § 1930 of title 28 of the United States Code shall be paid in cash in full on or before the Effective Date. Debtor is current with all such fees. Debtor will accrue additional fees prior to the closing of the case. These fees will be paid as they become due.

ARTICLE 6

DISPUTED CLAIMS AND INTERESTS

6.1 **General.** The Plan contains a mechanism for resolving disputes concerning the amount of certain Claims or Interests asserted against the Debtor by any person.

The Debtor reserves the right to object to any Proof of Claim or Proof of Interest filed in any amount, including those filed with a priority, greater than that set forth in the Schedules, representing any Claim or Interest not identified in the Schedules, or representing any Claim or Interest identified in the Schedules as contingent, unliquidated or disputed, or as may be determined by the Debtor to now be incorrect for whatever reason. The Debtor expressly reserves the right to amend the Schedules from time to time as necessary to ensure that the Schedules accord with the Debtor's books and records.

6.2 **Time to Object.** Unless otherwise ordered by the Bankruptcy Court, objections to the allowance of any Claim or Interest may be filed only by the Debtor no later than the later to occur of (i) 180 days after the Effective Date or (ii) 180 days after the date proof of such Claim or Interest is filed. Until the earlier of (i) the filing of an objection to a Proof of Claim or Interest or (ii) the last date to file objections to Claims or Interests as established by the Plan or by Final Order, Claims or Interests shall be deemed to be Disputed in their entirety if, (i) the amount specified in a Proof of Claim or Interest exceeds the amount of any corresponding Claim or Interest listed in the Schedules; (ii) any corresponding Claim or Interest listed in the Schedules is or has been scheduled as disputed, contingent or unliquidated; or (iii) no corresponding Claims or Interest has been listed in the Schedules.

ARTICLE 7

DISTRIBUTIONS UNDER THE PLAN

7.1 **How Made.** In general, any payments, distributions or other performance to be made pursuant to the Plan on account of any Allowed Claim or Allowed Interest shall be deemed to be timely made if made on or within ten (10) Business Days following the later of (i) the

Effective Date or (ii) the expiration of any applicable objection deadline with respect to such Claim or Interest, (iii) ten (10) days following entry of a Final Order allowing said Claim, or (iv) such other times as provided in the Plan. All Cash payments to be made by the Debtor pursuant to the Plan shall be made by check drawn on a domestic bank. The Debtor shall be the Disbursing Agent to make distributions under the Plan.

Distributions shall be made: (1) at the addresses set forth on the Proofs of Claim or Proofs of Interest filed by such holders; (2) at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim; or (3) at the address reflected in the Schedules if no Proof of Claim or Proof of Interest is filed and the Disbursing Agent has not received a written notice of a change of address. If the distribution to the holder of any Claim or Interest is returned to the Disbursing Agent as undeliverable, no further distribution shall be made to such holder unless and until the Disbursing Agent is notified in writing of such holder's then current address. The Debtor shall not be required to attempt to locate any holder of an Allowed Claim or an Allowed Interest.

7.2 Unclaimed Distribution. Any Cash or other property to be distributed under the Plan shall become the property of the Debtor if it is not claimed by the Person entitled thereto before the later of (i) one (1) year after the Effective Date or (ii) 60 days after an Order allowing the Claim of that Person becomes a Final Order.

7.3 Distribution with Respect to Disputed Claims. During the pendency of any objection to any Claim or Interest, no distribution under the Plan will be made to the holder of such Claim or Interest.

7.4 Compliance with Tax Requirements. In connection with the Plan, the Debtor shall comply with all withholding and reporting requirements imposed by federal, state and local taxing authorities and distributions under the Plan shall be subject to such withholding and reporting requirements.

ARTICLE 8

MISCELLANEOUS PLAN PROVISIONS

8.1 **Effective Date.** The Effective Date of the Plan is defined to mean the 11th day following the Confirmation Date; *provided however*, that the Effective Date shall be subject to such reasonable extensions, as the Debtor, in its sole discretion, may determine are necessary to finalize any documentation necessary to consummate the transactions contemplated by the Plan.

8.2 **Confirmation Date.** The Confirmation Date is defined as the date of the entry of the Confirmation Order, provided it become a Final Order. A Final Order is defined as an Order that is no longer subject to appeal. (See Definitions in Article 2 of the Plan). Thus, as noted above, as a general rule, the Effective Date will be the 11th day following entry of the Confirmation Order by the Clerk of the Bankruptcy Court.

