

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHEERN DISTRICT OF FLORIDA
PENSACOLA DIVISION

IN RE: CASE NO. 11-31887-WSS

SHUANNEY IRREVOCABLE TRUST,

Debtor.

Chapter 11

_____ /

DISCLOSURE STATEMENT FOR DEBTOR'S SECOND AMENDED CHAPTER 11
PLAN OF REORGANIZATION

Introduction

On December 1, 2011, Debtor, Shuaney Irrevocable Trust ("Debtor"), filed a petition under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Florida. On September 12, 2012, the Debtor filed its Chapter 11 Plan of Reorganization ("Plan") in this case for the purpose of providing for payment of all of the claims against the Debtor or its Property. On November 7, 2012, the United States Bankruptcy Court entered an order disapproving the Debtor's Disclosure Statement for the Debtor's initial Chapter 11 Plan. Based upon the Court's comments regarding the Disclosure Statement for the initial Chapter 11 Plan, the Debtor determined that the Debtor needed to also substantially revise the proposed Plan of Reorganization. Accordingly, on January 4, 2013, the Debtor filed its First Amended Chapter 11 Plan of Reorganization and its First Amended Disclosure Statement. Subsequently, the Debtor determined that additional amendments were needed to both the Chapter 11 Plan and the Disclosure Statement. Accordingly, on September 10, 2013, the Debtor filed this Second Amended Disclosure Statement. Simultaneously, the Debtor filed its Second Amended Chapter 11 Plan of Reorganization. This document ("Disclosure Statement") is the disclosure statement required by the Bankruptcy Code, Title 11, United States Code, to be prepared and to be filed and to be sent to all persons with Allowed Claims against the Debtor. The purpose of this Disclosure Statement is to provide creditors holding Allowed Claims with sufficient information so they may make informed judgments as to whether to vote to accept or reject the Debtor's Plan.

This Disclosure Statement should be carefully read and considered by all creditors in conjunction with the accompanying Plan. This Disclosure Statement contains (i) information regarding the nature and operations of the Debtor's business, (ii) events leading to the Debtor's bankruptcy, (iii) the management of the Debtor's business, (iv) the material assets and liabilities of the Debtor, (v) the

treatment to be accorded to the Debtor’s creditors under the Plan and (vi) other matters thought to be pertinent to creditors’ consideration in voting to accept or to reject the Plan.

In accordance with 11 U. S. C. § 1125, nothing contained in this Disclosure Statement is, or should be construed as, a solicitation of acceptance of the Debtor’s Plan until this Disclosure Statement for the Plan has been approved by the United States Bankruptcy Court and distributed, with appropriate ballots, to all holders of Allowed Claims against the Debtor. The Debtor reserves the right to amend or to modify this Disclosure Statement and/or the accompanying Plan.

All creditors are advised to and encouraged to read the Plan and this Disclosure Statement in their entirety before voting to accept or reject the Debtor’s Plan. The Plan and this Disclosure Statement have been prepared in accordance with the Bankruptcy Code but have not been prepared in accordance with the requirements of either federal or any state securities laws. As to contested matters, adversary proceedings, litigation, threatened litigation or actions, and all other matters which may be litigated, this Disclosure Statement and the accompanying Plan are not admission(s) or stipulation(s) as to any fact or legal position, but, rather, statement(s) made in settlement negotiations. Accordingly, this Disclosure Statement and the accompanying Plan may not be offered in evidence to prove or disprove the validity or amount of any claim or any defense to any claim under Rule 408, Federal Rules of Evidence.

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**General Requirements for Confirmation of a Chapter 11 Plan
of Reorganization**

11 U. S. C. § 1125 requires that a person (“Proponent”) who proposes a plan of reorganization in a bankruptcy case prepare and, after such document has been approved by the United States Bankruptcy Court, circulate a “disclosure statement” to creditors and parties-in-interest. The disclosure statement must be approved by the United States Bankruptcy Court prior to the Proponent’s solicitation of approval by the debtor’s creditors and equity security holders of a proposed Chapter 11 plan of reorganization. In general the purpose of a disclosure statement is to provide creditors and other interested persons with sufficient information, both legal and factual, as to enable them to make informed decisions as to whether to vote to accept or reject the proposed plan of reorganization. Approval by the United States Bankruptcy Court of a disclosure statement permits the Proponent to solicit votes to approve the proposed plan of reorganization and provides an exemption from state and federal securities laws and regulations which otherwise may be applicable to the Proponent’s disclosure statement, plan of reorganization and solicitation for approval of the plan.

11 U.S.C. § 1123(a) requires that a plan of reorganization contain (i) a designation of classes and interests, (ii) a specification of any class that is **not** impaired under the plan of reorganization, (iii) provisions treating the classes of claims and interests that are impaired under the plan of reorganization, (iv) provisions according uniform treatment for each claim or interest within a particular class, unless the claimant within such class has agreed to less favorable treatment, and (v) provisions for the implementation of the plan of reorganization. The plan of reorganization may also contain other provisions, such as the rejection of executory contracts, discussion of potential litigation with third parties, and other matters that pertain to a debtor’s ownership, management, finances, operations, and business.

11 U. S. C. § 1129 provides that a plan of reorganization will be confirmed if several requirements are met: First, the plan and its Proponent have complied with the requirements of the Bankruptcy Code. Second, the costs and fees of professionals employed in connection with the debtor’s bankruptcy case or plan are subject to approval by the United States Bankruptcy Court. The plan must also be proposed in good faith. The plan must provide for the payment of priority creditors, such as taxing authorities, in accordance with statutory requirements. In addition, either the plan must not impair the

claims of creditors, or, with respect to any class of creditors' claims which is impaired under the plan, two tests must be satisfied. These latter requirements are of special importance to creditors whose claims are impaired under a plan of reorganization.

A class of claims is impaired under a plan unless (i) the plan leaves unaltered the legal, equitable and contractual rights of the creditors within such class, (ii) the plan cures any defaults occurring before the debtor's bankruptcy and compensates the creditors of the class of such claims for their reliance upon their contractual rights, or (iii) the plan provides for the payment in full, as of the effective date of the plan, of the allowed amount of the creditors' claims within the class. Accordingly, a plan that alters the contractual rights of creditors within a class or provides for less than full payment of creditors' claims on the plan's effective date within a class is an impaired class. If a plan contains one or more impaired classes of claims, then the plan may only be confirmed if two tests are satisfied.

The first of these tests is the "best interest of creditors" test. In order for a plan to be confirmed, the plan must provide that, with respect to any impaired class, each creditor within the class must accept the plan or must receive money or property of a value, as of the effective date of the plan, not less than the amount such creditor would receive through liquidation of the debtor's bankruptcy estate in accordance with Chapter 7 of the Bankruptcy Code. This requirement is called the "best interest of creditors" test because it assures creditors that the benefits to the creditors under the plan of reorganization will exceed the consequences of liquidation under Chapter 7 of the debtor's bankruptcy estate.

The second test is a **class voting** test. Creditors holding claims within each impaired class must vote to accept the plan. Creditors are deemed to have accepted the plan if those within the class holding more than one-half of the claims in number and two-thirds of the claims in amount vote to accept the plan. Holders of equity interests are deemed to have accepted the plan if those holding more than one-half in interests vote to accept the plan. If a sufficient number of creditors or equity interest holders vote to accept the plan, the plan will be confirmed.

In addition, a plan may be confirmed, even though all impaired classes do not vote to accept the plan, if (i), at least, one impaired class votes to accept the plan, and (ii) the United States Bankruptcy Court determines that the plan does not discriminate unfairly and the plan is fair and equitable with respect to each class of claims that has not voted to accept the plan. With respect to any class of secured creditors, the "fair and equitable" requirement means that the secured creditors will retain their liens upon the collateral held by them and will receive in deferred cash payments an amount equal to the value of the collateral as of the effective date under the plan of reorganization. With respect to any class of unsecured creditors or under-secured creditors, the "fair and equitable" requirement means that the plan provides that each creditor will receive in deferred cash payments an amount equal to the value of such creditor's allowed claim as of the effective date of the plan **unless** a junior class of creditors or interests in the reorganized debtor receives nothing or such junior class of creditors or interest holders

agree to preserve their claims or interests by paying---in cash or property---the fair market value of the junior class's claim or interest. If these conditions are satisfied, then the United States Bankruptcy Court may confirm the plan despite the fact that not all impaired classes under the plan have voted to accept it.

In order to vote on a plan, a creditor must file a proof of claim if the debtor scheduled the creditor's claim in Schedules D, E or F as contingent, disputed or un-liquidated or if the creditor believes the amount scheduled by the debtor to be inaccurate. Otherwise, a creditor's claim is deemed to be the amount of the claim as scheduled by the debtor in the debtor's filings with the United States Bankruptcy Court. If a creditor holding a claim which has been scheduled as contingent, disputed, or un-liquidated fails to file a proof of claim, then, with respect to such claim, such creditor may not vote upon the plan of reorganization. Any creditor who files a claim and who holds a disputed, un-liquidated or contingent claim is permitted to vote upon the plan **unless** the debtor or another party in interest objects to the creditor's proof of claim and the objection is unresolved by the date the United States Bankruptcy Court sets as the date on which ballots must be cast for or against the plan of reorganization. Under certain circumstances, the United States Bankruptcy Court may estimate a creditor's claim for the purposes of voting.

