

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
NORTHERN DIVISION**

In re: Michael G. Dombrowski,)
 SSN: xxx-xx-4413)
)
 Debtor.)
_____)

Case No.: 16-81412-CRJ-11

CHAPTER 11

**DEBTOR'S DISCLOSURE STATEMENT
PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE WITH
RESPECT TO DEBTOR'S PLAN OF REORGANIZATION**

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Dated: November 15, 2016

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**DISCLOSURE STATEMENT PURSUANT TO
SECTION 1125 OF THE BANKRUPTCY CODE WITH
RESPECT TO DEBTOR'S PLAN OF REORGANIZATION**

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED BY THE DEBTOR AND DESCRIBES THE TERMS AND PROVISIONS OF THE DEBTOR'S PLAN OF REORGANIZATION (THE "PLAN"). ANY TERM USED IN THIS DISCLOSURE STATEMENT THAT IS NOT DEFINED HEREIN HAS THE MEANING ASCRIBED TO THAT TERM IN THE PLAN.

**I.
INTRODUCTION**

This Disclosure Statement Pursuant to Section 1125 of the Bankruptcy Code with respect to the Debtor's Plan of Reorganization (the "Disclosure Statement") relates to the Debtor's Plan of Reorganization dated October 20, 2016, (the "Plan"), a copy of which is attached hereto as Exhibit "A."

THE DEBTOR BELIEVES THAT THE PLAN IS IN THE BEST INTERESTS OF CREDITORS AND INTEREST HOLDERS, AND URGES ALL CREDITORS TO VOTE IN FAVOR OF THE PLAN. CREDITORS ARE ENCOURAGED TO READ AND CONSIDER CAREFULLY THIS ENTIRE DISCLOSURE STATEMENT, INCLUDING THE PLAN OF REORGANIZATION ATTACHED HERETO.

OBJECTIONS TO CONFIRMATION OF THE PLAN MUST BE IN WRITING, STATE THE NATURE AND AMOUNT OF CLAIMS OR INTERESTS HELD OR ASSERTED BY THE OBJECTOR AGAINST THE DEBTOR'S ESTATE OR PROPERTY, THE BASIS FOR THE OBJECTION, AND THE SPECIFIC GROUNDS THEREFOR, AND SHALL BE FILED WITH THE COURT AND SERVED UPON THE DEBTOR AND HIS COUNSEL IN THE MANNER SET FORTH IN THE ORDER TO BE ISSUED BY THE BANKRUPTCY COURT UPON APPROVAL OF THIS DISCLOSURE STATEMENT.

NO PERSON IS AUTHORIZED BY THE DEBTOR TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE PLAN OR THE

SOLICITATION OF ACCEPTANCES OF THE PLAN OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT AND THE ATTACHMENTS HERETO. THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCES IMPLY THAT ALL OF THE INFORMATION IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

INFORMATION CONTAINED HEREIN REGARDING THE DEBTOR, HIS BUSINESS, ASSETS AND LIABILITIES HAS BEEN PROVIDED BY THE DEBTOR. WHERE STATED, THE DEBTOR HAS RELIED ON INFORMATION PROVIDED BY ADVISORS. THE DEBTOR DISCLAIMS ANY RESPONSIBILITY FOR THE ACCURACY OF THAT INFORMATION. THE DEBTOR AND HIS ADVISORS ARE UNAWARE OF ANY FALSE OR MISLEADING STATEMENT THAT WOULD MATERIALLY AFFECT A HYPOTHETICAL, INFORMED INVESTOR'S DETERMINATION ON HOW TO VOTE ON THE PLAN.

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE SECURITIES AND EXCHANGE COMMISSION ("SEC"), NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

II. GENERAL INFORMATION CONCERNING THE DEBTOR AND CERTAIN EVENTS PRECEDING THE DEBTOR'S CHAPTER 11 FILING

A. General Description of the Debtor's Pre-Petition Business.

Michael G. Dombrowski worked for thirty (30) years in the Defense Industry and actively invested in real estate for the last twenty-five (25) years. During this time, the Debtor has owned several businesses and, most recently, was the President of Military Defense Technology, LLC (MDT), a company 99% owned by Mr. Dombrowski and 1% owned by his wife, Charlotte Dombrowski. MDT acted as a subcontractor to larger corporations until it closed its doors in 2012 when its Prime Contractor lost a critical federal contract re-bid. After MDT closed in 2012, the Debtor focused on managing his real estate assets.

Mr. Dombrowski invested his life savings in real estate between 1990 and 2011. In 2008, an estate planning attorney advised the Debtor to place his properties in limited liability companies (LLCs) for succession planning purposes. Mr. Dombrowski followed this advice, eventually creating five (5) LLCs to hold his real properties: MCA Properties, LLC; Blue Mountain Properties, LLC; MGD RR3, LLC, East Coast Properties, LLC; and Old Towne Homes, LLC. Mr. Dombrowski also formed one (1) LLC to maintain a checking account for real estate transactions and to sign leases: MCA Management, LLC. Debtor did not form or maintain his real estate LLCs for the purpose of asset protection or business encapsulation. Mr. Dombrowski consistently reported his real estate LLC taxes on his personal tax return as pass-through entities.

The division of real properties among Mr. Dombrowski's real estate holding LLCs

grouped assets of similar kind but with enough division to allow for rapid estate planning if needed; the Debtor did not attempt to create self-sufficient LLCs. All financing obtained by Debtor was based on global financials that included all assets in the various LLCs. In no case were individual real estate LLC financials provided to secure credit. In fact, Mr. Dombrowski did not maintain separate financials for his real estate LLCs.

On May 11, 2016, the Debtor commenced with this Court a voluntary case under Chapter 11 of Title 11, United States Code (the "Bankruptcy Code"). Mr. Dombrowski continues to operate the business as Debtor-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

Further details of that Chapter 11 case may be found in the case docket sheet attached hereto as Exhibit "B."

B. Financial Condition of the Debtor; Events Necessitating Chapter 11 Protection.

Mr. Dombrowski maintained a sound working relationship with his lenders and was very careful in his selection of properties. Nevertheless, the Debtor fell victim to the recent financial crisis. During each refinance between 2009 and 2016 Mr. Dombrowski's creditors required him to make cash, equity or loan term concessions to bring his loans in compliance, due to massive devaluation of real estate values by appraisers. Some of his lenders also collapsed balloon terms from five (5) years to less than one (1) year, forcing him to make successive influxes of cash or to provide further collateral for those loans.

In early 2016 First Tennessee Bank reversed a decision to refinance Mr. Dombrowski's loan after the loan had matured. After being presented with a thirty (30) day non-judicial notice of foreclosure and auction, Mr. Dombrowski filed Chapter 11 bankruptcy to avoid the collapse of his real estate holdings. Since 2014, many real estate markets have improved and the Debtor now has significant equity in his real estate loans.

Debtor maintains two types of real estate: 1) Real estate purchased mainly for income producing potential; and 2) Real estate purchased mainly for price appreciation. Income producing properties pay a portion of Dombrowski household expenses and subsidize value producing properties. The Debtor maintains stable income from his income producing properties. The Debtor also has relied, in the past, on occasional property sales to augment income. The current situation with creditors has restricted Mr. Dombrowski's ability to raise this needed cash. See chart attached hereto as Exhibit "C" for a more detailed analysis of the Debtor's current financial situation.

The Debtor's business future is viable. Foreseeable income and expenses should stay within the range shown by the summary of operating reports above. Because the Debtor anticipates a positive cash flow, he anticipates being able to pay all administrative expenses in cash upon confirmation of the Plan of Reorganization without any significant diminution to the Estate.

III. THE CHAPTER 11 CASE

A. Commencement of the Case.

On May 11, 2016, the Debtor commenced with this Court a voluntary case under Chapter 11 of the Bankruptcy Code. The Debtor continues to operate the business as Debtor-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

B. First Day Relief.

Soon after the Petition Date, the Debtor sought a variety of forms of relief, typically referred to as "First Day" relief, although the hearings took place over the next several weeks. Initially, the Debtor sought and the Court approved the retention of Tazewell T. Shepard, Kevin M. Morris and Tazewell T. Shepard, IV, as bankruptcy counsel.

In addition, the Debtor received the Court's approval of a variety of routine motions allowing it, among other things, to fix the procedure for periodic interim allowance of compensation and expenses for the Debtor's attorneys.

C. Formation of Unsecured Creditors' Committee.

Soon after the commencement of this case, the Bankruptcy Administrator for the Northern District of Alabama sent out a letter soliciting participation by the Debtor's unsecured creditors for an Official Committee of Unsecured Creditors. However, due to the meager response, the Bankruptcy Administrator did not appoint an Unsecured Creditors' Committee in this case.

D. Significant Events during the Case.

The Debtor's 341 meeting of creditors took place at the Federal Building in Decatur, Alabama, on June 14, 2016.

A significant portion of the Debtor's attention and resources during this case have been focused on resolving adequate protection issues with secured creditors, and making plans for the confirmation of a plan of reorganization. *See, e.g.*, Docs. 13, 53, 73 and 148 in the case docket showing pleading activity during this case attached hereto as Exhibit "B." The Debtor is also defending two appeals by creditors of rulings by the Bankruptcy Court. *See, e.g.*, Docs. 136 and 139.

E. Assets and Liabilities of the Debtor.

1. Debtor's Major Assets.

a. Unrestricted Cash and Short Term Investments.

The Debtor had approximately \$100.00 in cash and personal bank accounts as reflected by the Debtor's filed schedules as of the petition filing date.

b. Real Estate.

In his filed schedules, the Debtor lists the total value of real estate that he owns as \$5,164,000.00. This amount includes a half-interest in his home located at 200 Walker Avenue, Alabama 35801, and a vacant lot located at 198 Walker Avenue, Huntsville, Alabama 35801. The Debtor has claimed his allowable real property exemption in his homestead.

c. Personal Property.

The Debtor has listed personal property valued in his filed schedules at \$5,007,737.69. The vast majority of this value is from his five (5) sole-member limited liability companies – East Coast Properties, LLC; Old Town Homes, LLC; MGD RR3, LLC; Blue Mountain Properties, LLC; and MCA Properties, LLC – each of which holds title to several investment real properties. Mr. Dombrowski also owns MCA Management, LLC, but he has not assigned any value to this LLC as it does not own any real property and is only used for the Debtor's property management of assets in the other LLCs. Mr. Dombrowski also listed in his filed schedules various utility deposits totaling \$19,000.00.

The Debtor has claimed his personal property exemptions for personal items like clothes and household items, and a 401(k) plan, under applicable state and federal exemption statutes.

d. Vehicles.

The Debtor also owns a 2004 F-350 truck, with approximately 120,000 miles as of the petition date. This vehicle is in fair shape but needs some repairs.

e. Accounts Receivable

The Debtor does not operate a retail store or a service business and so does not have accounts receivable based on extending credit to the public.

f. Causes of Action

Mr. Dombrowski is not aware that he has any causes of action other than the matters listed in Exhibit B, and no adversary proceedings or state court actions are pending. However, the Debtor continues to investigate possible causes of action or setoffs he might have.

With respect to possible preference actions, any entity or person who received a payment or other property from the Debtor within the 90 days before the Petition Date (or one year before the Petition Date if the entity or person is an insider, as defined in Section 547(b)(4)(B) of the Bankruptcy Code) is a potential target by the Debtor for a preference action under Section 547 of the Bankruptcy Code.

The Debtor is evaluating the scheduled and filed claims, including priority tax claims, and may object to these claims either before or after confirmation. All causes of action of the Debtor, whether arising under the Bankruptcy Code or otherwise, are reserved and retained by the Debtor.

2. Liabilities.

As of the Petition Date, Mr. Dombrowski listed secured claims against his real estate of \$2,803,166.45 and unsecured claims of \$5,395,576.58. The vast majority of the Debtor's unsecured liabilities result from his position as the maker or the guarantor of mortgage debts against the investment properties in his LLCs. Debtor has not attempted to estimate the amount of Unsecured Claims that will ultimately be allowed.

As of the date of this Disclosure Statement, approved but unpaid professional fees were approximately \$0.00. An application for approval of interim professional fees and expenses will be filed soon.

As for priority creditors of the Debtor, IRS has asserted a proof of claim (#4-1) of \$167,506.68, comprised entirely of a priority unsecured claim. The Alabama Department of Revenue has not filed a proof of claim. Mr. Dombrowski believes that the IRS claim will be totally resolved when he files his 2014 and 2015 federal tax returns

The Debtor has listed in his filed schedules other priority unsecured claims totaling \$90,204.93.