8.3 **Treatment of Executory Contracts and Unexpired Leases.** The Debtor has provided for the treatment of its executory contracts and unexpired leases in Article VIII of the Plan. (Exhibit 1). As to those contracts and leases which are assumed, payments shall continue pursuant to the terms of the contract or lease which was assumed. As to any contract or lease rejected in the Plan, claims if any, shall be classified and treated in Class 5 of the Plan. All executory contracts and leases not specifically listed, if any, are rejected.

8.4 **Funding.** Debtor's payments under the Plan will be funded from its regular sale of commercial and residential lots. An analysis of projected income and expenses will be exhibited hereto establishing these sufficient to satisfy the Plan requirements.

8.5 **Revesting.** Except as otherwise provided in the Plan, on the Effective Date all assets and properties of the Estate shall vest in the Debtor free and clear of all liens, claims and encumbrances and any and all liens, claims and encumbrances that have not been expressly preserved under the Plan shall be deemed extinguished as of such date.

Except as otherwise provided in the Plan, following the Effective Date the Debtor may operate the Mortgaged Property and buy, use, acquire, and dispose of the Mortgaged Property,

and settle and compromise any claims, interests and causes of action free of any restrictions contained in the Bankruptcy Code or Bankruptcy Rules, subject only to the rights of the mortgage lender, PNB.

8.6 Preservation of Rights of Action. Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into in connection with the Plan, following the Effective Date the Debtor shall retain and may, in accordance with his determination of its best interest, enforce any claims, rights and causes of action arising under §§ 544 through 550 of the Bankruptcy Code or any similar provisions of state law, or any statute or legal theory.

Based upon a review of the books and records, the Debtor does not believe that any causes of action exist against any entity under §§ 544 through 550 of the Bankruptcy Code. Generally, the Bankruptcy Code allows a debtor to avoid and recover for the benefit of the estate, certain transfers (including the grant of security interests) made prior to the commencement of a case which are deemed fraudulent as to the creditors, or preferential to certain creditors contrary to the priorities specifically set forth and defined in the Bankruptcy Code. After reviewing the books and records, the Debtor believes it has made no transfers and incurred no obligations within the relevant statutory periods, that were either outside the ordinary course of business, or subject to avoidance and recovery under §§ 544 through 550 of the Bankruptcy Code or any similar provisions of state law, or any statute or legal theory.

8.7 Transfer Tax. Pursuant to § 1146 of the Bankruptcy Code, the initial issuance, transfer, or exchange of any security and the making or delivery of any instrument of transfer in connection with or in furtherance of the Plan shall not be subject to tax under any law imposing a stamp tax, real estate Transfer Tax, mortgage recording tax or similar tax, and, to the extent provided by § 1146, if any, shall not be subject to any state, local or federal law imposing sales tax.

8.8 Modification and Revocation of the Plan. The Plan may be altered, amended or modified by the Debtor at any time before the substantial consummation of the Plan, as provided in §§ 1101(a) and 1127 of the Bankruptcy Code and Bankruptcy Rule 3019. Section 1127 of the Bankruptcy Code authorizes the proponent of a plan of reorganization to modify such plan at any time prior to confirmation of the plan so long as the plan, as modified, continues to meet certain technical requirements of §§ 1122 and 1123 of the Bankruptcy Code with respect to the classification of Claims and Interests and the contents of a plan.

Prior to Confirmation, if a proponent files modifications to a plan, pursuant to § 1127(a) "the plan as modified becomes the plan". No order of this Court is required to modify the Plan under the terms of § 1127(a); however, the proponent of a modification to a plan must comply with § 1125 of the Bankruptcy Code with respect to the plan as modified. In other words, if a modification materially alters the treatment of any Creditor or Interest Holder who has accepted the Plan, the Debtor will be required to make additional disclosures to those Creditors or Interest Holders whose treatment has been materially and adversely altered and give such Creditors or Interest Holders an opportunity to change their vote.

The Debtor may revoke or withdraw the Plan at any time prior to entry of the Confirmation Order. If the Debtor revokes or withdraws the Plan, or if no Confirmation Order is entered, the Plan shall be null and void, and nothing contained in the Plan shall constitute a waiver or release of any Claims by or against, or any Interest in the Debtor; or prejudice in any manner the rights of the Debtor in any further proceedings involving the Debtor.