Voting by creditors and equity interest holders is accomplished by completing the ballot that accompanies the disclosure statement and returning the completed ballot in accordance with the instructions contained in the ballot as of the deadline established by the United States Bankruptcy Court's order approving the disclosure statement. Failure to timely return a ballot by the deadline set forth in the order may prevent the ballot from being considered.

As the previous discussion reflects, the requirements for confirmation of a plan of reorganization under Chapter 11 of the Bankruptcy Code are complex. This brief summary is intended to provide creditors and parties-in-interest in this case only with a general overview of the provisions of the Bankruptcy Code that pertain to confirmation of a plan of reorganization under Chapter 11. This summary is not intended to provide legal advice to the Debtor's creditors or anyone else. Nor is this summary intended to supply a legal analysis of all issues that may be presented in the course of a hearing on confirmation or may be presented in the confirmation process in this case. Accordingly, while the Debtor believes that this summary generally sets forth the requirements for confirmation under the Bankruptcy Code, the Debtor expressly disclaims any limitations, constraints or estoppels upon the Debtor's legal position(s) in this case that may be, or arguably could be, asserted by any creditor or party-in-interest on account of the foregoing summary.

Common Definitions

As used throughout this Disclosure Statement and in the accompanying Plan, unless the context otherwise requires, the following Terms have the indicated meanings:

- A. "Allowed Administrative Claim" means a claim incurred after the Debtor filed its bankruptcy case on December 1, 2011, and allowed by the United States Bankruptcy Court for the Northern District of Florida in accordance with 11 U.S.C. §503.
- B. "Allowed Claim" means a claim (i) with respect to which a proof of claim has been filed by the creditor on or before the bar date for filing claims which was April 23, 2012 for all creditors except governmental authorities and was July 18, 2012 for governmental authorities and as to which if any objection has been filed, any such objection has been resolved by a final order that is no longer subject to appeal or as to which no appeal is pending as of the date on which the Confirmation Hearing is held; or (ii) scheduled by the Debtor in its lists of creditors prepared and filed with the United States Bankruptcy Court in connection with the Debtor's Chapter 11 case, and not listed as disputed, contingent, or unliquidated as to the amount of liability and, in such case, as to which no objection to the allowance thereof has been filed prior to the date on which the United States Bankruptcy Court conducts its hearing to consider confirmation of the Debtor's Plan, or, as to which, if any objection has been filed, such objection has been resolved by a final order that is no longer subject to appeal or, as to which no appeal is pending, as of the date on which the Confirmation Hearing is held.
- C. "Allowed Secured Claim" means an Allowed Claim which is secured by a perfected lien(s) upon the Debtor's Property to the extent of value of the Debtor's Property which is subject to the creditor's lien(s) pursuant to 11 U.S.C. § 506.
- D. "Allowed Unsecured Non-Priority Claim" means an Allowed Claim which (i) is not secured by perfected liens(s) in the Debtor's Property or (ii) the amount of claim in excess of the value of the Debtor's Property that is subject to the creditor's perfected lien(s), and, in either case, which is not entitled to priority treatment in accordance with 11 U.S.C. § 507.
- E. "Allowed Unsecured Priority Claim" means an Allowed Claim which (i) is not secured by perfected lien(s) upon the Debtor's Property, or (ii) the amount of claim in excess of the value of the Debtor's Property that is subject to the creditor's lien(s) and, in either case, which is entitled to priority in treatment under 11 U.S.C. § 507.
- F. "Chapter 11" means Chapter 11 of the Bankruptcy Code (Title 11, United States Code).
- G. "Confirmation Order" means the order by the United States Bankruptcy Court that approves this Plan as of the date on which such order becomes final after the time for appeal has expired, or after such order becomes

final after an appeal has been taken and the mandate of the appellate court has issued. In the event of an appeal of the order confirming this Plan, confirmation shall be deemed to have occurred for purposes of this Plan, notwithstanding such an appeal, unless and until a stay of the order confirming this Plan has been entered by an appropriate court.

- H. "Creditor" means any person or entity having an Allowed Claim against the Debtor or the Debtor's Property.
- I. "Debtor" means Shuaney Irrevocable Trust, the debtor which filed the Chapter 11 bankruptcy case assigned Case No. 11-31887 in the United States Bankruptcy Court for the Northern District of Florida on December 1, 2011.
- J. "Debtor's Property" means all right, title or interest of the Debtor in property of any kind or description as provided in 11 U.S.C. § 541.
- K. "Effective Date" means the first day of the first full month following the entry of a final mandate in the appeal of the Adversary Proceeding No. 12-03026 or any other further proceedings in the United States Bankruptcy Court in that case which results in a final, non-appealable determination of the owner of the B-Bonds on the date the Debtor's petition was filed.
- L. "Final Judgment" means a final judgment entered by the United States Bankruptcy Court or other court that is final and non-appealable or with regard to which any final judgment or which any appeal has been undertaken the final appellate mandate has issued with regard to such appeal and no further appeals may be taken by appellant or appellee.

Nature and Operation of the Debtor's Business

Since its organization in 1996, the Debtor has been engaged in and has invested in a diverse portfolio of real estate and business investments. From its inception in 1996, the Debtor's businesses and investments grew from an original corpus of approximately \$750,000 to assets with an aggregate fair market value of approximately \$20,000,000 or more. As with other enterprises that invested in real estate prior to 2006, the Debtor's business and investments have sustained adverse effects from the crash of the real estate market and resulting market price declines from newly imposed restrictive lending requirements. Now, approximately seven years later, the market is still adjusting to new price structures and demand is only beginning to recover. Accordingly, the Debtor's Reorganization Plan has been designed as a conservative one and one that the Debtor believes reflects the realistic outcomes of the Debtor's efforts to sell its properties and to reorganize its debts so they can repaid in full.

Debtor's Material Assets

As of the date the Debtor filed its Chapter 11 Petition, on December 1, 2011, the Debtor owned or claims to own the following material assets:

1. B-Bonds issued by the Government Facilities Leasing Corporation. These bonds pay 9.5% interest tax free. As reflected in the attached amortization of B-Bonds Schedule, the bonds are expected to generate in excess of \$20,000,000.00 in tax free interest payments over the next 25 years. The B-Bonds are the subject of an adversary proceeding filed by the Debtor in this bankruptcy case against Beach Community Bank, which holds the lien on the bonds and Regions Bank, as indenture trustee, (Adversary Proceeding No, 12-03026). In the adversary proceeding, the Debtor sought to reverse the transfer of the B-Bonds from the Debtor to Beach Community Bank made on or about November 17, 2011, which was 13 days prior to the Debtor's bankruptcy filing. On December 5, 2012, the Court entered its Order Granting Motion for Partial Summary Judgment and Final Judgment as to Count I only finding that the transfer to Beach Community Bank did not constitute a preference. The Debtor then filed a motion for relief from judgment on the issue of whether the transfer rendered the Debtor insolvent based on the filing of a proof of claim by Adams Homes of Northwest Florida, Inc., in the amount of \$147,000,000.00. The Bankruptcy Court denied the motion, and the Debtor filed an appeal of the order denying relief from judgment. Subsequently, on July 3, 2013, the Court entered its Order Granting Motion for Summary Judgment as to Counts III, IV, and V in favor of Beach Community Bank effectively denying the Debtor's request to set aside the transfer of the B-Bonds to Beach Community Bank. On August 2, 2013, the Court entered its Final Judgment as to Counts III, IV, and V. The Debtor then filed an appeal of the order granting summary judgment to the United States District Court. Both appeals are still pending. If the decision of the Bankruptcy Court on Count III, IV, and V is affirmed in this appeal or in any subsequent appeals which may be taken by either party, the B-Bonds will belong to Beach Community Bank. If the decision of the Bankruptcy Court is reversed on appeal, then the B-Bonds may be determined to belong to the Debtor. Based on the attached amortization schedule, the Debtor believes that the B-Bonds have a current fair market value of \$11,500,000.00 or greater. (An analysis of the tax-free stream of income with a 10% cap rate results in a value of \$14,300,000.00). The Debtor is in the process of obtaining a professional appraisal of the value of the B-Bonds and reserves the right to amend this Disclosure Statement accordingly. In its Amended Proof of Claim (Claim No. 13-2), Beach Community Bank has asserted that the B-Bonds have a fair market value of only \$5,400,000.00 or approximately \$4,500,000.00 less than the aggregate amount of the debt currently owed under the bonds. The value of the B-Bonds will be determined by the Court.

2. The Debtor's interest, as mortgagee, in Greenreef Condominium Units. Beach Community Bank has stated in its Amended Proof of Claim (Claim No. 13-2) that the units have an aggregate fair market value of \$835,000.00. The Debtor is in agreement with this valuation. Beach Community Bank has obtained relief from the stay to foreclosure the mortgage which was collaterally assigned by the Debtor to Beach Community Bank so that it may foreclosure the mortgage.