IV. SUMMARY OF PLAN

A. Overview.

THIS SECTION PROVIDES A SUMMARY OF THE CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN AND THE MEANS FOR IMPLEMENTATION OF THE PLAN, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN, WHICH IS ATTACHED TO THIS DISCLOSURE STATEMENT AS EXHIBIT "A," AND TO THE OTHER EXHIBITS ATTACHED THERETO. ALL CAPITALIZED TERMS USED BUT NOT DEFINED IN THIS SECTION HAVE THE MEANINGS ASCRIBED TO SUCH TERMS IN THE PLAN.

B. Treatment of Administrative Expense Claims and Priority Tax Claims.

1. Administrative Expense Claims.

Except to the extent that a holder of an Allowed Administrative Expense Claim has been paid by a Debtor prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Administrative Expense Claim shall receive Cash from the Debtor obligated for the payment of such Allowed Administrative Expense Claim in an amount equal to the Allowed

amount of such Administrative Expense Claim on the later of the Effective Date and the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim, or as soon thereafter as is practicable; *provided, however*, that Allowed Administrative Expense Claims representing liabilities incurred in the ordinary course of business by a Debtor or other obligations incurred by such Debtor shall be paid in full and performed by such Debtor in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

2. Professional Compensation and Reimbursement Claims.

Other than a professional retained by the Debtor pursuant to the Ordinary Course Professional Order, any entity seeking an award of the Bankruptcy Court of compensation for services rendered and/or reimbursement of expenses incurred on behalf of the Debtor through and including the Effective Date under Section 105(a), 363(b), 503(b)(2), 503(b)(3), 503(b)(4) or 503(b)(5) of the Bankruptcy Code shall (a) file its final application for allowance of such compensation and/or reimbursement by no later than the date that is 120 days after the Effective Date or such other date as may be fixed by the Bankruptcy Court, and (b) be paid by or on behalf of the Debtor in full and in Cash in the amounts Allowed upon (i) the date the order granting such award becomes a Final Order, or as soon thereafter as practicable, or (ii) such other terms as may be mutually agreed upon by the claimant and the Debtor obligated for the payment of such Allowed Claim. The Debtor is authorized to pay compensation for professional services rendered and reimburse expenses incurred on behalf of the Debtor after the Effective Date in the ordinary course and without Bankruptcy Court approval.

3. Priority Tax Claims.

This category includes the filed claim of Internal Revenue Service (4-1) and any potential claim of Alabama Department of Revenue. The Debtor is working on tax returns for 2014 and 2015 and expects that assessment of these returns by the tax authorities will reveal that the Debtor does not owe any federal or state income taxes.

This category also includes all pre-petition ad valorem tax liens on real properties which the Plan proposes that the Debtor will transfer ownership from the Debtor's various LLCs to the Debtor upon confirmation. A list of the real estate tax claims is set out below.

Entity Owning	Creditor Address	Balance Owed
Blue Mountain Properties	Sevier County Trustee 125 Court Avenue, Room 212W Sevierville, TN 37862	Included in claim No. 15-1
East Coast Properties	Fulton County Tax Commissioner 141 Pryor St Atlanta GA, 30303	Claim No. 5-1 \$18,068.05
MCA Properties	Fulton County Tax Commissioner 141 Pryor St Atlanta GA, 30303	Included in Claim No. 5-1

MGD RR3	Sevier County Trustee 125 Court Avenue, Room 212W Sevierville, TN 37862	Claim No. 15-1 \$21,632.00
Michael Dombrowski	Baldwin County Revenue Commission P O Box 1389 1705 U.S. Hwy 31 S. Bay Minette, AL 36507	Claim No. 3-1 \$2,940.00
Michael Dombrowski	Fulton County Tax Commissioner 141 Pryor St Atlanta GA, 30303	Included in Claim No. 5-1
East Coast Properties	Douglas County Tax Commissioner PO Box 1177 Douglasville, GA 30133	Claim No.35-1 \$403.76
Total		\$43,043.81

Beginning sixty (60) days after the Court approves the Plan, the Debtor will make a payment of \$500.00 per month to the real estate tax creditors (divided *pro rata* among the claimants) until one-hundred percent (100%) of ad valorem claims are paid in full. The outstanding balances of any tax liens on real properties sold by the Debtor during this period will be paid at closing. Payment of these tax claims will include all statutory interest pursuant to 11 U.S.C. § 511, but any penalties will be discharged and unenforceable.

Except to the extent that a holder of an Allowed Priority Tax Claim has been paid prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim shall receive from one or more of the Debtors obligated for the payment of such Allowed Priority Tax Claim, and at the sole option of such Debtor(s), (i) Cash in an amount equal to the Allowed amount of such Priority Tax Claim on the later of the Effective Date and the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon thereafter as is practicable, or (ii) equal Cash payments to be made initially on the Effective Date or as soon thereafter as practicable and monthly thereafter in an aggregate amount equal to such Allowed Priority Tax Claim, together with interest at a fixed annual rate determined under applicable non-bankruptcy law, over a period from the Effective Date through the fifth (5th) anniversary after the Commencement Date; *provided, however*, that such election shall be without prejudice to the Debtor's right to prepay such Allowed Priority Tax Claim in full or in part without penalty.

Any Allowed Priority Tax Claim in this case, including any priority claim of the United States (IRS), shall not be discharged upon confirmation, and shall be discharged only upon payment in full in accordance with the confirmed plan. For tax periods listed in an Allowed Priority Tax Claim of IRS, the time periods found in 26 U.S.C. § 6503(b) are tolled during the term of repayment as stated in the plan as confirmed.

In the event Debtor fails to remit payment on the unsecured priority portion and the general unsecured claim as each payment becomes due as set forth herein, or fails to file any post-petition federal tax payment as it becomes due, the automatic stay shall be terminated without further Order of the Court and the holder of an Allowed Priority Tax Claim shall be free

to proceed with its legal and/or administrative remedies to collect any and all federal tax indebtedness of the Debtor.

Confirmation of this Plan will in no way release or absolve any individual responsible parties from their liability for any Allowed Priority Tax Claim against the Debtor.

C. Classification and Treatment of Claims and Interests

Summary.

The following is a designation of the twenty (20) classes of Claims and Interests under this Plan. In accordance with Section 1123(a)(1) of the Bankruptcy Code, Claims that are not impaired have been noted and will not vote on the Plan.

Class Numbers	Class Descriptions	Voting Rights
1 – 14	“Single-Property Note” Mortgages Treated as Secured Claims	Impaired and may vote
15-20	“Multiple-Properties Note” Mortgages Treated as Secured Claims	Impaired and may vote
21	Home Owner Association Liens Treated as Secured Claims	Impaired and may vote
22	General Unsecured Claims	Impaired and may vote

A Claim or Interest is classified in a particular class only to the extent that the Claim or Interest qualifies within the description of that class, and is classified in another class or classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other class or classes. A Claim or Interest is classified in a particular class only to the extent that the Claim or Interest is an Allowed Claim or Allowed Interest in that class and has not been paid, released or otherwise satisfied before the Effective Date; a Claim or Interest which is not an Allowed Claim or Interest is not in any Class.

Notwithstanding anything to the contrary contained in this Plan, no distribution shall be made on account of any Claim or Interest that is not an Allowed Claim.

Provided that all Claims will have been paid to the extent provided for in this Plan, the Debtor will retain his Assets, subject to all remaining perfected encumbrances, as well as any remainder of the Estate not otherwise liquidated.

**Classes of “Single-Property Note” Mortgages
Treated as Secured Claims: 1 through 14**

1. Classification

This Class consists of all real property that is subject to a “single-property” mortgage and that either the Debtor already owns or the Plan proposes that the Debtor will transfer ownership from the Debtor’s various LLCs to the Debtor upon confirmation.

2. Claimant Status

All claims in Classes 1 through 14 are impaired and, accordingly, the holders of Allowed Claims in such Classes are entitled to vote on the Plan.

3. Treatment

For each secured claim listed below, the Plan proposes monthly payments of the allowed claim based on a thirty (30) year amortization, except in those cases where the creditor has agreed to accept a forty (40) year amortization.

For each secured claim listed below, the proposed Plan interest rate has been determined as follows:

- a. If the contract interest rate was higher than 4.500% per annum, the Plan proposes an interest rate of 4.50% based on the formula discussed in the U.S. Supreme Court decision of *Till v. SCS Credit*, 540 U.S. 1014, 124 S. CT. 1951 (2004) – the Prime Interest Rate (currently 3.50%) plus 1.00% for the relatively low risk of default for an over-secured claim on real estate; or
- b. If the contract interest rate was equal to or lower than 4.500% and the Debtor and the creditors do not have an agreement to lower the rate, the Plan proposes maintaining or reinstating the contract interest rate; or
- c. If the Debtor and the Creditor have an agreement to lower the rate below 4.500%, the Plan proposes the new agreed interest rate.

The Bankruptcy Court has effectively established an applicable interest rate for some secured claims by ordering adequate protection payments by the Debtor during this Chapter 11 case. As to every secured claim in this category for which adequate protection has not been established, the balance of said claim as of confirmation of this Plan shall be calculated using the proposed interest rate set out below for the period from the petition Filing Date to the date of confirmation.

Creditor Class	Lender or Lienholder	Property Description	Current Int. Rate	Proposed Plan Treatment	Estimated Payment
1	Bank of America x-0216 Claim No. 18-1	Rental Home: 3565 Hemlock Oxnard, Ca 93035	4.00%	Set interest to 3.875% and term to 40 years, based on proposal by FNMA.	\$984.27
2	Bank of America x-2790 Claim No. 17-1	Rental Home: 549 E Port Hueneme Port Hueneme, Ca 93041	4.00%	Set interest to 3.875% and term to 40 years, based on proposal by FNMA.	\$1093.88
3	Seterus x-8496 Claim No. 22-1	Debtor's Home: 200 Walker Ave Huntsville, Al 35801	3.875%	Maintain contract interest rate, and set term to 40 years, based on proposal by FNMA.	\$1,555.40
4	Seterus x-8248 Claim No 30-1	Rental Home: 3422 Los Mochis Oceanside, Ca 92056	4.00%	Set interest to 3.875% and term to 40 years, based on proposal by FNMA. Debtor will liquidate within 12 months.	\$318.38
5	Seterus x-2474 Claim No. 20-1	Rental Home: 1701 Strand, Unit 8 Tybee Island Ga 31328	6.25%	Set interest to 3.875% and term to 40 years, based on proposal by FNMA.	\$1529.65
6	Seterus x-7397 Claim No. 21-1	Rental Home: 2520 Bangor CT Snellville, Ga 30078	4.5%	Set interest to 3.875% and term to 40 years, based on proposal by FNMA.	\$811.64
7	Seterus x-2564 Claim No. 33-1	Rental Home: 2564 Navarra Dr #115 Carlsbad Ca 92009	4.00%	Set interest to 3.875% and term to 40 years, based on proposal by FNMA. Debtor will liquidate within 12 months.	\$645.38

8	Seterus x-1860 Claim No. 29-1	Rental Home: 3621 Ketch Oxnard, Ca 93035	4.125%	Set interest to 3.875% and term to 40 years, based on proposal by FNMA. Debtor will liquidate within 24 months.	\$983.19
9	Cornerston ex-1573 Claim No. 13-1	1 BR Rental Condo: 75 Ponce de Leon Ave NE #1006 Atlanta, Ga 30303	6.00%	Set interest to 4.5% and payment amortization to 30 years. Debtor will liquidate within 24 months.	\$243.21
10	Cornerston ex-6938 Claim No. 12-1	3 BR Rental Condo: 1415 Butler Aver Unit 19 Tybee Island Ga 31328	4.00%	Maintain contract interest rate, and set payment amortization to 30 years. Liquidate within 12 months.	\$810.68
11	Cornerston ex-5684 Claim No. 11-1	3 BR Rental Condo: 1415 Butler Aver Unit 16 Tybee Island Ga 31328	3.50%	Maintain contract interest rate, and set payment amortization to 30 years. Balloon payment in 10 years.	\$785.83
12	Progress x-2300	3 BR Vacant Home 503/505 O'Shaughnessy Huntsville, AL, 35801	5.00%	Set interest rate to 4.50% and payment amortization to 30 years. Liquidate within 24 months.	\$405.80
13	Progress x-6800	4 BR Vacant Home 1200 Highlands Huntsville, AL, 35801	5.00%	Set interest rate to 4.50% and payment amortization to 30 years. Liquidate within 24 months.	\$787.74
14	Progress x-6700	4 BR Vacant Home 405 Eustis Huntsville, AL, 35801	5.00%	Set interest rate to 4.50% and payment amortization to 30 years. Liquidate within 24 months.	\$1,142.14

Classes of "Multiple-Properties Note"

Mortgages

Treated as Secured Claims: 15 through 20

1. Classification

This Class consists of all real property that is subject to a “multiple-properties” mortgage and that either the Debtor already owns or the Plan proposes that the Debtor will transfer ownership from the Debtor’s various LLCs to the Debtor upon confirmation.