8.9 Retention of Jurisdiction. The Plan contains detailed provisions providing for the retention of jurisdiction by the Bankruptcy Court over the Case for the purposes of, *inter alia*, determining all disputes relating to Claims or Interests and other issues presented by or arising under the interpretation, implementation or enforcement of the Plan, and to determine all other matters pending on the date of confirmation.

8.10 **Risk Factors.** The Plan restructures certain of the Debtor's obligations to its Creditors. Although the Debtor believes that it will be able to meet all of the obligations that it has undertaken pursuant to the Plan there can be no assurance that future events will not cause the Debtor to default on one or more of the obligations under the Plan. The following factors (and other risks considered elsewhere in this Disclosure Statement) should be considered by each Creditor, Equity Security Holder and their respective advisors.

Future Plan payments will be funded from the continued sale and development of lot. As shown on the Exhibit projecting future income, existing contracts and pending contracts, and anticipated contracts will allow the Debtor to satisfy its Plan requirements. Debtor anticipates future years business will be equal to that projected. However, obviously, the business is subject to general economic conditions.

ARTICLE 9

VOTING TO ACCEPT OR REJECT DEBTOR'S PLAN

9.1 **Voting Instructions.** A Creditor or Interest Holder who is entitled to vote may accept or reject the Plan by executing and returning to the Balloting Agent (as defined below) the ballot (a "Ballot") that was sent with this Disclosure Statement. The following instructions govern the time and manner for filing Ballots accepting or rejecting the Plan, withdrawing or revoking a previously filed acceptance or rejection, who may file a Ballot, and procedures for determining the validity or invalidity of an Ballot received by the Balloting Agent.

9.2 **Deadline for Receipt of Ballots.** The solicitation period for votes accepting or rejecting the Plan will expire as set forth in the order which will be sent to all creditors (the "Voting Deadline"). A Ballot accepting or rejecting the Plan must be received no later than that date and time or it will not be counted in connection with the Confirmation of the Plan or any modification thereof.

9.3 **Balloting Agent.** All votes to accept or reject the Plan must be cast by using the Ballot. Executed Ballots should be returned by the Voting Deadline, to

Paul E. Jennings, Esquire
Paul E. Jennings Law Offices, P.C.
805 South Church Street, Suite 3
Murfreesboro, TN 37130
Phone: (615) 895-7200
Facsimile: (615) 895-7294
E-mail: paulejennings@bellsouth.net

(the "Balloting Agent"). A Creditor or Equity Security Holder entitled to vote who has not received a Ballot, or whose Ballot has been lost, stolen or destroyed, may contact the Balloting Agent at the address indicated above to receive a replacement Ballot.

9.4 Who May Vote - In General. Only those claimants whose claims are impaired may vote. Only those holders of impaired claims are being solicited and are entitled to vote to accept or reject the Plan.

9.5 Ballots Executed in a Representative or Fiduciary Capacity. Ballots executed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or other acting in a fiduciary or representative capacity, must indicate the capacity in which such person executed the Ballot and, unless otherwise determined by the Debtor, must submit proper evidence satisfactory to the Debtor of its authority to so act.

9.6 Voting Multiple Claims and Interests. A single form of ballot is provided for each Class of Claims or Interests. Any Person who holds Claims or Interests in more than one Class is require to vote separately with respect to each Class in which such Person holds Claims or Interests. However, any Person who holds more than one Claim or Interest in one particular Class will be deemed to hold only a single Claim or Interest in such Class in the aggregate amount of all Allowed Claims or Allowed Interest in such Class held by such Person. Thus each Person need complete only one ballot for each Class.

9.7 Objections to Ballots. An objection to a Ballot may be filed by the Debtor or any party in interest. No Ballot cast with respect to any Claim or Interest which is the subject of a pending objection will be counted for purposes of determining whether the Plan has been accepted or rejected, unless the Bankruptcy Court orders otherwise.

9.8 **Defects or Irregularities.** Any executed and timely filed Ballot which does not indicate either acceptance or rejection of the Plan shall be deemed to be a defective or irregular Ballot.