3. Debtor's interest, as mortgagee, in Marbella Yacht Club. The Debtor has valued this property at \$1,550,000.00 based on an appraisal prepared by Thomas A. Mar, of Panhandle Appraisal Group. A copy of the appraisal has been filed by the Debtor as part of Document No. 259 in this case. Beach Community Bank has asserted as part of its Amended Claim No. 13-2 that this property has a value of \$1,000,000.00.

4. The Debtor has deposit accounts at Beach Community Bank. One account has a current balance of approximately \$3,151,723.00. In a second account there is a current balance of approximately \$370,360.00. Beach Community Bank claims a right of set-off against the funds in these two accounts.

5. The Debtor owns the office building at 4 Laguna Street, Fort Walton Beach, Florida. The Debtor believes the current fair market value of the property to be \$825,000.00 based on an appraisal prepared by Thomas A. Mar, Panhandle Appraisal Group. A copy of this appraisal has been filed in the record in this case as Document No. 263, 264, and 265. In its Amended Proof of Claim, Beach Community Bank asserts that the fair market value of the office building is \$468,826.00. Beach Community Bank claims that its debt is secured by a mortgage lien against the office building.

6. The Debtor owns 149 lots (approximately 50 acres) in Sherman Hills, an undeveloped subdivision in Hernando County, Florida. Beach Community Bank asserts that the value of the property is \$740,000.00 in its Amended Proof of Claim Co.13-2. For purposes of this Disclosure Statement and the Second Amended Chapter 11 Plan, the Debtor accepts this value for this property.

7. The Debtor owns 128.8 acres of undeveloped land in Marion County, Florida, which Beach Community Bank has valued at \$1,400,000.00 in its Amended Proof of Claim No.13-2. For purposes of this Disclosure Statement and the Second Amended Chapter 11 Plan, the Debtor accepts this value for this property.

8. The Debtor owns an additional 29.2 acres of undeveloped land in Marion County, Florida which Beach Community Bank has asserted has a fair market value of \$204,000.00 in its Amended Proof of Claim No. 13-2. The Debtor believes that the property has a value of \$520,000.00 based on a valuation of \$20,000.00 per acre.

9. The Debtor owns an interest in real property subject to a mortgage and promissory note assigned by Beach Community Bank to the Debtor but collaterally reassigned to Beach Community Bank. The real property is titled in the name of Coyote Land Company at East 9th Avenue, Panama City, Florida. In its Amended Proof of Claim, Beach Community Bank asserts that the value of this property is \$644,485.00. For purposes of this Disclosure Statement and the Second Amended Chapter 11 Plan, the Debtor accepts this value on this property. Unbeknownst to the Debtor, this property was sold at a tax deed sale by Bay County, Florida, in violation of the automatic stay. The Debtor intends to file the necessary motion to seek to void the tax deed sale.

10. The Debtor has an interest in litigation styled Adams Homes of Northwest Florida, Inc., v. Highway 98 Residential, Inc., case number 2008-CA-00521 that is pending in the Circuit Court in Santa Rosa County, Florida. The value of the Debtor's claim has not yet been determined as of the date of the filing of this Disclosure Statement. The parties have entered into a proposed settlement agreement which has confidentiality provisions that bar the disclosure of the terms of the settlement because the settlement has not yet been consummated. The Debtor cannot predict with certainty whether this litigation will yield any financial benefit to the Debtor or the Debtor's creditors. However, to the extent that this litigation yields funds to the Debtor, those funds are to be paid into the Debtor's Chapter 11 Plan for purposes of paying claims of creditors holding Allowed Claims to the extent that the claims are not otherwise paid through other provisions of the Plan.

The aggregate value of the foregoing assets per the Debtor's appraisal reports and the Debtor's valuation of the B-Bonds is \$21,514,000.00, excluding any recovery in the Adam's Homes of Northwest Florida litigation.

In addition to the foregoing investments, the Debtor has made investments in the following enterprises which are viewed as non-material to the Debtor's current financial condition: St. Andrews Development (24 % interest), with no net worth; Hit Sum to Me, LLC (25% interest), with no net worth, 241 Development, Ltd. (25 % interest) with no net worth; Solid Waste Haulers of Florida Receivable, net worth estimated to be \$6,866 based upon issues of collectability; South Marsh Developers, net worth estimated to be \$12,500 based upon issues of collectability; W. Todd Schweizer Receivable, net worth estimated to be \$1.00 based upon issues of collectability; Final Judgment against Executive Ventures, net worth estimated to be \$3,500 based upon issues of collectability and enforceability; Notes Receivable from Coyote Land Company, net worth estimated to be less than \$40,000 due to issues of collectability and environmental contamination; and Note Receivable from Bocephus Land Company, LLC, with an estimated net recoverable value of \$1.00; Litigation regarding FishLipz Holdings, LLC, Fishlips on the Sound, Inc., with an unknown or uncertain value; Great NW Florida, LLC, Receivable with a doubtful market value due to issues of collectability; High Cotton Investments Receivable with no estimated net worth due to issues of collectability; Pay Kota Irrevocable Trust Receivable having an estimated recoverable value of approximately \$3,000; and Sherman Hills Receivable with an estimated recoverable value of approximately \$12,754. None of these non-material assets of the Debtor are expected to contribute in any material respects to the Debtor's re-organization under Chapter 11.

Among the other non-material assets of the Debtor is the Debtor's undivided 1/10th limited liability membership interest in Paradise Liquors of the Emerald Coast, LLC. This property interest of the Debtor is highly illiquid and, if necessary, to pay Allowed Claims on or after the Effective Date, the Debtor will attempt to sell this minority interest in this company in order to satisfy allowed claims.

Debtor's Liabilities; Best Interest of Creditors' Test

Excluding the disputed and unliquidated claim filed by Adams Homes of Northwest Florida, Inc., for approximately \$147,000,000.00 (Claim No. 14) (that provides that if the settlement among the Adams Homes of Northwest Florida, the Debtor and other Schweizer affiliated parties is consummated, then the claim is to be withdrawn), the Debtor had, as of the date of the filing of the Debtor's bankruptcy petition on December 1, 2011, the following claims of creditors. To the extent that a proof of claim has been filed, the following lists the claim number and the amount claimed. It also lists whether the Debtor, at this time, believes there is a basis to file an objection to the proof of claim. The Debtor reserves the right to object to other claims if a basis for objection is determined.

Claim No. 1- 623 Partners, LLC - \$650,000.00 (unsecured). (The Debtor intends to object to this claim).

Claim No. 2- Internal Revenue Service - \$131,746.67 (unsecured priority claim).

Claim No. 3 - Okaloosa County Tax Collector - \$35,908.13 (secured).

Claim No. 4 - Iglar & Dogherty - \$44,349.00 (unsecured).

Claim No. 5 - Independent Banker's Bank of Florida - \$2,608,382.00 (secured with a possible unsecured deficiency amount).

Claim No. 6 - Hernando County Tax Collector - \$13,769.00 (secured)

Claim No. 7 - Hernando County Tax Collector - \$21,007.00 (secured)

Claim No. 8 - Berger Singerman, LLP - \$270,514.00 (unsecured) (the Debtor intends to object to this claim).

Claim No. 9 - Keefe, Anchors, Gordon & Moye, P.A., - \$30,377.00 (unsecured)

Claim No. 10 - Keefe, Anchors, Gordon & Moye, P.A., - \$48,817.00 (unsecured) (the Debtor intends to object to this claim).

Claim No. 11 - Dowd Law Firm - \$10,587.00 (unsecured)

Claim No. 12 - Beach Community Bank - \$877,148.00 (secured) (the Debtor disputes the amount of the claim and intends to file an objection as to both the amount and the secured status).

Claim No. 13 - Beach Community Bank - \$12,921,431.00 (secured) (the Debtor disputes the amount of this claim and intends to file an objection to the claim).

Claim No. 14 - Adams Homes of Northwest Florida, Inc. - \$147,000,000.00 (unsecured) (the Debtor intends to file an objection to this claim if the claim is not withdrawn per the settlement once consummated).

In addition to the above, there are creditors who were listed in the Debtor's schedules but who have not filed a proof of claim as follows:

1. City of Fort Walton Beach - \$317.00 (unsecured)
2. Clark, Partington, Hart - \$10,632.00 (unsecured)
3. Lowry & Watson, CPAs - \$9,500.00 (unsecured)
4. Mastroserio Engineering - \$31,000.00 (unsecured)
5. McDullogh Landscaping - \$450.00 (unsecured)
6. Michael P. Spellman - \$73,626.00 (unsecured)
7. Stephen P. DelGallo - \$887,000.00 (unsecured)
8. Stutsman, Thamses - \$1,749.00 (unsecured)
9. Trinity Investments - \$27,000.00 (unsecured)

The aggregated proofs of claim filed by creditors, excluding Adams Homes of Northwest Florida, Inc., is \$17,393,000.00. The aggregate of claims of creditors who did not file a claim is \$1,065,000.00. Again, excluding the claim of Adams Homes of Northwest Florida, Inc., which is disputed and unliquidated, the aggregate of all claims against the Debtor is approximately \$18,458,000.00. This amount is prior to objections to claims or disallowance of claims, which, if granted by the Court, would reduce the total amount owed. Based on Debtor's valuation of its assets as set forth in the material assets section set forth above, the Debtor has assets and property worth, at least, \$21,198,000.00 excluding any recovery from the Adams Homes litigation. (Any amounts which may be recovered from the Adams Homes litigation will be devoted to the plan to repay creditors to the extent necessary to pay all Allowed Claims).