2. Claimant Status

All claims in Classes 15 through 20 are impaired and, accordingly, the holders of Allowed Claims in such Classes are entitled to vote on the Plan.

3. Treatment

For each secured claim listed below, the Plan proposes monthly payments of the allowed claim based on a thirty (30) year amortization, with a balloon payment of the entire remaining debt in ten (10) years (on the 120th regular monthly payment). This balloon period is chosen to facilitate Debtor repairing his credit prior to refinancing efforts.

1. Interest Rate.

The proposed Plan interest rate for each allowed secured claim listed below has been determined as follows:

1. If the contract interest rate was higher than 4.500% per annum, the Plan proposes an interest rate of 4.50% based on the formula discussed in the U.S. Supreme Court decision of *Till v. SCS Credit*, 540 U.S. 1014, 124 S. CT. 1951 (2004) – the Prime Interest Rate (currently 3.50%) plus 1.00% for the relatively low risk of default for an over-secured claim on real estate; or
2. If the contract interest rate was equal to, or lower than 4.500%, and the Debtor and the creditors do not have an agreement to lower the rate, the Plan proposes maintaining or reinstating the contract interest rate.

As to every secured claim in this category the balance of said claim as of confirmation of this Plan shall be calculated using the proposed interest rate set out below for the period from the petition Filing Date to the date of confirmation.

Creditor Class	Lender or Lienholder	Property Description	Current Int. Rate	Proposed Plan Treatment	Estimated Payment
15	United Community Bank x-1827 Claim No. 2-1	12 Vacant Lots Lakeland Estates Ellijay, Georgia	3.99%	Maintain contract interest rate and reset payment amortization to 30 years. Pay claim within 24 months.	\$748.64
16	Progress Bank and Trust x-2700	21 Rental Homes and 1 Vacant Lot Located in Madison County, Alabama	4.5%	Maintain contract interest rate and set payment amortization to 30 years. Balloon payment in 10 years.	\$4689.37
17	Piedmont Capital Lending Claim No. 8-1	9 Vacant Lots and 2 Rental Homes in North Georgia	12.00%	Set interest to 4.5% and payment amortization to 30 years. Balloon payment in 10 years.	\$1043.77
18	Sevier County Bank x-7420	4 Rental Home: in Sevier County, TN	3.5%	Maintain contract interest rate and reset amortization of 30 years. Balloon payment in 10 years.	\$3534.82
18	Sevier County Bank x-7457	6 Rental Home: in Sevier County, TN	3.5%	Maintain contract interest rate and reset amortization of 30 years. Balloon payment in 10 years.	\$5781.61
19	First Tennessee Bank Claim No. 16-1	7 Rental Homes in Sevierville, TN 37876	3.5%	Reinstate contract interest rate of 3.5%, and amortization of 30 years. Balloon payment in 10 years.	\$4198.57
20	Synovus (First Comm. Bank) x-8396 Claim No. 10-1	47 Lots and 4 Residential Homes in Georgia and Alabama	4.75%	Set interest to 4.50% and payment to pre-confirmation payment. Pay claim within 24 months.	\$995.00

2. Liquidation of Collateral.

In addition to making monthly payments to allowed claims in class, the Plan contemplates timed liquidation by the Debtor of selective collateral real properties in order to both accelerate payment of claims and to fund plan expenses. In order to facilitate the

sale or refinance of collateral the following maximum release prices are proposed for each piece of collateral. The release price of collateral will be the lesser of the remaining claim or the release price listed for that collateral. Debtor may also choose to use cash on hand to payoff and release selected collateral. Each time collateral is released, the monthly payment will be reduced proportional to the reduction in principal balance.

Once an allowed claim is paid in full, the Debtor will keep any remaining, unsold properties, and the Creditor will release said remaining properties. The Creditor shall cooperate fully with the sale or refinancing of its collateral, including providing the appropriate mortgage release for the closing.

A. Class 15 - United Community Bank Release Agreement.

The following release schedule applies to the 12 vacant lots collateralizing Claim No. 2-1 by United Community Bank. This claim may be identified as United Community Bank, Loan x-1827 elsewhere in Debtor's bankruptcy proceedings. Collateral for Class 15 is not income producing, but it lies within a market that is appreciating. Debtor intends to list all lots for sale within 90 days of plan confirmation. The market in Ellijay, which is located roughly 60 miles north of metro Atlanta, is recovering from a low in 2012, but the area has not recovered as quickly as metropolitan Atlanta. Debtor plans to satisfy Claim 2-1 within 24 months through sale of property.

Property Description	Market Value	Estimated Balance	Estimated LTV	Release Price	Estimated Payment
Lot 2 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-050	\$20,000	\$7,040.36	35%	\$9,000.00	\$33.57
Lot 10 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-047	\$30,000	\$10,560.54	35%	\$12,000.00	\$50.36
Lot 14 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-041	\$40,000	\$14,080.72	35%	\$16,000.00	\$67.14
Lot 51 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-061	\$30,000	\$10,560.54	35%	\$12,000.00	\$50.36
Lot 58 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-058	\$12,500	\$4,400.22	35%	\$6,000.00	\$20.98
Lot 59 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-006	\$22,000	\$7,744.39	35%	\$9,000.00	\$36.93
Lot 60 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-005	\$19,000	\$6,688.34	35%	\$8,000.00	\$31.89

Lot 61 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-004	\$12,500	\$4,400.22	35%	\$6,000.00	\$20.98
Lot 62 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-003	\$15,000	\$5,280.27	35%	\$7,000.00	\$25.18
Undeveloped 18 Acre Ellijay, GA Parcel 3009-001G	\$70,000	\$24,641.26	35%	\$26,000.00	\$117.50
Undeveloped 49 Acre Ellijay, GA Parcel 3009-001AB	\$175,000	\$61,603.14	35%	\$63,000.00	\$293.75
Total	\$446,000	\$157,000	35%	\$174,000	\$748.64

B. Class 16 – Progress Bank and Trust Release Agreement.

The following release schedule applies to the 22 properties collateralized by Progress Bank and Trust. This claim may be identified as Progress, Loan x-2700 elsewhere in the Debtor's Bankruptcy Proceedings.

Collateral for Class 16 produces net income under terms of this Plan. Debtor proposes the standard 10 year balloon, but reserves the right to liquidate properties using the release prices. The property located at 148 Bridletrace Lane, Madison, AL is currently listed for sale and will likely sell prior to confirmation of this Plan.

Property Description	Market Value	Estimated Balance	Estimated LTV	Release Price	Estimated Payment
Lot Appurtenant to Home 198 Walker Ave Huntsville, AL, 35801	\$100,000	\$55,382.53	55%	\$58,000	\$280.62
1 BR Rental Home 4973 Seven Pine Cr Huntsville, AL, 35816	\$39,000	\$21,599.19	55%	\$23,000	\$109.44
2 BR Rental Condo 4956 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
2 BR Rental Condo 4961 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
2 BR Rental Condo 4964 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
2 BR Rental Condo 4970 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34

2 BR Rental Condo 4983 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
2 BR Rental Condo 4987 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
2 BR Rental Condo 5022 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
2 BR Rental Condo 5024 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
1 BR Rental Condo 5027 Seven Pine Cr Huntsville, AL, 35816	\$39,000	\$21,599.19	55%	\$23,000	\$109.44
2 BR Rental Condo 5035 Seven Pine Cr Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
1 BR Rental Condo 5131 Seven Pine Cr Huntsville, AL, 35816	\$39,000	\$21,599.19	55%	\$23,000	\$109.44
2 BR Rental Condo 6644-A Willow Pt Huntsville, AL, 35816	\$59,000	\$32,675.69	55%	\$34,000	\$165.56
3 BR Rental Home 1126 Oster Dr Huntsville, AL, 35810	\$129,000	\$71,443.47	55%	\$74,500	\$361.99
2 BR Rental Condo 5044 Seven Pine Cr ** Huntsville, AL, 35816	\$55,000	\$30,460.39	55%	\$32,000	\$154.34
2 BR Rental Home 161 Stone Meadow Madison AL, 35758	\$92,000	\$50,951.93	55%	\$53,000	\$258.17
2 BR Rental Home 102 Briargate Ln Madison AL, 35758	\$120,000	\$66,459.04	55%	\$69,500	\$336.74
2 BR Rental Home 107 Briargate Ln Madison AL, 35758	\$110,000	\$60,920.79	55%	\$63,500	\$308.68
3 BR Rental Home 129 Briargate Ln Madison AL, 35758	\$110,000	\$60,920.79	55%	\$63,500	\$308.68
2 BR Rental Home 1519 McKinley Huntsville, AL, 35801	\$90,000	\$49,844.28	55%	\$52,000	\$252.55

3 BR Vacant Home ^{aa} 148 Bridletrace Ln Madison AL, 35758	\$125,000	\$107,500.00	86%	\$107,500	\$544.69
Total	\$1,602,000	\$925,500.00	55%	\$964,500	\$4,689.37

C. Class 17 – Piedmont Capital Lending Release Agreement.

The following release schedule applies to the 11 properties collateralizing Claim No. 8-1 by Piedmont Capital Lending. This claim may be identified as Piedmont elsewhere in Debtor Bankruptcy Proceedings. Collateral for Class 17 produces net income under terms of this Plan. Debtor proposes the standard 10 year balloon, but reserves the right to liquidate properties using the release prices.

Property Description	Market Value	Estimated Balance	Estimated LTV	Release Price	Estimated Payment
Lot 63 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-002	\$22,000	\$6,940.28	32%	\$8,000.00	\$35.17
Lot 32 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-021	\$18,000	\$5,678.41	32%	\$7,000.00	\$28.77
Lot 33 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-022	\$18,000	\$5,678.41	32%	\$7,000.00	\$28.77
Lot 3 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-051	\$35,000	\$11,041.35	32%	\$13,000.00	\$55.94
Lot 54 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-054	\$15,000	\$4,732.01	32%	\$6,000.00	\$23.98
Lot 57 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-057	\$30,000	\$9,464.01	32%	\$11,000.00	\$47.95
Lot 49 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-059	\$35,000	\$11,041.35	32%	\$13,000.00	\$55.94
Lot 50 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-060	\$30,000	\$9,464.01	32%	\$11,000.00	\$47.95
Lot 52 Lakeland Estates Phase II Ellijay, GA Parcel 3009B-062	\$20,000	\$6,309.34	32%	\$8,000.00	\$31.97
4 BR Rental Home 1013 Constitution Way Cumming, GA 30040	\$200,000	\$63,093.42	32%	\$65,000.00	\$319.69

6 BR Rental Home 130 Whipporwill Dr Oxford, GA	\$230,000	\$72,557.43	32%	\$74,000.00	\$367.64
Total	\$653,000	\$206,000	\$0	\$223,000	\$1,043.77

D. Class 18 – Sevier County Bank Release Agreement.

The following release schedule applies to the 10 properties collateralized by Sevier County Bank. These may be identified as Sevier County Loan x-7420 and Sevier County Loan x-7457 elsewhere in Debtor Bankruptcy Proceedings. Collateral for Class 18 produces net income that supports the Plan and pays Mr. Dombrowski's living expenses. Debtor proposes the standard 10 year balloon, but reserves the right to liquidate properties using the release prices.