Any defects or irregularities in connection with deliveries of Ballots must be cured prior to the deadline for filing timely Ballots. Neither the Debtor nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots, nor will any of them incur any liability for failure to provide such notification. All questions as to the validity, form, eligibility (including the time of receipt) acceptance and revocation or withdrawal of Ballots will be determined by the Bankruptcy Court, upon motion and upon such notice and hearing as is appropriate under the circumstances. Unless otherwise directed by the Bankruptcy Court, delivery of Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots as to which any irregularities have not been cured or waived will not be counted toward the acceptance or rejection of the Plan.

Where more than one timely and properly completed Ballot is received, the Ballot which bears the latest date will be counted.

9.9 **Revocation of Previously Filed Acceptance or Rejections.** Any Creditor or holder of an Equity Interest who has delivered a valid Ballot for the acceptance or rejection of the Plan may withdraw such acceptance or rejection by delivering a written notice of withdrawal to the Balloting Agent at any time prior to the Voting Deadline.

A notice of withdrawal, to be valid, must (i) describe the Claim or Equity Interest, as the case may be, if appropriate, represented by such Equity Interest or Claim, (ii) be signed by the Creditor or Interest Holder, as the case may be, in the same manner as the Ballot was signed and (iii) be received by the Balloting Agent on or before the Voting Deadline. The Debtor reserves the absolute right to contest the validity of any such withdrawals of Ballots.

ARTICLE 10
CONFIRMATION

10.1 **Confirmation Hearing.** The Bankruptcy Code requires that the Bankruptcy Court, after notice, hold a hearing to consider confirmation of the Plan. The Confirmation Hearing has been set by the Order of the Bankruptcy Court in Courtroom Three, Customs House 701 Broadway, Nashville, TN. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement made at the Confirmation Hearing.

10.2 **Requirements for Confirmation.** At the Confirmation Hearing, the Bankruptcy Court will determine whether the requirements of § 1129 of the Bankruptcy Code have been satisfied, in which event the Bankruptcy Court will enter an order confirming the Plan. The requirements of § 1129 include determinations by the Bankruptcy Court that: (1) the Plan has classified Claims and Interests in a permissible manner, (2) the contents of the Plan comply with various technical requirements of the Bankruptcy Code, (3) the Debtor has proposed the Plan in good faith, (4) the Debtor has made disclosures concerning the Plan that are adequate and include information concerning all payments made or promised in connection with the Plan and the Case, (5) the Plan is in the "best interest" of all Creditors and Interest Holders, (6) the Plan is feasible, and (7) the Plan has been accepted by the requisite number and amount of Creditors or Interest Holders in each Class entitled to vote on the Plan, or that the Plan may be confirmed without such acceptances. The Debtor believes that all of these conditions have been or will be met prior to the Confirmation Hearing.

10.3 **Best Interest Test.** The so-called "best interest" test requires that each impaired Creditor and impaired Interest Holder either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date of the Plan, that is not less than the value such entity would receive or retain if the assets of the estate were to be liquidated under Chapter 7 of the Bankruptcy Code.

To determine what the holders in each Impaired Class of Claims or Interests would receive if the Debtor's assets were liquidated under Chapter 7, the Bankruptcy Court must determine the dollar amount that would be generated from the liquidation of the Debtor's assets and properties in a Chapter 7 liquidation case. The amount that would be available for satisfaction of Allowed Claims against and Allowed Interests in the Debtor would consist of the proceeds resulting from the disposition of the Debtor's assets, augmented by the cash held by the Debtor at the commencement of the Chapter 7 case. Such amount would be reduced by the amount of any Claim or Claims secured by the Debtor's assets, the costs and expenses of the liquidation, and such additional Administrative Claims and Priority Claims that may result from the termination of the Debtor's business. The costs of liquidation under Chapter 7 would become an Administrative Claim with the highest priority against the proceeds of liquidation. Such costs would include the fees payable to a Chapter 7 trustee, as well as those which might be payable to attorneys, financial advisors, appraisers, accountants and other professionals that such a trustee may engage to assist in the liquidation. In addition, Chapter 7 costs would include any liabilities incurred or assumed pursuant to the transactions necessary to effectuate the liquidation. Moreover, claims entitled to administrative priority may arise by reason of a breach or rejection of any executory contracts entered into by the Debtor during the pendency of the Case in Chapter 11.