Based on the debt amounts and assets, as set forth above (excluding the Adams Homes' claim), the Debtor is solvent and must pay all creditors in full, including secured creditors, priority creditors, and unsecured creditors to the extent of their Allowed Claims. Accordingly, to the extent that any secured claim is not satisfied as of the Effective Date, the plan provides for the payment of 3.5% interest per year upon the portion of the claim that is not paid on the Effective Date through the date on which such claim is fully paid. With regard to creditors holding unsecured claims, the plan provides for the payment of 2% interest per year until the claims have been paid in full. Based on

the above, the Debtor's plan meets the best interest of creditors test since the Debtor's plan provides for the full payment of all allowed claims on the Effective Date or, alternatively, the payment of allowed claims on and after the Effective Date together with interest from and after the Effective Date until fully satisfied.

Debtor's Pre-Bankruptcy Finances and Causes of the Debtor's Bankruptcy

In 2010, Independent Bankers Bank of Florida sued the Debtor in the Circuit Court of Seminole County, Florida, for (a) the replevin of shares of stock in Beach Community Bank owned by the Debtor that had been pledged by the Debtor to Independent Bankers Bank of Florida to secure loans from Independent Bankers Bank of Florida to the Debtor and other Schweizer Affiliated Entities, and (b) to recover an approximate \$2,500,000 Final Judgment against the Debtor and other Schweizer Affiliated Entities on a promissory note and guarantees. Among the Schweizer Affiliated Entities were the following enterprises: Schweizer & Schweizer, Ltd., Shuaney Corporation; Signature Building Limited Partnership, Schweizer Family Limited Partnership, and Schwezier Brothers Investments, LLC. In addition, both W. Todd Schweizer and Jeffrey L. Schweizer were named as individual defendants in this law suit. In November, 2011, the Seminole County Circuit Court entered a Summary Final Judgment against the Debtor and the other defendants for \$2,500,000.

Rather than have Independent Bankers Bank of Florida pick the Debtor and its assets apart in a series of levies and attachments, the Debtor filed its Petition for Relief under Chapter 11 in this Court on December 1, 2011, so the Debtor could structure repayment of the debts owed to the Debtor's creditors in a manner that was consistent with the requirements of Title 11, United States Code, and maximize the value from the Debtor's material assets.

Additionally, on or about November 17, 2011, Beach Community Bank transferred the B-Bonds owned by the Debtor into Beach Community Bank's own name. The Debtor contends that the transfer was improper and should be set aside. As will be discussed in greater detail below, the transfer is the subject of an adversary proceeding which is currently on appeal to the United States District Court for the Northern District of Florida. In 2011, the Debtor's relationship with Beach Community Bank deteriorated resulting in Beach Community Bank being unwilling to extend or restructure the loans from Beach Community Bank to the Debtor. Based on all of these factors, the Chapter 11 filing was determined by the Debtor to be the most effective way to structure its debts for the benefit of all of its creditors.

Events During the Debtor's Bankruptcy Case

1. During the Debtor's Chapter 11 case, the Bankruptcy Court raised the issue regarding whether the Debtor, as a trust, was an eligible person to file for relief under Title 11, United States Code. All parties in interest were invited to submit to the Court memoranda regarding this issue. Upon the Court's receipt of the memoranda from several parties, the Court determined an evidentiary hearing was to be held and conducted

the same on March 30, 2012. Following a full day trial of the issues before the Court, the Court entered a verbal ruling and a written order on May 4, 2012, in which the Court held that the Debtor was an eligible person to seek relief under Title 11, United States Code.

Beach Community Bank appealed the decision of the United States Bankruptcy Court to the United States District Court for the Northern District of Florida. On March 7, 2003, the District Court affirmed the ruling of the Bankruptcy Court finding that the Debtor is eligible to be a Debtor under chapter 11. On March 20, 2013, Beach Community Bank filed a Notice of Appeal appealing the District Court's decision to the Eleventh Circuit Court of Appeals. The appeal is still pending in the Eleventh Circuit.

2. In May, 2012, the Debtor filed an adversary proceeding (Adversary Proceeding No. 12-03026) against Beach Community Bank in which the Debtor alleged that Beach Community Bank's November, 2011, transfer of the B-Bonds from the name of the Debtor to the name of Beach Community Bank constituted a preferential transfer by the Debtor of an interest in property or, in the alternative, that the Debtor was entitled to a credit equal to the value of the B-Bonds against the alleged \$13,000,000 debt owing from the Debtor to Beach Community Bank.

In December 2012, the United States Bankruptcy Court entered a partial summary judgment in favor of Beach Community Bank finding that the Debtor had not become insolvent on account of the transfer and thus could not satisfy one of the elements necessary to establish a preference under 11 USC §547. Thereafter, Adams Homes of Northwest Florida, Inc., filed its proof of claim claiming to be owed approximately \$147,000,000.00 by the Debtor and the Debtor filed a motion for relief from judgment based on discovery of "new evidence" regarding the amount of the claim. On January 4, 2013, the United States Bankruptcy Court denied the Debtor's motion on the basis that the proof of claim did not constitute new evidence. The Bankruptcy Court denied the motion for relief from judgment and the Debtor filed an appeal of that decision to the United States District Court. Also, in January 2013, the Debtor filed an amended complaint under which the Debtor asserted additional counts against Beach Community Bank, one based upon allegations that Beach Community Bank violated Florida Statutes §679.610, 679.611, and 679.613 when it directed Regions Bank, as the Indenture Trustee for the B-Bonds, to transfer the B-Bonds into the name of Beach Community Bank. An additional count was based on the allegations that Beach Community Bank failed to properly perfect its security interest with the B-Bonds prior to the date of the Debtor's bankruptcy by having the security interest recorded on the bond registry kept by the indentured trustee as required by the trust indenture in Florida and Uniform Commercial Code Article 8. On July 3, 2013, the Bankruptcy Court entered its Order Granting Motion for Summary Judgment as to Counts III, IV and V in favor of Beach Community Bank effectively determining that the transfer of the B-Bonds to Beach Community Bank could not be set aside. On August 2, 2013 the Bankruptcy Court entered its Final Judgment as to Counts III, IV and V. On August 13, 2013 the Debtor filed a Notice of Appeal to the United States District Court for the Northern District of Florida. Accordingly, the Court's ruling in favor of Beach Community Bank is currently on

appeal. As of the date of this Disclosure Statement, the briefs have not yet been filed and no decision has been rendered by the District Court.

3. In August, 2012, Regions Bank as the Indenture Trustee under the B-Bonds filed an adversary proceeding against the Debtor and Beach Community Bank and sought to interplead the sum of \$840,943.07 in the registry of the United States Bankruptcy Court as disputed funds. The Debtor and Beach Community Bank each filed answers to the Complaint by Regions Bank in adversary proceeding number 12-03044-WSS. The Debtor and Beach Community Bank each claimed to be the lawful owner of the B-Bonds. Beach Community Bank subsequently filed a motion requesting the Bankruptcy Court to enter an order directing the disbursement of the funds to Beach Community Bank. The Bankruptcy Court denied Beach Community Bank's request for turnover of the funds to it without prejudice.

4. On April 15, 2013, Beach Community Bank filed a motion for relief from stay requesting authority from the Bankruptcy Court to exercise a right of set-off which it asserts against funds held by the Debtor in deposit accounts at Beach Community Bank in excess of \$3,000,000.00. On May 24, 2013, the Court entered its order denying the motion for relief from stay. On August 9, 2013, Beach Community Bank filed a motion for rehearing and reconsideration asking the Court to reconsider its order denying Beach Community Bank's request for relief from stay to set-off the funds in the account. A hearing on the motion for reconsideration has been set for September 27, 2013.

5. Following the entry of the Final Summary Judgment by the Circuit Court of Seminole County, Florida, in favor of Independent Banker's Bank of Florida in its lawsuit against the Debtor, the Debtor filed a notice of appeal of the Summary Final Judgment with the District Court of Appeal for the Fifth District challenging the Summary Final Judgment as improper under state law. This appeal is presently pending before the District Court of Appeal, but has been stayed by the District Court of Appeal because of the Debtor's pending bankruptcy.

6. On August 14, 2013 Independent Bankers Bank of Florida filed a motion for relief from stay seeking authority from the Bankruptcy Court to allow it to liquidate the Beach Community Bank stock held by Independent Bankers Bank of Florida as collateral for a loan it made to the Debtor with a balance of approximately \$2,600,000.00. A hearing on the motion for relief from stay has been set for September 27, 2013.

7. In November 2012, the Debtor, Beach Community Bank, and Independent Banker's Bank of Florida participated in mediation. The parties were unable to reach an agreement and an impasse was declared.

Debtor's Plan and Implementation

The Debtor's Second Amended Chapter 11 Plan requires that the debts owing from the Debtor to each of the Debtor's creditors be re-structured to permit repayment in full together with interest as provided in the Second Amended Chapter 11 Plan. As set forth in this Plan Definition section, the Effective Date of the Plan is determined by reference to the date that the appeal in that certain Adversary Proceeding No. 12-03026, Shuaney Irrevocable Trust v. Beach Community Bank, becomes final.