Property Description x-7420	Market Value	Estimated Balance	Estimated LTV	Release Price	Estimated Payment
1 BR Rental Home 3013 Legacy Vista Dr Sevierville, TN 37876	\$240,000	\$148,759.56	62%	\$160,000	\$668.00
1 BR Rental Home 3015 Legacy Vista Dr Sevierville, TN 37876	\$240,000	\$148,759.56	62%	\$160,000	\$668.00
1 BR Rental Home 2613 Mountain Glory Sevierville, TN 37876	\$240,000	\$148,759.56	62%	\$160,000	\$668.00
5 BR Rental Home 314 Pinnacle Dr Gatlinburg, TN 37738	\$550,000	\$340,907.33	62%	\$360,000	\$1,530.83
Total	\$1,270,000	\$787,186.02	62%	\$840,000	\$3,534.82

Property Description x-7457	Market Value	Estimated Balance	Estimated LTV	Release Price	Estimated Payment
1 BR Rental Home 2611 Mountain Glory Sevierville, TN 37876	\$240,000	\$134,938.33	56%	\$140,000	\$605.93
1 BR Rental Home 2617 Mountain Glory Sevierville, TN 37876	\$240,000	\$134,938.33	56%	\$140,000	\$605.93
1 BR Rental Home 2322 Top of The World Sevierville, TN 37876	\$250,000	\$140,560.76	56%	\$150,000	\$631.18
7 BR 3451 Tekoa Mountain Sevierville, TN 37876	\$650,000	\$365,457.98	56%	\$375,000	\$1,641.07

3 BR Rental Home 410 Buena Vista Sevierville, TN 37876	\$360,000	\$202,407.50	56%	\$210,000	\$908.90
7 BR Rental Home 218 Pinnacle Dr Gatlinburg, TN 37738	\$550,000	\$309,233.68	56%	\$320,000	\$1,388.60
Total	\$2,290,000	\$1,287,536.59	56%	\$1,335,000	\$5,781.61

E. Class 19 – First Tennessee Bank Release Agreement.

The following release schedule applies to the 7 properties collateralizing Claim No. 16-1 by First Tennessee Bank. This claim may be identified as First Tennessee Bank or FTB loan elsewhere in Debtor's Bankruptcy Proceedings. Collateral for Class 19 produces significant net income that supports the Plan and pays Mr. Dombrowski's living expenses. Debtor proposes the standard 10 year balloon, but reserves the right to liquidate properties using the release prices.

Property Description	Market Value	Estimated Balance	Estimated LTV	Release Price	Estimated Payment
1 BR Rental Home 2402 Breezy Ridge Ln Sevierville, TN 37876	\$280,000	\$147,078.65	53%	\$155,000	\$660.45
1 BR Rental Home 2048 Mikey Street Sevierville, TN 37876	\$320,000	\$168,089.89	53%	\$175,000	\$754.80
1 BR Rental Home 3053 Legacy Vista Dr Sevierville, TN 37876	\$240,000	\$126,067.42	53%	\$135,000	\$566.10
1 BR Rental Home 3047 Legacy Vista Dr Sevierville, TN 37876	\$240,000	\$126,067.42	53%	\$135,000	\$566.10
1 BR Rental Home 2937 Legacy Vista Dr Sevierville, TN 37876	\$230,000	\$120,814.61	53%	\$130,000	\$542.51
1 BR Rental Home 3049 Legacy Vista Dr Sevierville, TN 37876	\$240,000	\$126,067.42	53%	\$135,000	\$566.10
1 BR Rental Home 3010 Legacy Vista Dr Sevierville, TN 37876	\$230,000	\$120,814.61	53%	\$130,000	\$542.51
Total	\$1,780,000	\$935,000.00	53%	\$995,000	\$4,198.57

F. Class 20 – First Commercial Bank Release Agreement.

The following release schedule applies to the 51 properties (calculated by including individual subdivision lots) collateralizing Claim No. 10-1 by First Commercial Bank. This

claim may be identified as First Commercial or Synovus x-8396 elsewhere in Debtor's bankruptcy proceedings. The Debtor's post-confirmation payment to this creditor will be the same as the pre-confirmation adequate protection payment ordered by the Bankruptcy Court, \$995.00 per month, until the allowed claim is paid in full. The Debtor will liquidate collateral to satisfy Claim 10-1 within 24 months.

Creditor also claims a lien against 1013 Constitution Ave, Cumming, Georgia that is junior to Piedmont Capital Lending. 1013 Constitution's approximate market value (less typical closing costs) is less than Piedmont Capital Lending's current claim. Consequently, Creditor will release its second mortgage on this property when Debtor pays First Commercial Bank's allowed claim in full or after receiving remaining net proceeds from the sale of 1013 Constitution Ave, Cumming, Georgia.

Property Description	Bank Value	Estimated Balance	Estimated LTV	Release Price
Lot 1 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 2 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 3 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 4 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 5 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 6 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 7 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 8 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 9 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00

Lot 10 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 11 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 12 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 13 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 14 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 15 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 16 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 17 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 18 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 19 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 20 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 21 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 22 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 23 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 24 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00

Lot 25 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 26 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 27 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 28 Horseshoe Bend Dallas , Ga 30157	\$6,034	\$4,439.98	74%	\$5,000.00
Lot 29 Horseshoe Bend Dallas , Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 1 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 2 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 3 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 4 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 5 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 6 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 7 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 8 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 9 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 10 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00

Lot 11 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 12 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 13 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 14 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 15 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 16 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
Lot 17 Little Creek Manor Dallas, Ga 30157	\$5,882	\$4,328.05	74%	\$5,000.00
2 BR Condo 617 John Wesley Dobbs Ave #B Atlanta, Ga 30312	\$270,000	\$198,657.40	74%	\$216,000.00
2BR Vacant Condo* 617 John Wesley Dobbs Ave #A Atlanta, Ga 30312	\$270,000	\$198,657.40	74%	\$216,000.00
1 BR Rental Condo 57 Forsyth Unit 4c Atlanta, Ga 30303	\$83,000	\$61,068.76	74%	\$66,400.00
Morgantown Beach Lot Gulf Shores, AL	\$517,000	\$380,392.13	74%	\$413,600.00
Junior Lien 1013 Constitution Way Cumming, Ga 30040	\$0	\$0.00	0%	\$N/A
Total	\$1,414,848	\$1,041,000	74%	\$1,142,000

Class of Home Owner Association Liens Treated as Secured Claims: 21

1. Classification

This Class consists of all pre-petition Home Owner Association liens on real property that either the Debtor already owns or the Plan proposes that the Debtor will receive ownership

from the Debtor's various LLCs upon confirmation. A list of the Home Owner Association claims is attached as Exhibit "D".

2. Claimant Status

All claims in Class 21 are impaired and, accordingly, the holders of Allowed Claims in this Class are entitled to vote on the Plan.

3. Treatment

Beginning sixty (60) days after the Court approves the Plan, the Debtor will make a payment of \$500.00 per month to the creditors in this Class (divided among the claimants in this Class) until one-hundred percent (100%) of each allowed claim in this Class, including interest, is paid in full.

In the case that the HOA is entitled to interest, the balance of each claim in this Class as of confirmation of this Plan shall be calculated using a proposed interest rate which is the lesser of the statutory rate or 4.50% per annum for the period from the petition Filing Date to the date of confirmation. Said interest rate shall accrue on such claims from the date of confirmation until they are paid by the Debtor.

Class of General Unsecured Claims: 22

1. Classification:

This Class consists of all non-priority, unsecured claims not addressed in the previous classes described above. Class 22 claims listed in the Debtor's filed schedules include credit card debts to Regions Bank (Claim No 7-1), American Express (Claim No's 6-1 and 14-1) and USAA Federal Savings Bank (Claim No 19-1).

2. Treatment:

All claims in Class 22 are impaired and, accordingly, the holders of Allowed Claims in this Class are entitled to vote on the Plan.

Beginning sixty (60) days after the Court approves the Plan, the Debtor will make a payment of \$500.00 per month to the creditors in this Class (divided among the claimants in this Class) until one-hundred percent (100%) of each allowed claim in this Class, including interest, is paid in full.

The claims in this Class shall not accrue any interest for the period from the petition Filing Date to the date of confirmation, but interest at the rate of 4.50% per annum shall accrue on such claims until they are paid by the Debtor.

D. Authorization to Transfer Assets of Debtor's Limited Liability Companies.

1. Transfer of LLC Assets and Termination of LLCs.

At any time after the Bankruptcy Court enters an order confirming this Plan, the Debtor is authorized to take the following actions:

- a. The Debtor may cause each of his sole-member limited liability companies (each being referred to individually in this section as " the LLC"), to call meetings, adopt resolutions and take such further steps as may be necessary to accomplish the further actions described below and to transact such other business as may be necessary to accomplish the said actions; and
- b. The Debtor may cause the LLC to convey to the Debtor by quitclaim deed all of its right, title and interest in the real property subject to the mortgage lien and underlying debt of a secured creditor in this Chapter 11 case; and
- c. The Debtor may cause the LLC to convey or assign to the Debtor all cash, receivables lists, forms, chattel property and any other physical assets associated with the conveyed real property by appropriate instruments acceptable to the Debtor; and
- d. The Debtor may cause the LLC to convey or assign to the Debtor all contracts, leases, licenses and any other intangible assets associated with the conveyed real property by appropriate instruments acceptable to the Debtor; and
- e. The Debtor may cause the LLC to file articles of termination or dissolution, or such other and further paperwork as the Debtor deems appropriate and necessary in accordance with the laws of the state in which the LLC was organized.

2. Conveyances Subject to Existing Liens.

The LLC's conveyance of title to the Debtor shall be subject to any mortgage lien and/or statutory lien against the real property that existed at the Petition Date, except to the extent that such lien and/or the underlying debt is modified by this Plan or any order entered by the Bankruptcy Court in this case.

3. Treatment of Incidences of Default or Breaches of Loan Contract.

Confirmation of this Plan shall void and render unenforceable any provision in the mortgage, the promissory note or the associated loan documents that identifies the LLC's conveyance of title to the Debtor or other action stated above as an incident of default or a breach of the loan agreement.

Any unresolved incident of default under the mortgage, promissory note or loan documents of any secured claim in this case that is not clearly stated in a filed proof of claim at least fourteen (14) days prior to the first hearing on the Debtor's Plan shall be deemed waived by the secured creditor and consequently unenforceable against the Debtor. However, such waiver shall not apply to any incident of default that may arise after confirmation of the Debtor's Plan,

so long as said incident does not violate any terms of the confirmed Plan.

4. Consequences of Conveyance of LLC Properties.

The LLC's conveyance of title of one or more real properties to the Debtor as authorized herein shall be complementary to and shall not modify or nullify the other provisions of this Plan. The conveyed real property titled in the Debtor's name shall be property of the Debtor's Chapter 11 Estate under 11 U.S.C. § 541 for the purposes of § 1141 and any other sections of the Bankruptcy Code that may be applicable to the implementation of this Plan.

5. Option to Seek Tax Ruling.

The Debtor, in his sole discretion, may seek a written ruling from the Commissioner of Internal Revenue to the effect that this Plan will be a "reorganization" as that term is defined in the Internal Revenue Code, and that no gain or loss will be recognized either to the Debtor or his LLCs by the consummation of the actions herein described.

E. Complete Release of Liability for Debtor's Spouse.

Upon confirmation of this Plan, the Debtor's spouse, Charlotte Dombrowski, and her heirs, successors and personal representatives, shall be totally and permanently released from any and all manner of claims, actions, causes of action, debts, accounts, guaranties, loans, contracts, notes and demands from any and all of the Debtor's creditors and from any successors or assignees of said creditors, except as to any creditor for which the terms of the Plan expressly reserve and continue Charlotte Dombrowski's liability.

This complete and total release of liability for Charlotte Dombrowski shall include any late charges, attorney's fees and expenses, or other legal demands that might arise under any loan documents or by statute in connection with the claims of the debtor's creditors.

This complete and total release of liability for Charlotte Dombrowski shall include any claims for unjust enrichment, constructive trust, or other equitable demands that might arise under case law or by statute in connection with the claims of the Debtor's creditors.

This complete and total release of liability for Charlotte Dombrowski also shall include any claims for contribution or indemnity that might arise under any loan documents or by statute in connection with the claims of the Debtor's creditors.

The only exception to this complete and total release of liability for Charlotte Dombrowski is the homestead of the Debtor and Mrs. Dombrowski, for which Charlotte Dombrowski shall remain liable according to the terms of the purchase-money Fannie Mae note and mortgage, as such terms may be modified by the Debtor's confirmed Plan.

The Debtor intends that this release of Charlotte Dombrowski shall be complete and total in the same manner as the release of liability discussed in the reported decision of *Iberiabank v. Geisen (In re FFS Data, Inc.)*, 776 F.3d 1299 (11th Cir. 2015). All terms of this release shall be

construed so as to be complete and total for Mrs. Dombrowski, as said terms were discussed and applied in this U.S. Court of Appeals decision.