After satisfying Administrative Claims arising in the course of the Chapter 7 liquidation, the proceeds of the liquidation would then be payable to satisfy any unpaid expenses incurred during the time this case was pending under Chapter 11, including compensation for attorneys, financial advisors, appraisers, accountants and other professionals retained by the Debtor or any official committee appointed pursuant to § 1102 of the Bankruptcy Code.

A liquidation analysis of Debtor's assets is provided in a following Article of this Disclosure Statement.

10.4 Feasibility. For the Plan to be confirmed, it must be demonstrated that consummation of the Plan will not likely be followed by the liquidation or the need for further financial reorganization of the Debtor. For purposes of determining whether the Plan meets this requirement, the Debtor has analyzed its ability to meet the obligations under the Plan. See Exhibit attached hereto.

The Projections of the Debtor's financial performance assumes the transactions contemplated by the Plan are consummated. Based on the review of such Projections, the Debtor believes that it will be able to make all payments required to be made pursuant to the Plan and it is not likely to require any further financial rehabilitation. The Debtor has fully considered all the risk factors previously discussed herein. Debtor is fully aware of the present economic factors which impact its business and this plan.

10.5 Confirmation With the Acceptance of Each Impaired Class. The Plan may be Confirmed if each impaired Class of Claims or Interests accepts the Plan. Classes of Claims or Interests which are not impaired are deemed to have accepted the Plan. A Class is impaired if the legal, equitable or contractual rights attaching to the Claims or Interests of that Class are modified other than by curing defaults and reinstating maturities or by payment in full in cash.

The Bankruptcy Code defines acceptance of a plan by a Class of Claims as acceptance by the holders of two-thirds (2/3) in dollar amount and a majority in number of Claims of that Class. Only those Claims, the holders of which actually vote to accept or reject the Plan are counted for the purpose of determining whether the requisite number and amount of acceptances have been received.

10.6 Confirmation Without the Acceptance of Each Impaired Class. In the event that any impaired Class or Claims or Interest does not accept the Plan, the Bankruptcy Court may nevertheless confirm the Plan at the Debtor's request if (a) all other requirements of § 1129(a) of the Bankruptcy Code are satisfied, (b) at least one impaired Class of Claims votes to accept the Plan without regard to any vote cast on account of a Claim held by "insiders" (as defined in the

Bankruptcy Code) and (c) as to each impaired Class which has not accepted the Plan, the Bankruptcy Court determines that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to such non-accepting Class. Pursuant to the provisions of the Plan, if necessary, the Debtor has requested or will request the Court confirm the Plan over the rejection of any non-accepting class in the event all other elements of § 1129(a) are satisfied.

10.7 Unfair Discrimination. A plan "does not discriminate unfairly" if the legal rights of a non-accepting class are treated in a manner that is consistent with the treatment of other classes whose legal rights are intertwined with those of the non-accepting class, and no class received payments in excess of that which it is legally entitled to receive from its Claims or Interests. The Debtor believes that under the Plan all classes of Impaired Claims and Impaired Interests are treated in a manner that is consistent with the treatment of other classes of Claims and Interests with their legal rights are intertwined, if any, and no class of Claims or Interests will receive payments or property with an aggregate value greater than the aggregate value of the Allowed Claims and Allowed Interests in such class. Accordingly, the Debtor believes the Plan does not discriminate unfairly as to any impaired class of Claims or Interests.

10.8 Fair and Equitable. Whether the Plan is fair and equitable depends upon the application of the so-called "absolute priority rule". Subject to certain exceptions, this rule, codified in § 1129(b)(2) of the Bankruptcy Code, generally requires that an impaired Class of Claims or Interests that has not accepted the plan must be paid in full if a more junior class receives any distribution under the plan.

With respect to Secured Claims, the absolute priority rule allows the confirmation of a plan over the rejection of a class of Secured Claims if the holders of such Claims retain their liens and each holder of a Claim of such class receives on account of such Claim deferred cash payments, totaling at least the allowed amount of such Claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the property securing its Claim. With respect to such Claims, this Plan, as projected, provides that the holders thereof shall retain their

liens and shall receive on account of such Claim cash or deferred cash payments, totaling the allowed amount of such Claims, of a value, as of the Effective Date, of the value of such holders' interest in the Mortgaged Property. Accordingly, the Rule may be applicable

With respect to Unsecured Claims, the "absolute priority rule" provides that a plan may be confirmed over the rejection by an impaired class of Unsecured Claims if each holder of a Claim of such class receives on account of such Claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim, or that the holder of a claim or interest that is junior will not receive or retain under the plan on account of such junior claim any property. The Plan provides certain classes of unsecured creditor may receive less than 100% of their claims. However, under the Plan, at the end of the Plan and upon completion of the development, there will be nothing remaining in the Debtor, nor owned by the Debtor. The members of the Debtor are retaining ownership of the property. Accordingly, application of the Rule is not clear.