Since the filing of the initial Chapter 11 Plan and Disclosure Statement, there has been a settlement among the parties to the litigation between and among Adams Homes of Northwest Florida, Inc., and Highway 98 Residential, Inc., et al., that may yield moneys to the Debtor. As of the date of the filing of this Second Amended Disclosure Statement, there are contingencies that remain to be satisfied in order to consummate the settlement and there is no certainty that any moneys will or can be obtained by the Debtor from this litigation in the Circuit Court of Santa Rosa County, Florida, in the case styled Adams Homes of Northwest Florida, Inc., v. Highway 98 Residential, Inc., et al, case number 2008-CA-00521. If, however, the Debtor obtains moneys from this settlement, the moneys obtained by the Debtor will be paid to creditors holding Allowed Claims to the extent necessary to pay the aggregate of Allowed Claims in full.

On the Effective Date, assuming that the Debtor recovers the B-Bonds from Beach Community Bank following the appeal and any subsequent proceedings in the above described adversary proceeding, and a Final Judgment that is final and is non-appealable has been entered by the United States Bankruptcy Court or, the appeal has been finally resolved and a mandate has issued by the appellate court, then the Debtor's Second Amended Chapter 11 Plan will provide for the delivery and surrender of the properties described in Class 2 - Treatment A as stated below and the payment of interest and the payment of claim(s) of Beach Community Bank as provided in Class 2 - Treatment A. If, however, on the Effective Date, assuming that the Debtor fails to recover the B-Bonds from Beach Community Bank in the above-referenced adversary proceeding, and a Final Judgment that is final and non-appealable has been entered by the United States Bankruptcy Court or the appeal has been finally resolved and a mandate by the appellate court has issued then the Debtor's Second Amended Chapter 11 Plan will provide for a credit to be given to the Debtor equal to the value of the B-Bonds at the time of the transfer to Beach Community Bank and delivery and surrender of the properties described below in Class 2- Treatment B and the payment of interest and the payment of claim(s) of Beach Community Bank as provided in Class 2 - Treatment B as stated below.

Classification and Treatment of Debtor's Creditors under Debtor's Second Amended Chapter 11 Plan

The claims of the Debtor's Creditors are classified into six separate classes. In addition, there is one equity class (the beneficiaries of the trust). The treatment that is accorded to each class of creditors' claims is set forth herein:

Class 1: Administrative Claims. This class is comprised of all creditors who have provided goods or services to the Debtor or who are entitled under public law to charge taxes, fees or other charges against the Debtor or the Debtor's property after the Debtor filed its Chapter 11 petition in this case on December 1, 2011. Included among these creditors is the Okaloosa County Tax Collector, for 2012 - 2013 real property taxes; the Marion County Tax Collector, for 2012-2013 real property taxes; and the Hernando County Tax Collector, for 2012 - 2013 real property taxes. On the Effective Date, these tax obligations of the several tax collectors will be discharged from the net available funds of the Debtor on deposit at Beach Community Bank from the Debtor's money market account. Mark Freund who has provided legal services to and for the benefit of the Debtor in connection with the Debtor's Chapter 11 Case and whose legal fees are estimated to be \$200,000.00 will be paid pro rata as creditors holding allowed unsecured claims are paid on and after the Effective Date. In essence, Mark Freund has agreed to accept the payment of any allowed administrative claim, to the extent that any such claim may be allowed by this Court, pro rata with the payments made by the Debtor to creditors holding allowed unsecured non-priority claims. In addition, as of the date of the filing of this Second Amended Chapter 11 Plan, the Debtor has employed Robert Beasley as special counsel to represent the Debtor in Adversary Proceeding No. 12-03026, by the Debtor against Beach Community and Adversary Proceeding No. 12-03044, by Regions Bank, as Indentured Trustee, against the Debtor and Beach Community Bank. Mr. Beasley is also representing the Debtor in each of the pending appeals referenced in this Disclosure Statement. Mr. Beasley will be paid whatever sum may be awarded by the United States Bankruptcy Court to Mr. Beasley via professional fee application on the Effective Date. J. Steven Ford was approved by the Court as attorney for the Debtor on July 12, 2013. He received a retainer from a third party in the amount of \$18,000.00. Any additional amounts incurred by J. Steven Ford will be paid by the Debtor following the filing of a fee application and approval by the Court.

Class 2: Beach Community Bank: This creditor has filed two claims in the Debtor's Chapter 11 case. This creditor has filed Claim No. 13-2 for an aggregate claim of \$12,921,430.46 of which Beach Community Bank asserts perfected liens in and upon the Debtor's properties and assets to secure this claim as set forth in the Proof of Claim (Claim No. 13-2). When Beach Community Bank initially filed this Claim No. 13, Beach Community Bank asserted that it was an undersecured creditor having liens in the Debtor's assets which were insufficient to fully discharge Beach Community Bank's claim. In November, 2012, Beach Community Bank filed an Amended proof of Claim (Claim No. 13-2) under which Beach Community Bank now asserts that its claim is fully secured by perfected liens in the Debtor's assets. Beach Community Bank has also filed a second claim, Claim No. 12, in which Beach Community Bank initially claimed the Debtor was indebted to Beach Community Bank for \$1,217,418.00. In November 2012, Beach Community Bank also filed an Amended Proof of Claim (Claim No. 12-2) for the sum of \$877,148.19. In the Amended Proof of Claim, Beach Community Bank asserts that this debt is secured by a lien in and upon the moneys of the Debtor in the Debtor's Deposit Accounts at Beach Community Bank. The Debtor disputes that Beach Community Bank's Amended Proof of Claim (Claim 12-2) is a secured claim and further

disputes the contention that the Debtor is indebted to Beach Community Bank for any sum predicated upon the underlying Agreement for the Purchase and Sale of Property as attached to this amended claim. The treatment of these two claims by Beach Community Bank depends upon the resolution of the litigation between Beach Community and the Debtor in adversary proceeding no. 12-03026, and any appeals arising out of the adversary proceeding.

Treatment A (If the B-Bonds belong to the Debtor): If following the conclusion of all appeals and any further proceedings by the Bankruptcy Court it is determined that Beach Community Bank did not own the B-Bonds as of the date of the Debtor's bankruptcy, regardless of whether or not Beach Community Bank held a perfected lien in the B-Bonds as of the date of the Debtor's bankruptcy, the Debtor will pay and discharge the Secured Claim (Claim No. 13-2) of Beach Community Bank as follows:

- On or before the Effective Date, the Debtor will be given a credit of \$835,000.00 for the Debtor's surrender to Beach Community Bank of its interests in the Greenreef Condominiums.
- On the Effective Date, the Debtor will surrender to Beach Community Bank all right, title and interest in the promissory note, security agreement, and mortgage in and upon the real property at East Ninth Avenue, Panama City, Florida. In its Amended Proof of Claim, Beach Community asserts that the value of this property is \$644,485.00. The Debtor will be given a credit for this sum against the amount claimed by Beach Community Bank to be due it under Claim No. 13-2.
- On the Effective Date, the Debtor will surrender and convey by bankruptcy trustee's deed to Beach Community Bank, all of the Debtor's right, title and interest to and in the 149 Lots in Sherman Hills (undeveloped land in Hernando County, Florida) that Beach Community Bank has claimed to be worth \$740,000.00 for a credit in the amount of \$740,000.00 against the debt claimed by Beach Community Bank to be due under Claim No. 13-2.
- On the Effective Date, the Debtor will surrender and convey by bankruptcy trustee's deed to Beach Community Bank, all of the Debtor's rights, title and interest to the 128.8 acres of undeveloped land in Marion County, Florida, which Beach Community Bank has claimed to be worth \$1,400,000.00 in its Amended Proof of Claim No. 13-2. In exchange for this surrender and delivery of deed, the Debtor will receive a credit of \$1,400,000.00 against the debt claimed by Beach Community Bank to be due under Claim 13-2.
- On the Effective Date, the Debtor will surrender and convey by bankruptcy trustee's deed to Beach Community Bank, all of the Debtor's

rights, title and interest to 29.2 acres of undeveloped land in Marion County, Florida, which Beach Community Bank has claimed to be worth \$204,000.00 in its Amended Proof of Claim No. 13-2. The Debtor values the property at \$520,000.00. The Debtor will receive a credit equal to the fair market value determined by the Bankruptcy Court for the property.