F. Acceptance or Rejection of the Plan.

The holders of Claims in all impaired Classes listed above shall be entitled to vote to accept or reject the Plan.

G. Means for Execution and Implementation of the Plan.

1. Funding of the Distribution.

On the Effective Date, the Debtor shall first fund payments to the holders of Allowed Administrative Claims.

2. “New Value” To Be Contributed by Debtor.

During this Chapter 11 case, the Debtor has accumulated a cash balance personally and in his LLC’s of approximately \$20,000.00. While some courts have ruled that an individual in Chapter 11 is not subject to the “new value” requirement, nevertheless the Debtor will contribute this cash balance for the payment of expenses and claims as “new value” in this case. Moreover, the Debtor’s Plan calls for payment in full of all allowed unsecured claims in this case.

3. Corporate Action.

On the Effective Date, the Debtor shall be authorized and directed to take all necessary and appropriate actions to effectuate the transactions contemplated by the Plan and Disclosure Statement.

4. 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 in accordance with Section 1123(b) of the Bankruptcy Code, the Debtor shall retain and may enforce any claims, rights and causes of action that the Debtor or the Estates may hold against any entity, including, without limitation, any claims, rights or causes of action arising under Sections 544 through 551 or other sections of the Bankruptcy Code or any similar provisions of state law, or any other statute or legal theory. The Debtor or any successor to or designee thereof may pursue those rights of action, as appropriate, in accordance with what is in the best interests of the Debtor.

5. Objections to Claims.

Except as otherwise provided for with respect to applications of professionals for compensation and reimbursement of expenses under Article 3 of the Plan, or as otherwise ordered by the Bankruptcy Court after notice and a hearing, objections by any party other than the Debtor to filed Claims shall be Filed and served upon the holder of such Claim or

Administrative Claim not later than the Effective Date, unless this period is extended by the Court. Such extension may occur ex parte. After the Effective Date, only the Debtor shall have the exclusive right to object to Claims.

H. Funding and Methods of Distribution and Provisions for Treatment of Disputed Claims.

1. Funding of Distributions under the Plan.

The Debtor's normal cash flow shall be the sole source of funds for the payments to creditors authorized by the U.S. Bankruptcy Court's confirmation of this Plan, except for those claims to be addressed by liquidation of collateral (explained in detail above).

2. Distributions to Holders of Allowed Administrative Expense Claims.

Commencing on the Effective Date, the Debtor shall, in accordance with Article 3 of the Plan, distribute to each holder of a then unpaid Allowed Administrative Expense Claim in the Allowed amount of such holder's Claim if and to the extent that the balance, if any, of such Claim is Allowed by Final Order. The Debtor shall not tender a payment to the holders of Allowed Administrative Expense Claims until all Disputed Claims that are alleged to be Administrative Claims have been allowed or disallowed.

3. Disputed Claims.

Notwithstanding any other provisions of the Plan, no payments or distributions shall be made on account of any Disputed Claim until such Claim becomes an Allowed Claim, and then only to the extent that it becomes an Allowed Claim.

4. Delivery of Distributions and Undeliverable or Unclaimed Distributions; Failure to Negotiate Checks.

The Plan established procedures for the delivery of distributions and for the disposition of undeliverable distributions and checks that are not timely negotiated.

5. De Minimis Distributions.

No Cash payment of less than twenty dollars (\$20.00) shall be made to any holder on account of an Allowed Claim unless a request therefor is made in writing to the Debtor.

6. Compliance with Tax Requirements.

In connection with the Plan, to the extent applicable, the Debtor shall comply with all withholding and reporting requirements imposed on it by any governmental unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements.

7. Setoffs.

Unless otherwise provided in a Final Order or in this Plan, the Debtor may, but shall not be required to, set off against any Claim and the payments to be made pursuant to the Plan in respect of such Claim, any claims of any nature whatsoever the Debtor may have against the holder thereof or its predecessor, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtor of any such Claims the Debtor may have against such holder or its predecessor.

I. Treatment of Executory Contracts and Unexpired Leases.

The Plan constitutes and incorporates a motion by the Debtor to reject, as of the Effective Date, all pre-petition executory contracts and unexpired leases to which the Debtor is a party, except for any executory contract or unexpired lease that (i) has been assumed or rejected pursuant to a Final Order, or (ii) is the subject of a pending motion for authority to assume the contract or lease Filed by the Debtor prior to the Confirmation Date. The Plan establishes a bar date for filing Rejection Claims not already barred.

J. Effects of Plan Confirmation.

1. No Liability for Solicitation or Participation.

As specified in Section 1125(e) of the Bankruptcy Code, Persons that solicit acceptances or rejections of the Plan and/or that participate in the offer, issuance, sale, or purchase of securities offered or sold under the Plan, in good faith and in compliance with the applicable provisions of the Bankruptcy Code, are not liable, on account of such solicitation or participation, for violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or the offer, issuance, sale, or purchase of securities.

2. Limitation of Liability.

Neither the Debtor and any professional Persons retained by them; any of their affiliates nor any of their officers, directors, partners, associates, employees, members or agents (collectively the "Exculpated Persons"), shall have or incur any liability to any Person for any act taken or omission made in good faith in connection with or related to the Bankruptcy Case or actions taken therein, including negotiating, formulating, implementing, confirming or consummating the Plan, the Disclosure Statement, or any contract, instrument, or other agreement or document created in connection with the Plan. The Exculpated Persons shall have no liability to any Creditors or Equity Security Holders for actions taken under the Plan, in connection therewith or with respect thereto in good faith, including, without limitation, failure to obtain Confirmation of the Plan or to satisfy any condition or conditions, or refusal to waive any condition or conditions, precedent to Confirmation or to the occurrence of the Effective Date. Further, the Exculpated Persons will not have or incur any liability to any holder of a Claim, holder of an Interest, or party-in-interest herein or any other Person for any act or omission in connection with or arising out of their administration of the Plan or the property to be distributed under the Plan, except for gross negligence or willful misconduct as finally

determined by the Bankruptcy Court, and in all respects such persons will be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

3. Other Documents and Actions.

The Debtor as Debtor-In-Possession may execute such documents and take such other action as is necessary to effectuate the transactions provided for in the Plan.

4. Term of Injunctions or Stays.

Unless otherwise provided, all injunctions or stays provided for in the Reorganization Case pursuant to Sections 105 or 362 of the Bankruptcy Code or otherwise and in effect on the Confirmation Date shall remain in full force and effect until the Effective Date.

K. Confirmability of Plan and Cramdown.

The Debtor requests Confirmation under Section 1129(b) of the Bankruptcy Code if any impaired class does not accept the Plan pursuant to Section 1126 of the Bankruptcy Code. In that event, the Debtor reserves the right to modify the Plan to the extent, if any, that Confirmation of the Plan under Section 1129(b) of the Bankruptcy Code requires modification.

L. Retention of Jurisdiction.

The Plan provides for the Bankruptcy Court to retain the broadest jurisdiction over the reorganization case as is legally permissible so that the Bankruptcy Court can hear all matters related to the consummation of the Plan, the claims resolution process, and the administration of the Chapter 11 Estate.

V.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

The following discussion is a summary of certain federal income tax aspects of the Plan and is for general information only. This discussion is based upon existing provisions of the Internal Revenue Code of 1986, as amended ("IRC"), existing regulations thereunder, and current administrative rulings and court decisions. No assurance can be given that legislative or administrative changes or court decisions may not be forthcoming which would require significant modification of the statements expressed in this section. The discussion does not address foreign, state or local tax consequences of the Plan, nor does it purport to address the federal tax consequences of the Plan to special classes of taxpayers (such as foreign companies, nonresident alien individuals, S corporations, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, broker-dealers and tax-exempt organizations). Accordingly, it should not be relied upon for purposes of determining the specific tax consequences of the Plan with respect to a particular holder of a Claim or Interest.

Due to the complexity of the transactions to be consummated pursuant to the Plan, some

of which are discussed below; the lack of applicable legal precedent and the possibility of changes in law; differences in the nature of various Claims; differences in individual Claim holders' methods of accounting; and the potential for disputes as to legal and factual matters, the federal income tax consequences described herein are subject to significant uncertainties.

NO RULING HAS BEEN SOUGHT OR OBTAINED FROM THE IRS WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN AND NO OPINION OF COUNSEL HAS BEEN OBTAINED BY DEBTOR WITH RESPECT THERETO. NO REPRESENTATIONS OR ASSURANCES ARE BEING MADE WITH RESPECT TO THE FEDERAL INCOME TAX CONSEQUENCES AS DESCRIBED HEREIN. CERTAIN TYPES OF CLAIMANTS AND INTEREST HOLDERS MAY BE SUBJECT TO SPECIAL RULES NOT ADDRESSED IN THIS SUMMARY OF FEDERAL INCOME TAX CONSEQUENCES. THERE ALSO MAY BE STATE, LOCAL, OR FOREIGN TAX CONSIDERATIONS APPLICABLE TO A HOLDER OF A CLAIM OR INTEREST THAT ARE NOT ADDRESSED HEREIN. EACH HOLDER OF A CLAIM OR INTEREST AFFECTED BY THE PLAN MUST CONSULT, AND RELY UPON, HIS OR HER OWN TAX ADVISOR REGARDING THE SPECIFIC TAX CONSEQUENCES OF THE PLAN WITH RESPECT TO THAT HOLDER'S CLAIM OR INTEREST. THIS INFORMATION MAY NOT BE USED OR QUOTED IN WHOLE OR IN PART IN CONNECTION WITH THE OFFERING FOR SALE OF SECURITIES.

A. Federal Income Tax Consequences to Debtor.

Under the Plan, the Debtor will be paying Plan liabilities from normal cash flow. There should be no net operating profit or loss to the Debtor following the Effective Date resulting from the transactions contemplated by the Plan.

B. Federal Income Tax Consequences to Holders of Claims.

1. Holders of Claims.

Holders of Claims will recognize a gain or loss equal to their respective amounts realized (if any) under the Plan in respect of their Claims less their respective tax bases in their Claims. The amounts realized for this purpose generally will equal the sum of the cash and the fair market value of any other consideration received under the Plan in respect of their Claims. The recognition of gain or loss by a holder of Claims may also be affected by the holder's accounting method and other factors and circumstances particular to such holder.

Holders of Claims not previously required to include in their taxable income any accrued but unpaid interest on a Claim may be treated as receiving taxable interest, to the extent any consideration they receive under the Plan is allocable to such accrued but unpaid interest. Holders previously required to include in their taxable income any accrued but unpaid interest on a Claim may be entitled to recognize a deductible loss, to the extent that such accrued but unpaid interest is not satisfied under the Plan.

C. Backup Withholding and Information Reporting.

Payors of interest, dividends, and certain other reportable payments are generally required to withhold thirty-one percent (31%) of such payments if the payee fails to furnish such payee's correct taxpayer identification number (social security number or employer identification number), to the payor. The Debtor may be required to withhold a portion of any payments made to a holder of an Allowed Claim that does not provide its taxpayer identification number.

D. Importance of Obtaining Professional Tax Assistance.

THE FOREGOING IS INTENDED AS A SUMMARY ONLY, AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FEDERAL, STATE AND LOCAL INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN SOME CASES, UNCERTAIN. SUCH CONSEQUENCES MAY ALSO VARY BASED ON THE PARTICULAR CIRCUMSTANCES OF EACH CLAIM HOLDER. ACCORDINGLY, EACH CLAIM AND INTEREST HOLDER IS STRONGLY URGED TO CONSULT WITH HIS, HER OR ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE AND LOCAL INCOME AND OTHER TAX CONSEQUENCES UNDER THE PLAN.

VI.

VOTING PROCEDURES AND CONFIRMATION REQUIREMENTS.

A. Confirmation of the Plan.

1. Confirmation Hearing.

Section 1128 of the Bankruptcy Code requires the Court, after notice, to hold a hearing on whether the Plan and its proponents have fulfilled the confirmation requirements of Section 1129 of the Bankruptcy Code. A hearing (the "Confirmation Hearing") to consider confirmation of the Plan will be scheduled at the United States Bankruptcy Court for the Northern District of Alabama. The Confirmation Hearing may be adjourned from time to time by the Court without further notice except for the announcement of the adjourned date at the Confirmation Hearing.