10.9 Effect of Confirmation. On the Effective Date, the Debtor will be discharged from all Claims and Interests which existed prior to confirmation of the Plan, except for payments and distributions provided for in the Plan or in the order of the Bankruptcy Court confirming the Plan. The Debtor's discharge will be fully effective against all Creditors and Interest holders, regardless of whether they have voted to accept or reject the Plan and regardless of whether the Plan is confirmed by consent or by resort to the provisions of § 1129(b) of the Bankruptcy Code.

On the Effective Date the Debtor will be discharged pursuant to § 1141 of the Bankruptcy Code from all Claims against and Interests in the Debtor that arose prior to the Effective Date and from any liability of a kind specified in §§ 502(g), 502(h) or 502(i) of the Bankruptcy Code whether (a) a Proof of Claim or Proof of Interest has been filed or Deemed to have been filed with respect to such Claim or Interest, (b) such Claim or Interest is allowed or disallowed, or (c) the holder of such Claim or Interest has accepted the Plan. All Persons will be precluded and

enjoined from asserting against the Debtor and its successor, assets or properties, or against any property that is distributed, or is to be distributed under the Plan, any other or further Claim or Interest based upon any acts or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date. The entry of the Confirmation Order shall forever stay, restrain and permanently enjoin (a) the commencement or continuation of any action, the employment of process, or any act to collect, enforce, attach, recover or offset from the Debtor, or from property of the Debtor, (b) the creation, perfection or enforcement of any lien or encumbrance against any property of the Debtor or any property distributed under the Plan, or (c) any Claim or Interest discharged under the Confirmation Order, the Plan or pursuant to § 1141(d)(1) of the Bankruptcy Code, except as otherwise provided in the Plan, or in the Confirmation Order, or with respect to the Debtor's obligations under the Plan or Confirmation Order.

10.10 **Solicitation.** Section 1125(e) of the Bankruptcy Code, commonly referred to as the "safe harbor", provides a person that solicits acceptance or rejection of a plan, in good faith and in compliance with the applicable provisions of this title, or that participates, in good faith and in compliance with the applicable provisions of this title, in the offer, issuance, sale, or purchase of a security, offered or sold under the plan, of the debtor, of an affiliate participating in a joint plan with the debtor, or of a newly organized successor to the debtor under the plan, is not liable, on account of such solicitation or participation, for violation of any applicable law, rule, or regulation governing solicitation of acceptance or rejection of a plan or the offer, issuance, sale, or purchase of securities.

ARTICLE 11

ASSETS OF THE ESTATE AND LIQUIDATION ANALYSIS

11.1 **Real Estate Assets.** As previously noted Debtor owns approximately 100 acres of real estate on Bell Road, Antioch, TN., projected the value of between nine million and eleven million dollars.

11.2 **Personal Property Assets.** Debtor has no personal property, except a potential lawsuit which is the result of the breach of a lot purchase agreement with Weldon Homes. Weldon Homes failed to purchase lots as required in the contract. This contract has now been terminated because of the breach. At the present, Debtor has been unable to minimize the damages. Additionally, Debtor is owed tap fees paid by the Debtor to Metropolitan Government for the benefit of Weldon Homes and has failed to satisfy certain earnest monies owed by Weldon Homes to it. The collectibility of the amounts are unknown.

11.3 **Debtor-in-Possession Account.** On February 28, 2010, the Debtor had \$115.00 in its Administrative Expense DIP account.

11.4 **Liquidation Analysis.** The secured creditor, PNB holds a valid deed of trust on the real estate of the Debtor. The Bank's secured claim is between nine million and 10.86 million dollars. Additionally, there maybe relatively small lien claims filed against the property. There are outstanding real property taxes owed to the Metropolitan Trustee.