- On the Effective Date, the Debtor will surrender and convey by bankruptcy trustee's deed to Beach Community Bank, all of the Debtor's rights, title and interest to the Marbella Yacht Club Property for the amount of credit as determined by this Court to be the fair market value of the property to be conveyed by the Debtor to Beach Community Bank. Per the appraisal of Thomas A. Mar, Panhandle Appraisal Group, the fair market value of this property is \$1,550,000.00 but Beach Community Bank asserts that this property has a fair market value of \$1,000,000.00. See Amended Proof of Claim 13-2.
- On the Effective Date, the Debtor will surrender and convey by bankruptcy trustee's deed to Beach Community Bank all of the Debtor's rights, title and interest to Laguna Street Office Building for the amount of credit as determined by this Court to be the fair market value of the property to be conveyed by the Debtor to Beach Community Bank. Per the appraisal of Thomas A. Mar, Panhandle Appraisal Group, the fair market value of this property is \$825,000.00 but Beach Community Bank asserts that this property has a fair market value of \$468,826.00. See Amended Proof of Claim 13-2.
- On the Effective Date, the Debtor will pay over and deliver to Beach Community Bank \$3,000,000.00 of the approximately \$3,500,000.00 of moneys held by the Debtor in Deposit Accounts at Beach Community Bank.
- If, but only if, the United States Bankruptcy Court for the Northern District of Florida determines that as of the date of the Debtor's bankruptcy filing Beach Community Bank had a perfected lien in the B-Bonds of the Debtor, but was not the owner of said B-Bonds as of the date of the Debtor's bankruptcy, then Court will determine the amount of Beach Community Bank's secured claim against the Debtor and its estate as of the Effective Date, including post-bankruptcy interest and attorney's fees. For purposes of estimating this claim, the Debtor believes that \$13,671,000.00 may be reasonable. Based upon the Debtor's appraised values of assets and agreed fair market value of assets from the Amended Proof of Claim filed by Beach Community Bank, the difference between the estimated allowed secured claim of Beach Community bank as of the Effective Date and the aggregate fair market value (\$9,514,000.00) of the foregoing assets to be surrendered, conveyed or delivered by the Debtor

to Beach Community Bank on or before the Effective Date is \$4,157,000.00. In which case, under the Second Amended Chapter 11 plan, Beach Community Bank will retain its lien in and upon the B-Bonds to secure repayment of \$4,157,000.00 (estimated sum) as follows from the interest payments from the Indenture Trustee together with interest from the Effective Date through the date of full and final payment at 3.5 percent per year: \$817,649.00 from the moneys on deposit in the Court's registry as the date of the filing of this Second Amended Chapter 11 Plan; \$661,789.00 from the moneys filed with the Court in its registry by Regions Bank, the Indenture Trustee, on or after February 1, 2013 for 2012 interest; \$1,004,131.00 from moneys anticipated to be paid by Regions Bank, the Indenture Trustee, on or after February 1, 2014; \$1,127,135.00 from the moneys anticipated to be paid by Regions Bank, the Indenture Trustee, on or after February 1, 2015; and so much as need to satisfy in full all of the remaining indebtedness from the \$986,566.00 anticipated disbursement from Regions Bank, the Indenture Trustee, on or after February 1, 2016.

- If, but only if, the United States Bankruptcy Court for the Northern District of Florida determines that Claim No. 12-2 by Beach Community Bank is similarly a secured claim, then the Debtor will discharge, satisfy and pay this claim in full from the Effective Date together with interest at 3.5 percent per year from the Effective Date through the date on which payments in full has been made. The Debtor disputes the claim in its entirety and disputes that this claim is a secured claim. However, if the Court determines otherwise, then the Debtor will pay and discharge this claim in full from the moneys payable to the Debtor from Regions Bank, as the Indenture Trustee, from the two anticipated payments of \$985,000.00 each to be made by the Indenture Trustee under the B-Bonds on or before February 1, 2017 and February 1, 2018.
- If the United States Bankruptcy Court for the Northern District of Florida determines that Beach Community Bank did not have a perfected lien in the B-Bonds as of the date of the Debtor's bankruptcy on December 1, 2011, then Beach Community Bank will have an unsecured deficiency claim in the amount between the difference of Claim No. 13-2 for \$12,921,490.46 and the aggregate amount of the fair market values of the collateral to be surrendered, delivered or conveyed by the Debtor to Beach Community Bank under this Treatment A. In addition, Beach Community Bank will have an unsecured claim for the sum, if any, determined by this Court for Beach Community Bank's Claim No. 12-2 which the Debtor disputes in its entirety. In which case, those unsecured claims shall be paid and discharged as provided for in Class 6.

Treatment B (B-Bonds belong to Beach Community Bank): If it is determined, following the conclusion of all appeals and any subsequent proceedings in the United States Bankruptcy Court that the B-Bonds were legally transferred to Beach Community Bank prior to the date of the filing of the Debtor's petition such that Beach Community Bank was the legal owner of the B-Bonds prior to the petition date and the transfer is not subject to any avoidance provisions of the Bankruptcy Code or applicable state law, then, the secured claim of Beach Community Bank (Claim No.13-2) will be paid as follows:

- A determination will be made as to the value of the B-Bonds on the date that the transfer occurred on or about November 17, 2011. The Debtor contends that the value of the B-Bonds on that date was, at least, \$11,500,000.00 based on the Amortization Schedule attached hereto. The Debtor is in the process of retaining a professional appraiser to appraise the value of the B-Bonds. The Debtor reserves the right to assert that the value exceeds \$11,500,000.00 if the appraisal supports a higher valuation. Accordingly, for example, if the Court determines that the value of the B-Bonds was \$11,500,000.00 on the date of the transfer, then the Debtor will receive a credit of \$11,500,000.00 towards the amount of the debt owed on or about November 17, 2011, the date of that the transfer occurred. The resulting balance after that calculation (which the Debtor believes will be approximately \$1,400,000.00) will be paid, along with any interest which accrued from that date through the date that the claim is paid in full at the rate of interest which is the current market rate of interest at the time of the confirmation hearing. The Debtor proposes that the rate of interest will be approximately 3.5%.
- On the Effective Date, the Debtor will pay to Beach Community Bank from the funds in the Debtor's Deposit Account the balance owed on the claim after credit for the value of the B-Bonds as set forth above in the amount necessary to fully satisfy the claim but, in no event more than the sum of \$3,000,000.00, from the Deposit Account.
- Beach Community Bank will retain, or if it has not already received the funds, Beach Community Bank will receive the funds currently being held by Regions Bank as Indenture Trustee representing the annual interest payments paid on the B-Bond since the date of the filing of the bankruptcy petition through the Effective Date. These amounts will be credited against the debt owed to the extent necessary to pay the claim in full.
- If, but only if, the claim of Beach Community Bank is not fully satisfied through the credit for the value of the B-Bonds and after receipt of the funds from the deposit accounts and funds held by Regions Bank representing the annual interest payments on the B-Bonds, as set forth above, then, and only then, will Beach Community Bank receive the following assets through surrenders, deliveries and/or transfers by the Debtor to Beach Community Bank up to the amount necessary to pay the

Allowed Claims of Beach Community Bank in full. It is anticipated that the following transfers will need to be made only if the Court determines that the value of the B-Bonds was substantially less than the value attributable to the B-Bonds by the Debtor, that is, at least, \$11,500,000.00.

1. Debtor's interest in Greenreef Condominium Units for a credit of \$835,000.00.
 2. 149 lots in Sherman Hills (49.3 acres in Hernando County, Florida) for a credit of \$740,000.00;
 3. East Ninth Avenue Property owned by Coyote Land Co., in which the Debtor holds a mortgage and security interest that has been collaterally assigned to Beach Community Bank for a credit of \$644,485.00;
 4. 29.2 acres of undeveloped land in Marion County, Florida, for a credit in an amount to be determined by the value determined by the Court;
 5. Laguna Street Office Building for a credit in the amount determined by the Court. The Debtor filed an appraisal for this office building that reflects a fair market value of \$825,000.00; Beach Community Bank contends in its Proof of Claim that this office building only has a value of \$468,826.00;
 6. 128.8 acres of undeveloped land in Marion County, Florida, for a credit of \$1,400,000.00;
 7. Marbella Yacht Club Property for a credit to be determined by the United States Bankruptcy Court for the Northern District of Florida. The Debtor has filed an appraisal for this property that reflects that the current fair market value of \$1,550,000.00 and Beach Community Bank asserts in its Proof of Claim that the property has a value of \$1,000,000.00;
 8. Finally, by paying over Beach Community Bank any sum of money from the Debtor's Deposit Accounts at Beach Community Bank to the extent that the Allowed Secured Claims, if any, of Beach Community Bank may not have been satisfied by the prior transfers, surrenders of conveyances.
- Assuming that the United States Bankruptcy Court for the Northern District of Florida determines that Claim No.s 12-1 and 12-2 are not secured claims, the foregoing surrenders, deliveries and transfers by the Debtor to Beach Community Bank in the order set forth shall be credited against the secured claims of Beach Community Bank as allowed by the

Court and shall otherwise be treated as unsecured claims and shall be paid as other unsecured creditors as provided in Class 6 hereof.

This class is impaired under this Second Amended Plan and 11 U.S.C §1124.

Class 3: Independent Banker's Bank of Florida: This creditor obtained a final judgment against the Debtor for approximately \$2,500,000.00 in the Circuit Court of Seminole County, Florida, as well as its replevin of 365,161 shares of common stock of Beach Community Bank from the Debtor and other related parties. The Debtor submits that these shares which were recovered by this Creditor during the litigation have a fair market value of \$6.15 per share, and thus the Debtor is entitled to a credit of up to \$2,245,740.10 for all 365,161 shares. There is a dispute between Creditor and the Debtor regarding the fair market value of the shares recovered by this Creditor and the number of shares for which the Debtor is entitled to obtain credit for the recovery by this Creditor. The United States Bankruptcy Court for the Northern District of Florida shall determine the amount of this creditor's secured claim by determining the number of shares that should be credited for the Debtor's benefit and the fair market value of such shares that should be credited for the Debtor's benefit and the fair market value of such shares upon the disposition by this creditor of those shares, and correlatively, determine what part of this Creditor's claim is unsecured. To the extent that this Creditor holds an unsecured claim against the Debtor's estate, said claim shall be accorded the same treatment accorded to other unsecured creditors within Class 6, and will participate pro rata with regard to all distributions to unsecured creditors in Class 6 until this Creditor's allowed claim shall be fully satisfied. This class is impaired under thus Second Amended Plan and 11 U.S.C. §1124.