Any objection to confirmation must be made in writing and must specify in detail the name and the address of the Person objecting, the grounds for the objection and the nature and amount of the Claim or Interest held by the objector. Any such objection must be filed with the Court and served upon the parties designated in the notice of the confirmation hearing (the "Confirmation Notice") on or before a date which will be specified in the Order approving this Disclosure Statement. Unless an objection to confirmation is timely served and filed, it will not be considered by the Court.

2. Requirements for Confirmation of the Plan.

In order to confirm the Plan, the Bankruptcy Code requires that the Court make a series of findings concerning the Plan and the Debtor, including that: (a) Claims and Interests are classified in the Plan in a permissible manner; (b) the Plan complies with the applicable

provisions of the Bankruptcy Code; (c) the Debtor has complied with applicable provisions of the Bankruptcy Code; (d) the Debtor has proposed the Plan in good faith and not by any means forbidden by law; (e) the disclosure required by Section 1125 of the Bankruptcy Code has been made; (f) the Plan has been accepted by the requisite majorities of holders of Claims and Interests in each impaired Class of Claims or Interests, or, if accepted by at least one but not all of such Classes, is "fair and equitable," and does not discriminate unfairly as to any non-accepting class, as required by the "cramdown" provisions of Section 1129(b) of the Bankruptcy Code; (g) the Plan is feasible; (h) the Plan is in the "best interests" of all holders of Claims and Interests in an impaired class by providing to such holders property of a value, as of the Effective Date, that is not less than the amount that such holder would receive or retain in a Chapter 7 liquidation, unless each holder of a Claim or Interest in such Class has accepted the Plan; and (i) all bankruptcy fees payable to the Clerk of the Court and the U.S. Trustee under 28 U.S.C. Sec. 1930 have been paid, or the Plan provides for the payment of such fees on the Effective Date.

a. Acceptance.

Pursuant to Section 1126 of the Bankruptcy Code, the Plan is accepted by an impaired Class of Claims if holders of two-thirds in dollar amount and a majority in number of Claims of that Class vote to accept the Plan. Only the votes of those holders of Claims who actually vote (and are entitled to vote) to accept or reject the Plan count in this tabulation. The Plan will be accepted by an impaired Class of Interests if holders of two-thirds of the amount of outstanding shares in such class vote to accept the Plan (and only those voting count in the tabulation). Pursuant to Section 1129(a)(8), all the impaired Classes of Claims and Interests must vote to accept the Plan in order for the Plan to be confirmed on a consensual basis (and at least one such Impaired Class must accept the Plan without including the acceptance by an insider). However, under the cramdown provisions of Section 1129(b), only one impaired Class of Claims (determined without including the acceptance by an insider) needs to accept the Plan if the other conditions to cramdown are met.

The Plan has twenty (22) Classes of Claims which are Impaired and are entitled to vote on the Plan (Classes 1 through 22).

b. Best Interests Test/Liquidation Analysis.

Notwithstanding the acceptance of the Plan by each Impaired Class, Section 1129(a)(7) of the Bankruptcy Code requires that the Bankruptcy Court determine that the Plan is in the best interests of each holder of a Claim or Interest in an Impaired Class if any holder in that Class has voted against the Plan. Accordingly, if an Impaired Class under the Plan does not unanimously accept that Plan, the "best interests" test requires that the Bankruptcy Court find that the Plan provides to each member of such Impaired Class a recovery on account of the member's Claim or Interest that has a value, as of the Effective Date, that is not less than the value of the distribution that each such member would receive or retain if Debtor were liquidated under Chapter 7 of the Bankruptcy Code commencing on the Effective Date.

To determine what members of each impaired Class of Claims would receive if the Debtor's estate was liquidated under Chapter 7, the Court must consider the values that would be

generated from a liquidation of the Debtor's assets and properties in the context of a hypothetical liquidation under Chapter 7. From a review of the Debtor's assets and liens, it is apparent that liquidation would not be a feasible solution to the repayment of this Debtor's debts.

First, as explained above, there are no outstanding accounts receivables.

Second, it is highly likely that unsecured creditors, including holders of Administrative and Priority Claims, would receive nothing in a Chapter 7 liquidation of the Debtor's estate.

Thus, the Plan, which provides for the payment of Administrative and Priority Claims and which provides a distribution to general unsecured creditors, provides the unsecured creditors with a greater distribution than they would receive in Chapter 7. Further, the Plan is designed to maximize the value of the Debtor's assets for the benefit of creditors. The Debtor may hold assets or improve them or take whatever action is necessary to secure the maximum value.

c. Feasibility.

Section 1129(a)(11) of the Bankruptcy Code requires a finding that Confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor in interest, unless as here, liquidation is expressly contemplated by the Plan.

The Debtor believes that he will be able to perform his obligations under the Plan and that therefore the Plan is feasible within the meaning of Section 1129(a)(11) of the Bankruptcy Code.

1. National Real Estate Trends That May Affect the Debtor's Plan.

National real estate trends for 2017 and beyond favor the Debtor's Plan of Reorganization, which envisions a combination of 1) continued income from vacation and home rentals, and 2) liquidation of a portion of the Debtor's real estate inventory.

Concerning monthly performance data, the highly respected Case-Shiller U.S. National Home Price NSA Index reports, as of July 2016, national home prices rising by .73% in the preceding month, 2.71% in the preceding 3 months, and 5.1% in the preceding 12 months. From this report national home price appreciation appears to be accelerating – see the attached Exhibit “E”.

As for performance graph data, the Case-Shiller U.S. National Home Price NSA Index reports that as of July 2016, national home real estate prices are nearly as high as they were pre-financial crisis. Further, home prices have appreciated by 37% as of July 2016 from their low in February 2012 – see the attached Exhibit “F”.

Based on this data, optimistic predictions for 2017 from national commentators cast a

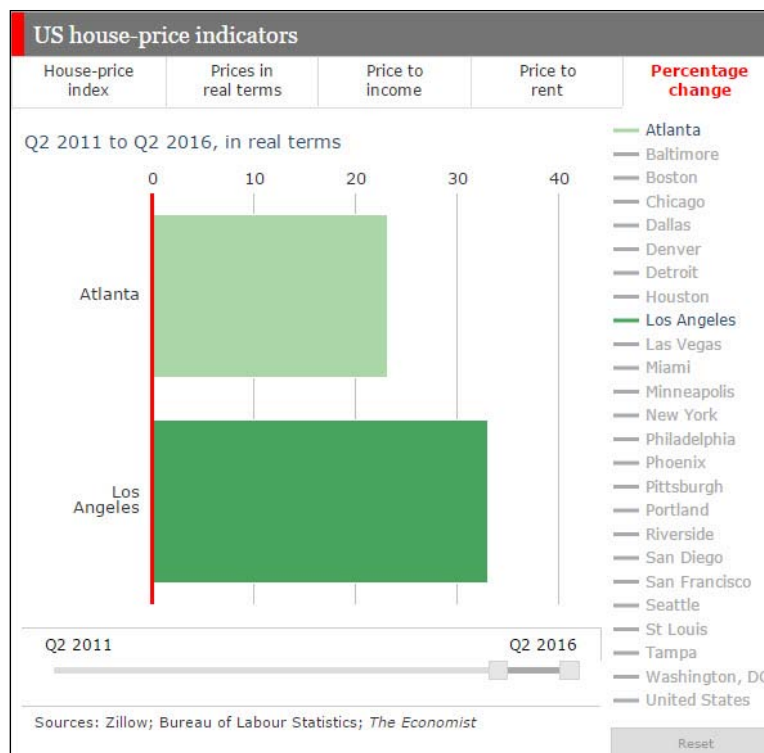
positive light on the Debtor's proposed Plan, include the following:

“In 2016 and 2017, housing construction will increase and home prices will rise.” *Forbes Magazine*, “Housing Forecast 2016-2107: Two Years of Growth”, December 10, 2015.

“We can expect a hot year for home sales in 2017, according to recent forecasts from the National Association of REALTORS®, the Mortgage Bankers' Association, Freddie Mac and Fannie Mae, and more.” *REALTOR Magazine*, “Predictions Roll In: 2017 Housing Forecasts”, October 3, 2016.

The Debtor anticipates that the national trend of rising real estate prices will favor his getting strong sale prices for the liquidating portion of his property inventory. While the Debtor's rental income is healthy, rising real estate prices will also eventually drive an even larger portion of the public to rentals of his remaining property inventory.

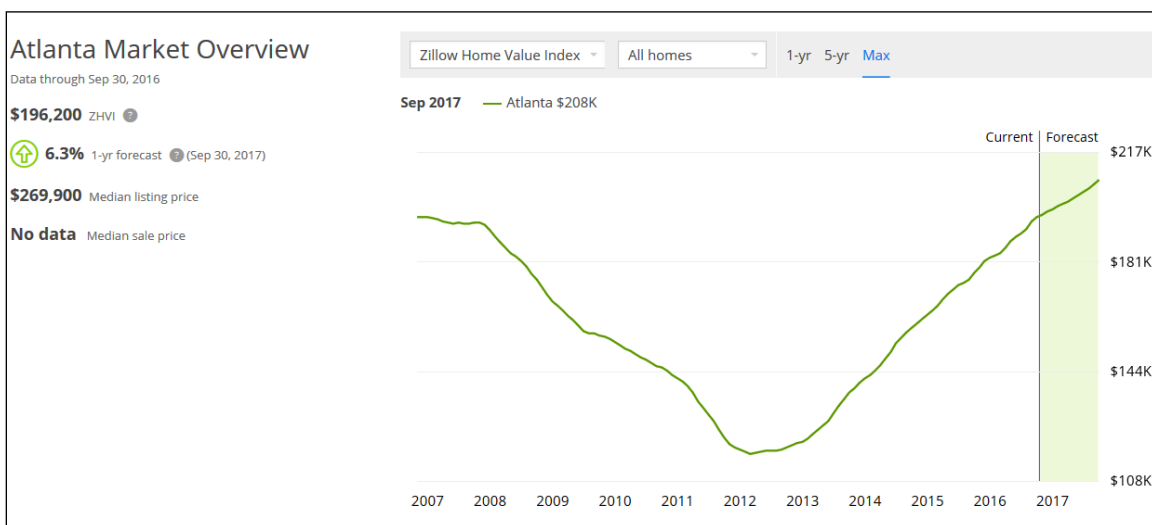
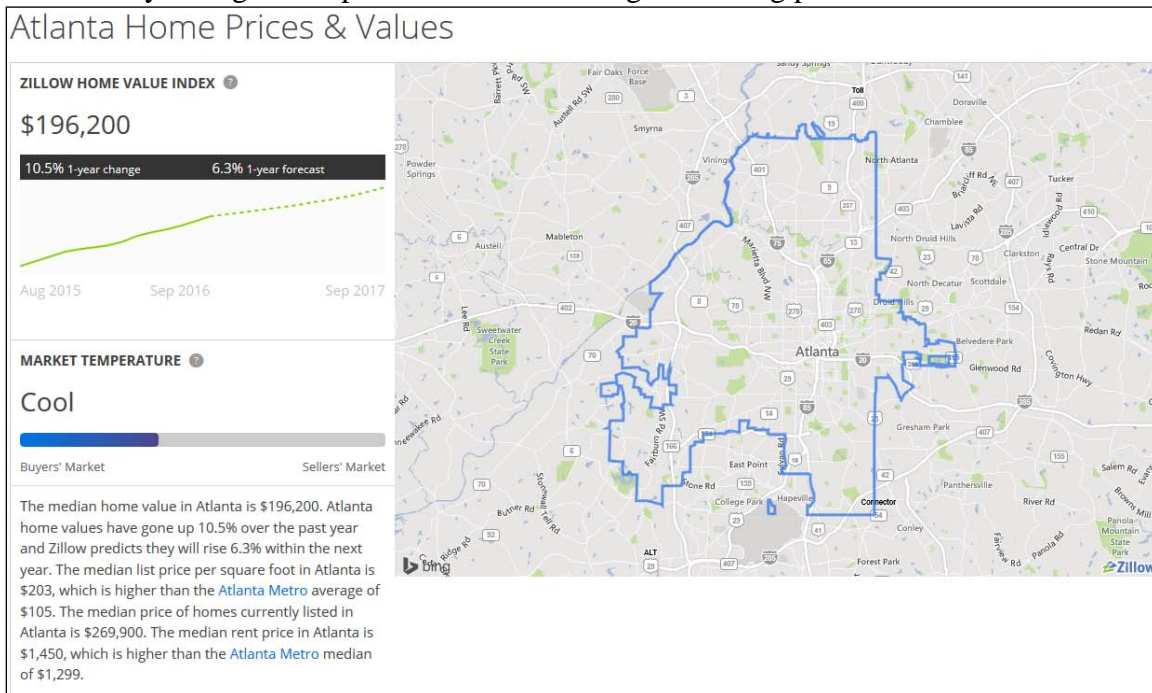
The feasibility of the Debtor's Plan is clear even when considering specific real estate locations, as when *The Economist* magazine recently examined price to rent data in two real estate markets where the Debtor has units – Atlanta and Southern California:

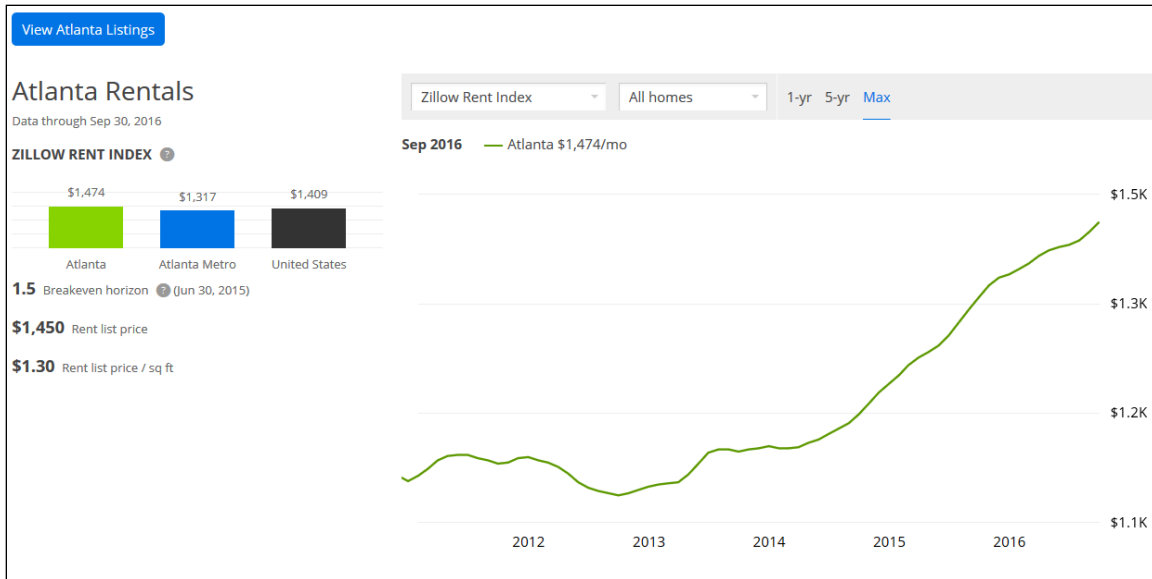


Futher dissection of national real estate trends into local conditions corroborates these findings. Zillow, a respected source of local real estate information was consulted to examine trends in each market that the Debtor owns collateral secured by claims. The following are graphs of real estate price trends and rental market trends in each of the Debtor's markets. Exhibit H discusses, in detail, the indices used by Zillow. Zillow data illustrates the trend of home values and

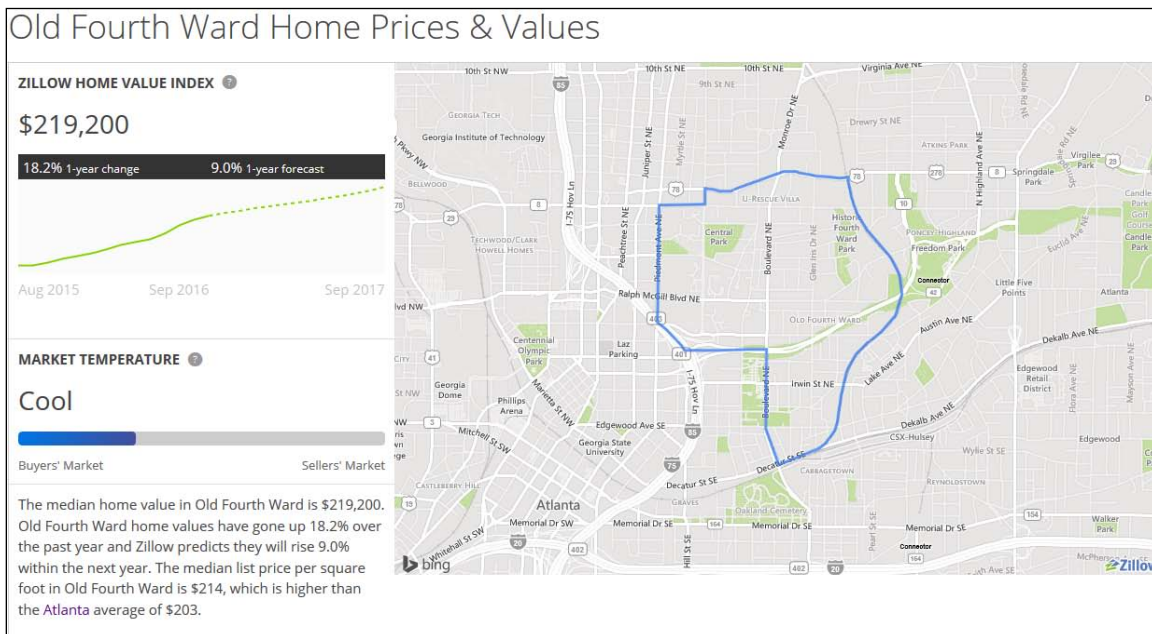
rent prices over a historical period and is not meant to indicate the specific value of any piece of collateral or specific rents that may be obtained. However, the Zillow data is useful in evaluating average trends in specific markets.

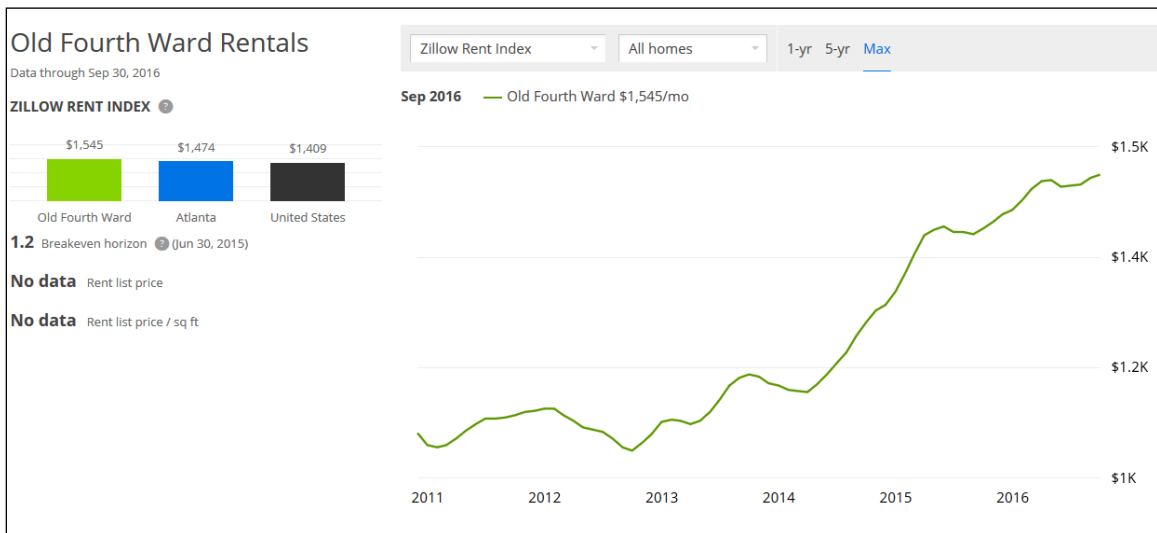
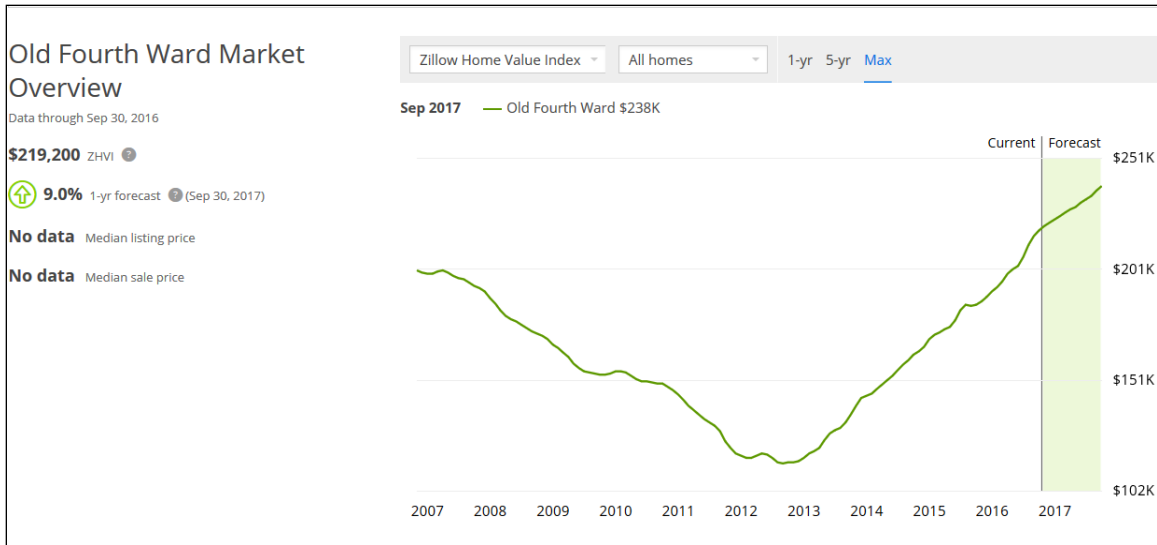
The following real properties, owned by Debtor or his LLCs, are located in Atlanta city limits: 95 Forsyth Ave, Unit 3D, 57 Forsyth Ave, Unit 4c, 617 John Wesley Dobbs Ave, Unit A, and 617 John Wesley Dobbs Ave, Unit B. Zillow predicts a 6.3% increase in average home prices in Atlanta City Limits in the next 12 months. The two properties on Forsyth Ave are currently rented in a market with increasing rental potential. Rents in this market have increased roughly 25% in the last 5 years and this trend does not show signs of weakening. The rental market in this area is very strong and expected to remain strong as housing prices continue to increase





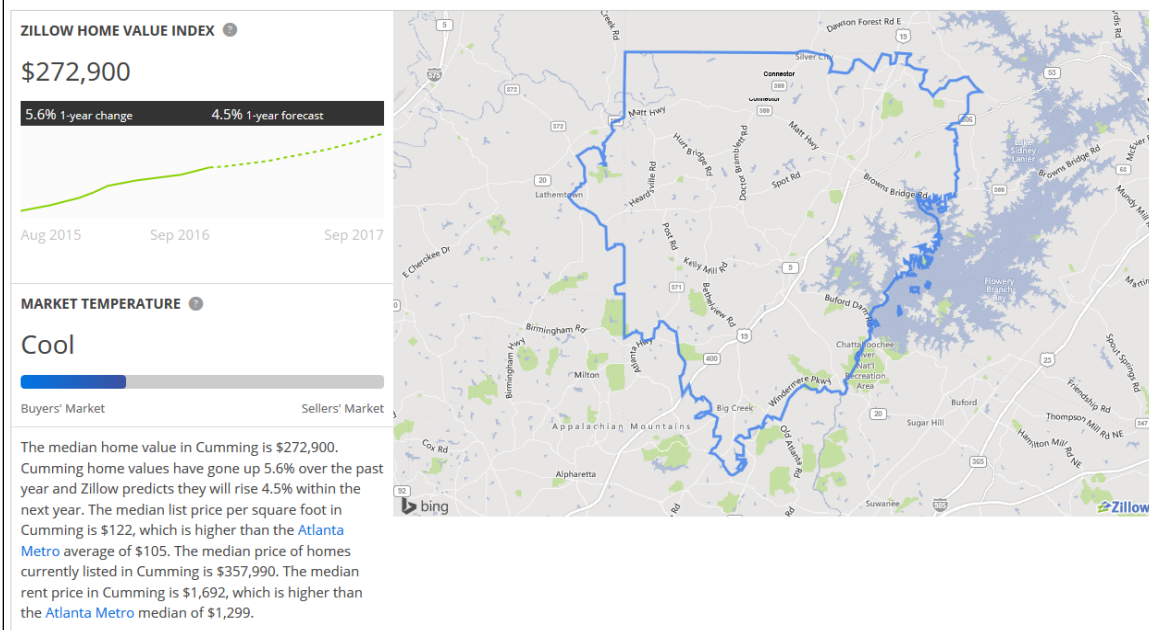
617 John Wesley Dobbs Avenue, Unit A and 617 John Wesley Dobbs Avenue, Unit B are located in the highly desirable Old Fourth Ward district within Atlanta. Zillow predicts a 9% increase in average home values in Old Fourth Ward in the next 12 months. Debtor intends to market at these properties in the spring of 2017. Rent and home valuations have increased much more rapidly in Old 4th Ward than in Atlanta as a whole due to its proximity to the Beltline, a multi billion dollar project being undertaken by Atlanta. Many neighborhoods adjacent to or near Old 4th Ward are more costly, suggesting that Old 4th Ward has not reached its potential.