In evaluating it property, the Debtor believes the current liquidation value of this property at a quick sale, auction or private, does not equal the amount of the referenced secured debt. The determination of the hypothetical proceeds from the sale of assets in a Chapter 7 liquidation is an uncertain process involving numerous underlying assumptions. Accordingly, there can be no assurance that the assumptions employed by the Debtor in determining the liquidation value of the assets will result in an accurate estimation of such liquidation values. Certainly, foreclosure of the property by PNB is unlikely to satisfy the debt to PNB.

Typically, Chapter 7 liquidations result in expenses of 10-15 percent of the sales price. With auction or commissions usually being six to ten percent and considering fees and expenses of the Chapter 7 Trustee, that cost is considered reasonable.

It is obvious that liquidation of Debtor's assets would result in a substantial deficiency on the secured debt of PNB. Under no factual pattern would funds be available for distribution to other creditors of the estate.

Available funds in the DIP account for Administrative Expenses will satisfy outstanding administrative expenses, which are estimated at \$30,000.00. Any excess funds in that account will be for payment on outstanding priority tax debt as outlined in the Plan. This amount is approximately \$95,000.00.

ARTICLE 12

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The Debtor has not researched the tax consequences of the Plan to holders of Claims and Interests. The Debtor has not requested any ruling from the Internal Revenue Service or any other taxing authority with respect to such matters. The tax consequences of the Plan on any particular holder of a Claim or Equity Interest may be affected by matters not discussed in this Disclosure Statement. EACH HOLDER OF A CLAIM OR INTEREST IS URGED TO CONSULT ITS OWN TAX ADVISOR AS TO THE CONSEQUENCES OF THE PLAN UNDER FEDERAL AND APPLICABLE STATE, LOCAL AND FOREIGN TAX LAWS.

ARTICLE 13

FINANCIAL PROJECTIONS AND FEASIBILITY

The Debtor has attached hereto as Exhibit A projections of future sales and values. The Projections underlying the Plan are based on certain assumptions regarding the Debtor's operations. The Projections were not prepared with a view toward public disclosure or compliance with the guidelines established by the Securities Exchange Commission and were not prepared with a view towards compliance in all instances with the guidelines established by the American Institute of Certified Public Accountants regarding financial forecasts. The Projections have not been prepared in accordance with generally accepted accounting principles in all instances, are not audited, and have not been reviewed or compiled by the Debtor's independent accountants. While presented with numerical specificity, the Projections are based upon a variety of assumptions (which the Debtor believes are reasonable) which may not be realized, and are subject to significant business, economic and competitive uncertainties and

contingencies, many of which are beyond the Debtor's control. Consequently, the inclusion of the Projections herein should not be regarded as a representation by the Debtor (or any other person) that the Projections will be realized, and actual results may vary materially from those presented below. Due to the fact that the Projections are subject to significant uncertainty and are based upon assumptions which may not prove to be correct, neither the Debtor nor any other person assumes any responsibility for their accuracy or completeness.

ARTICLE 14

ADDITIONAL INFORMATION

Requests for information and additional copies of this Disclosure Statement, the Ballots and the other materials delivered together herewith and all deliveries, correspondence and questions, as the case may be, relating to the Plan should be directed to the Balloting Agent at

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Facsimile: (615) 895-7294
E-mail: paulejennings@bellsouth.net

Copies of all pleadings, orders, lists, schedules, proofs of claims or other documents submitted in the case are on file in the Office of the Clerk of the United States Bankruptcy Court at Customs House, Room 100, 701 Broadway, Nashville, TN and are available for public inspection Monday through Friday, between the hours of 9:00 a.m. and 12:00 noon and 1:30 p.m. and 4:00 p.m.

ARTICLE 15

CONCLUSION

The Debtor believes the Plan is in the best interests of all Creditors and Interest Holders and strongly encourages all holders of claims against the estate and all interests in the Debtor to vote to accept the Plan and to evidence such acceptance by promptly returning their Ballots to ensure that they will be received no later than the time fixed by the Court order.

Respectfully submitted,

/s/ Paul E. Jennings

Paul E. Jennings

Paul E. Jennings Law Offices, P.C.

805 South Church Street, Suite 3

Murfreesboro, TN 37130

Telephone: (615) 895-7200

Facsimile: 615) 895-7294

E-mail: paulejennings@bellsouth.net

Attorney for Debtor-in-Possession

RIDGEVIEW HEIGHTS, LLC

/s/ Victor Bishara

By: Victor Bishara

Its: Managing Member