Class 4: Internal Revenue Service: The Internal Revenue Service has filed a Proof of Claim (Claim No. 2) for \$131,746.67. On the Effective Date, the Debtor will pay this claim in full with interest at the statutory rate from moneys on deposit at Beach Community Bank. If, for any reason, the Debtor is unable to pay said moneys to the Internal Revenue Service, then the Debtor will pay to the Internal Revenue Service from the liquidation of other assets or the recovery, if any, from the Adams Homes litigation in regular monthly installments with post-confirmation interest at the statutory rate within five years from the order for relief in this case. This class is unimpaired under the Second Amended Chapter 11 Plan and 11 U.S.C §1124.

Class 5: Tax Collectors of Okaloosa, Marion, and Hernando Counties, Florida: These tax collectors have filed or are owed moneys from real estate taxes for properties owned by the Debtor in the respective counties. From the moneys on deposit by the Debtor to the extent that these obligations may remain unsatisfied as of the Effective Date. This class is unimpaired under the Second Amended Chapter 11 Plan and 11 U.S.C. §1124.

Class 6: Creditors with unsecured, non-priority claims: These creditors include the following persons with claims against the Debtor:

Claim No. 1- 623 Partners, LLC -	\$650,000.00 (unsecured).
Claim No. 4 - Iglar & Dogherty -	\$44,349.00 (unsecured).
Claim No. 5 - Independent Banker's Bank of Florida -	\$2,608,382.00 (mostly secured, partially unsecured).
Claim No. 8 - Berger Singerman, LLP -	\$270,514.00 (unsecured)
Claim No. 9 - Keefe, Anchors, Gordon & Moye, P.A., -	\$30,377.00 (unsecured)
Claim No. 10 - Keefe, Anchors, Gordon & Moye, P.A., -	\$48,817.00 (unsecured)
Claim No. 11 - Dowd Law Firm -	\$10,587.00 (unsecured)
City of Fort Walton Beach -	\$317.00 (unsecured)
Clark, Partington, Hart -	\$10,632.00 (unsecured)
JLS Brothers Irrevocable Trust-	\$22,000.00 (unsecured)
Lowry & Watson, CPAs -	\$9,500.00 (unsecured)
Mastroserio Engineering -	\$31,000.00 (unsecured)
McDullogh Landscaping -	\$450.00 (unsecured)
Michael P. Spellman -	\$73,626.00 (unsecured)
Stephen P. DelGallo -	\$887,000.00 (unsecured)
Stutsman, Thamses -	\$1,749.00 (unsecured)
Trinity Investments -	\$27,000.00 (unsecured)

Debtor reserves the right to object to all or any of such claims and to reclassify any such claim. Omitted from the list of unsecured, non-priority creditors is Southern Family Markets which was paid in full by a co-debtor during this bankruptcy case.

The claims within this class will be paid pro rata on the Effective Date from any funds available to the Debtor on the Effective Date and will further be paid with interest at a rate of 2% interest per year after the Effective Date until all of such claims have been paid in full to the extent that any such claim shall be allowed by the United States Bankruptcy Court as an allowed non-priority unsecured claim. Specifically, these claims shall be paid pro rata from any assets of the Debtor to the extent of moneys obtained by the Debtor from interest payments on the B-Bonds, assuming the Court determines that Beach Community Bank did not lawfully own the B-Bonds as the date on which the Debtor filed this case or from the liquidation and sale of any other assets owned by the Debtor after the payment of the allowed secured claims, if any, of Beach Community Bank, including any moneys received from the Debtor on account of the settlement or litigation with Adams Homes of Northwest Florida, Inc. This class is impaired under the Second Amended Chapter 11 Plan and 11 U.S.C §1124.

Class 7: Equity Class - the Trust Beneficiaries: This class is comprised of the Debtor's beneficiaries - Whitney Schweizer and Joshua Schweizer. The members of this class will retain their interests in the Debtor subject to the provisions of the Plan which bars any beneficiary from making any withdrawal from the Debtor until after all Allowed Claims have been paid in full. If, but only if, the Allowed Claims of all prior classes have been paid in full, then the trust beneficiaries shall retain their interests in the Debtor. Otherwise, the beneficiary interests of the trust beneficiaries will be hereby

extinguished. This class is impaired under this Second Amended Chapter 11 Plan and 11 U.S.C §1124.

Tax Consequences of Debtor's Plan

If, but only if, the Debtor recovers B-Bonds from Beach Community Bank on account of the transfer directed by Beach Community Bank to divest the Debtor of its ownership of the B-Bonds, then the Debtor should have a stream of income sufficient to satisfy the claims of all of the Debtor's creditors over the next 25 years (excluding the claim of Adam's Homes of Northwest Florida, Inc., which the Debtor disputes and may be withdrawn if, but only if, the settlement among Adams Homes of Northwest Florida, Inc., Highway 98 Residential, Inc., and Debtor, and other Schweizer affiliated parties). This interest income is tax free. Accordingly, no income tax will be paid or payable on this interest income.

The Debtor's Second Amended Chapter 11 Plan also contemplates that the Debtor will surrender to Beach Community Bank real properties and moneys, in certain circumstances, that may have tax consequences for the Debtor, including, the payment of income taxes, if any, associated with the sales or dispositions of properties to Beach Community Bank. The Debtor will withhold from the proceeds of the sale of any assets under this plan, the amount necessary to pay any capital gains arising from the sale.

Disclaimers and Risks Associated with Plan

The Debtor's Chapter 11 Plan is subject to the following risks and contingencies, all of which are material to the Debtor's Plan and its implementation:

- A. The Debtor's Plan is subject to the material risk that the United States and/or Florida will undergo further economic contractions or another or "double dip" Recession. If hard economic times return again, then the Debtor may be unable, despite its best efforts, to generate the revenues in each of the five years of the Debtor's Plan. While the Debtor has selected a conservative numbers for the liquidation values of the Debtor's assets, there is no assurance that the Debtor can effect sales for these numbers within the next five years, although the Debtor intends to use its best efforts to achieve these objectives as early as possible, and, in all events, within the five year period of the Chapter 11 Plan.
- B. The Debtor's Plan is subject to the agreement of Michael P. Spellman to continue to serve as the Debtor's Trustee. Should Mr. Spellman be unable or unwilling to continue to provide his services to the Debtor, then the Debtor will require the appointment of additional Trustee(s) by the two named beneficiaries of the Debtor. At this point, the identity of these contingent Trustee(s) are unknown and unknowable.

- C. The statements contained herein and in the Debtor's Chapter 11 Plan are not those of J. Steven Ford or Michael P. Spellman but those of the Debtor. J. Steven Ford and Michael P. Spellman do not warrant or guaranty any matter set forth herein or in the Plan. The statements contained in this Disclosure Statement have been made on the basis of the best of information available to the Debtor as of September 10, 2013. Each creditor and equity holder is encouraged to conduct his, her or its own investigation into the financial and legal affairs of the Debtor.

Confirmation and Consummation of Plan

In its courtroom at Pensacola, Florida (or at such other place as the Court may direct), at the time and on the date set forth in the Notice by the United States Bankruptcy Court, the Court will conduct a hearing to determine whether the Plan by the Debtor should be confirmed as consistent with the requirements of the Bankruptcy Code and as satisfying the requirements for confirmation under 11 U.S.C. § 1129. In accordance with the attached order by the United States Bankruptcy Court approving the Disclosure Statement for the Amended Plan, creditors whose claims or interests are within impaired classes must return their ballots to J. Steven Ford, 307 S. Palafox Street, Pensacola, FL 32502 on or before the date set forth in the attached order. Each creditor or interest holder is urged to timely return a ballot by the deadline as the failure to timely return the ballot by the deadline will prevent the ballot from being considered.

If all impaired classes under the Plan do not vote to accept the Plan, then the Debtor intends to request the United States Bankruptcy Court to confirm the Plan as being one that does not discriminate unfairly and is fair and equitable with respect to each class of claims that has not voted to accept the Plan. The Debtor urges each creditor to carefully consider the information contained within this Disclosure Statement, and the accompanying Plan, and, if the creditor holds an Allowed Claim, to return a ballot voting in favor the Plan. The Plan, the Debtors submit, is in the interest of the Debtor's creditors as it maximizes the payments to be made to creditors consistent with the Debtor's projected revenues.

After confirmation of the Plan, the United States Bankruptcy Court will retain jurisdiction until the estate is closed, or the case is dismissed, to hear and resolve all disputes, including, but not limited to, disputes as to the validity, amount and classification of any claims and disputes with creditors who are to be paid under the Plan.

Possession of the Debtor's Property shall vest in the Debtor and, except as otherwise provided in the Plan, title to the Debtor's Property shall re-vest in the Debtor upon confirmation of the Plan, subject only to the liens, encumbrances and security interests as provided in the Plan so long as the Amended Plan is substantially consummated. The Debtor shall be entitled to convey or mortgage its assets without further order by the United States Bankruptcy Court after the Effective Date if the Amended Plan is substantially consummated. On the Effective Date, the Debtor will be


discharged from all claims, cause of action, demands, accountings of every creditor who has been listed in the Debtor's Schedules D, E, F, G and H except as otherwise provided for in the Debtor's Plan so long as the Debtor's Plan shall be substantially consummated.

Dated: September 10, 2013.

Shuaney Irrevocable Trust



Michael P. Spellman, Trustee



J. Steven Ford
Florida Bar Number 512869
Wilson, Harrell, Farrington, Ford,
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307 S. Palafox Street
Pensacola, FL 32502
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CERTIFICATE OF SERVICE

I DO HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to all parties appearing of interest via EM/ECF on this 10 day of September 2013.



J. Steven Ford

Amortization of B-Bonds Based upon Projected Revenue

12-1-2011:	Balance of Debt Owed upon B-Bonds:	\$9,725,187.00
8-1-2012:	Accrued Interest from 12-1-2011 to 8-1-2012 244 days @ \$2,531.2130 per day	\$ 617,616.00
8-2-2012:	Imputed Payment by Regions Bank for Moneys On Deposit with Court 97.23 % of \$840,943.07 =	-\$ 817,649.00
8-2-2012:	Net Balance After Application of Payment:	\$9,525,154.00
1-31-2013:	Accrued Interest from 8-2-2012 to 1-31-2013 182 days @ \$2,479.1496 per day =	\$ 451,205.00
2-1-2013	Projected Payment per Steve Del Gallo (from 2012 Revenues)	-\$ 661,789.00
2-1-2013	Net Balance After Application of Payment:	\$9,314,570.00
1-31-2014:	Accrued Interest from 2-1-2013 to 1-31-2014 365 days @ \$2,2424.3397 per day	\$ 884,884.00
2-1-2014:	Projected Payment per Steve Del Gallo (from 2013 Revenues)	-\$1,004,131.00
2-1-2014:	Net Balance After Application of Payment:	\$9,195,323.00
1-31-2015:	Accrued Interest from 2-1-2014 to 1-31-2015 365 days @ \$2,292.3032	\$ 873,555.00
2-1-2015:	Project Payment per Steve Del Gallo (from 2014 Revenues)	-1,127,135.00
2-1-2015:	Net Balance After Application of Payment:	\$8,941,743.00
1-31-2015:	Accrued Interest from 2-1-2015 to 1-31-2016 365 days @ \$1,697.0185 per day	\$ 849,465.00
2-1-2016:	Projected Payment per Steve Del Gallo (from 2015 Revenues)	-\$ 986,566.00
2-1-2016:	Net Balance After Application of Payment:	\$8,804,645.00
1-31-2017:	Accrued Interest from 2-1-2016 to 1-31-2017	

	365 days @ \$2,291.6199 per day	\$ 836,441.00
2-1-2017:	Assumed Projected Payment (from Assumed 2016 Revenues)	-\$ 985,000.00
2-1-2017:	Net Balance After Application of Payment	\$8,656,086.00
1-31-2018:	Accrued Interest from 2-1-2017 to 1-31-2018 365 days @ \$2,252.9538 per day	\$ 822,328.00
2-1-2018:	Assumed Projected Payment (from Assumed 2017 Revenues)	-\$ 985,000.00
2-1-2018:	Net Balance After Application of Payment	\$8,493,414.00
1-31-2019:	Accrued Interest from 2-1-2018 to 1-31-2019 365 days @ \$2,1164.2530 per day	\$ 789,952.00
2-1-2019:	Assumed Projected Payment (from Assumed 2018 Revenues)	-\$ 985,000.00
2-1-2019:	Net Balance After Application of Payment	\$8,120,240.00
1-31-2019:	Accrued Interest from 2-1-2019 to 1-31-2020 365 days @ \$2,113.4871 per day	\$ 771,422.00
2-1-2020:	Assumed Projected Payment (from Assumed 2019 Revenues)	-\$ 985,000.00
2-1-2020:	Net Balance After Application of Payment	\$7,906,662.00
1-31-2021:	Accrued Interest from 2-1-2020 to 1-31-2021 365 days @ \$2,057.8983 per day	\$ 751,133.00
2-1-2021:	Assumed Projected Payment (from Assumed 2020 Revenues)	-\$ 985,000.00
2-1-2021:	Net Balance After Application of Payment	\$ 7,672,795.00
1-31-2022:	Accrued Interest from 2-1-2021 to 1-31-2022 365 days @ \$1,997.0288 per day	\$ 728,915.00
2-1-2022:	Assumed Projected Payment (from Assumed 2021 Revenues)	-\$ 985,000.00
2-1-2022:	Net Balance After Application of Payment	\$7,416,710.00

1-31-2023:	Accrued Interest from 2-1-22 to 1-31-2023 365 days @ \$1,930.3765 per day	\$ 704,587.00
2-1-2023:	Assumed Projected Payment (from Assumed 2022 Revenues)	-\$ 985,000.00
2-1-2023:	Net Balance After Application of Payment	\$7,136,297.00
1-31-2024:	Accrued Interest from 2-1-2023 to 1-31-2024 365 days @ \$1,857.3917	\$ 677,948.00
2-1-2024:	Assumed Projected Payment (from Assumed 2023 Revenues)	-\$985,000.00
2-1-2024:	Net Balance After Application of Payment	\$6,829,245.00
1-31-2025:	Accrued Interest from 2-1-2024 to 1-31-2025 365 days @ \$41,777.4747 per day	\$ 648,778.00
2-1-2025:	Assumed Projected Payment (from Assumed 2024 Revenues)	-\$985,000.00
2-1-2026:	Net Balance After Application of Payment	\$6,493,023.00
1-31-2027:	Accrued Interest from 2-1-2026 to 1-31-2017 365 days @ \$1,689.9648	\$ 616,837.00
2-1-2027:	Assumed Projected Payment (from Assumed 2026 Revenues)	-\$ 985,000.00
2-1-2027	Net Balance After Application of Payment	\$ 6,124,860.00
1-31-2028	Accrued Interest from 2-1-1027 to 1-31-2008 365 days @ \$1,594.1416 per day	\$ 581,861.00
2-1-2028	Assumed Projected Payment	-\$ 985,000.00
2-1-2028	Net Balance After Application of Payment	\$5,721,721.00
1-31-2029	Accrued Interest from 2-1-2028 to 1-31-2029 365 days @ \$1,489.2136	\$ 543,563.00
2-1-2029	Assumed Projected Payment	-\$ 985,000.00
2-1-2009	Net Balance After Application of Payment	\$5,280,284.00

1-31-2030	Accrued Interest from 2-1-2029 to 1-31-2030 365 days @ \$1,374.3204 per day	\$ 501,626.00
2-1-2030	Assumed Projected Payment	-\$ 985,000.00
2-1-2030	Net Balance After Application of Payment	\$4,796,910.00
1-31-2031	Accrued Interest from 2-1-2030 to 1-31-2031 365 days @ \$1,248.5108 per day	\$ 455,706.00
2-1-2031	Assumed Projected Payment	-\$ 985,000.00
2-1-2031	Net Balance After Application of Payment	\$4,267,616.00
1-31-2032	Accrued Interest from 2-1-2031 to 1-31-2032 365 days @ \$1,110.7493 per day	\$ 405,423.00
2-1-2032	Assumed Projected Payment	-\$ 985,000.00
2-1-2032	Net Balance After Application of Payment	\$3,688,039.00
1-31-2033	Accrued Interest from 2-1-2032 to 1-31-2033 365 days @ \$959.9005	\$ 350,363.00
2-1-2033	Assumed Projected Payment	-\$ 985,000.00
2-1-2033	Net Balance After Application of Payment	\$3,053,402.00
1-31-2034	Accrued Interest from 2-1-2033 to 1-31-2034 365 days @ \$794.7210	\$ 290,073.00
2-1-2034	Assumed Projected Payment	-\$ 985,000.00
2-1-2034	Net Balance After Application of Payment	\$2,358,475.00
1-31-2035	Accrued Interest from 2-1-2034 to 1-31-2035 365 days @ \$613.8496 per day	\$ 224,055.00
2-1-2035	Assumed Projected Payment	-\$ 985,000.00
2-1-2035	Net Balance After Application of Payment	\$1,597,530.00
1-31-2036	Accrued Interest from 2-1-2035 to 1-31-2036 365 days @ \$415.7954 per day	\$ 151,765.00
2-1-2036	Assumed Projected Payment	-\$ 985,000.00

2-1-2036	Net Balance After Application of Payment	\$ 764,295.00
1-31-2037	Accrued Interest from 2-1-2036 to 1-31-2037 365 days @ \$198.2609 per day	\$ 72,608.00
2-1-2037	Assumed Projected Payment	-\$836,903.00
2-1-2017	Net Balance After Application of Payment	\$ 00.00