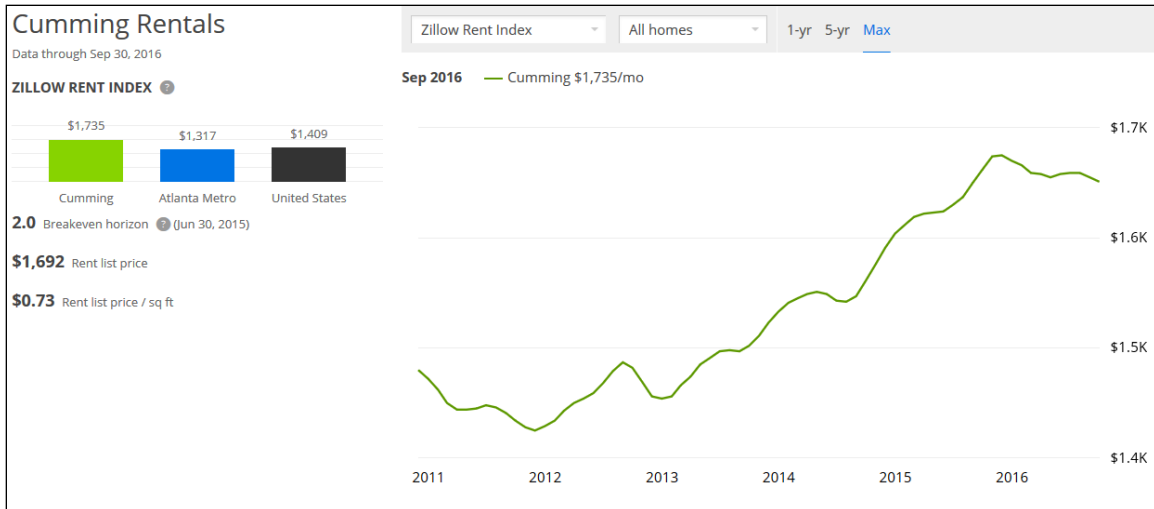




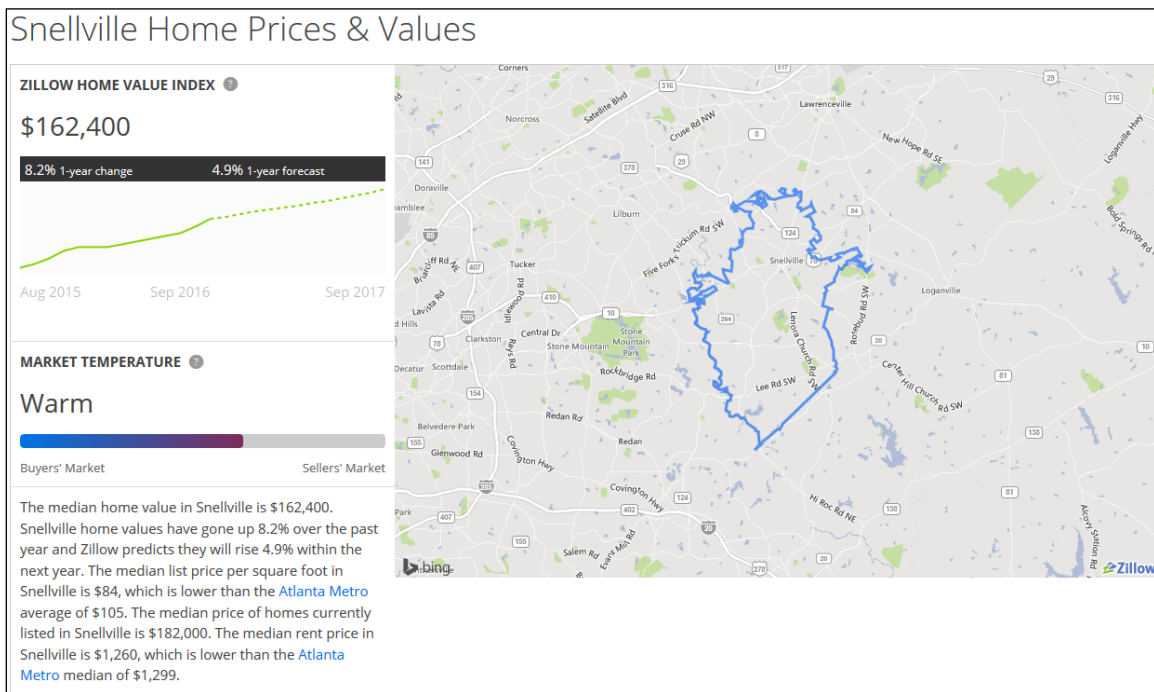
The following real property, owned by Debtor, is located in Cumming Georgia: 1013 Constitution Ave. Cumming Georgia is just outside of the perimeter of Atlanta. This property is currently occupied by a Tenant that has rented it continuously for 5 years. Zillow predicts 4.5% price appreciation of average home values in Cumming in the next 12 months. The rental market in this area is very strong and expected to remain strong as housing prices continue to increase.

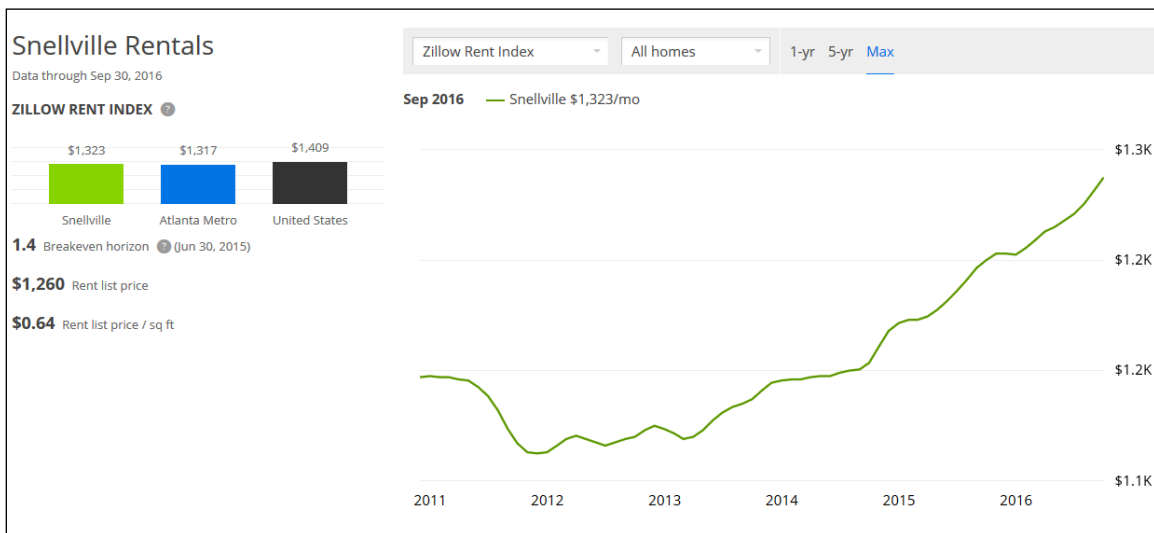
Cumming Home Prices & Values





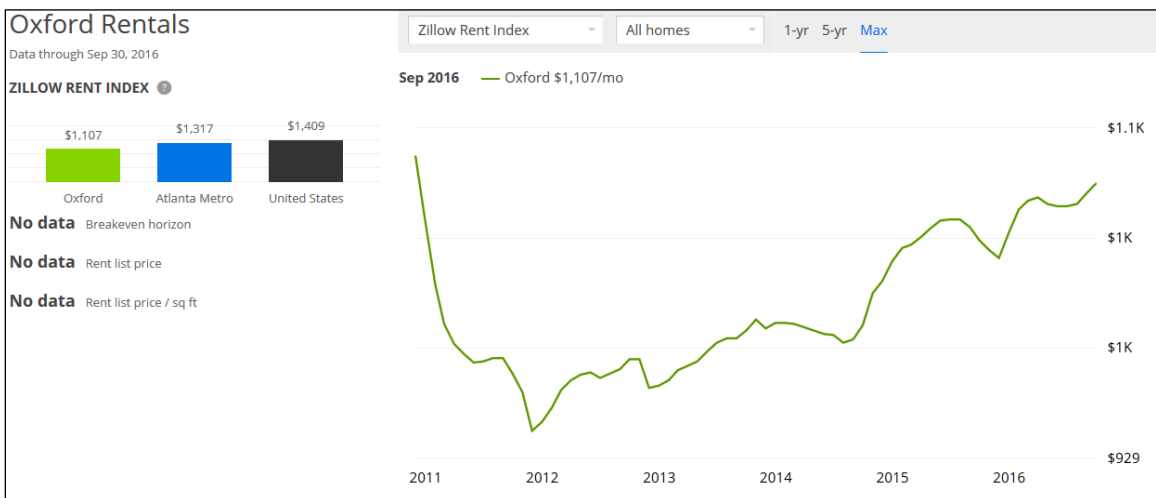
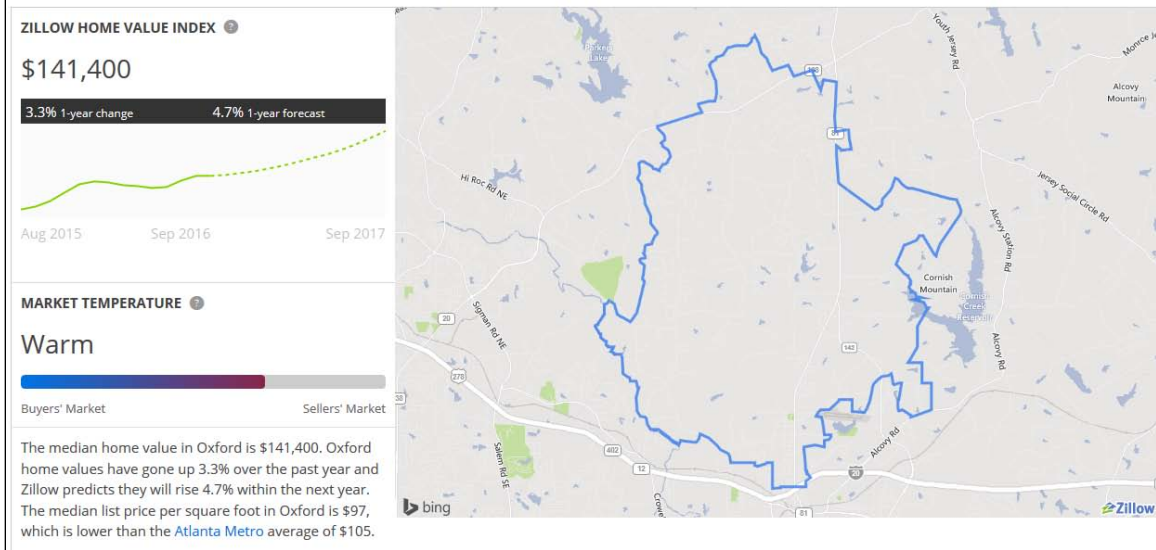
The following real property, owned by Debtor, is located in Snellville Georgia: 2520 Bangor Court. Zillow is predicting a 4.9% increase in average home values in Snellville in the next 12 months and the rental market is strong. This market has not yet fully recovered from post-financial crisis losses. This property is actively rented. The rental market in this area is very strong and expected to remain strong as housing prices continue to increase.



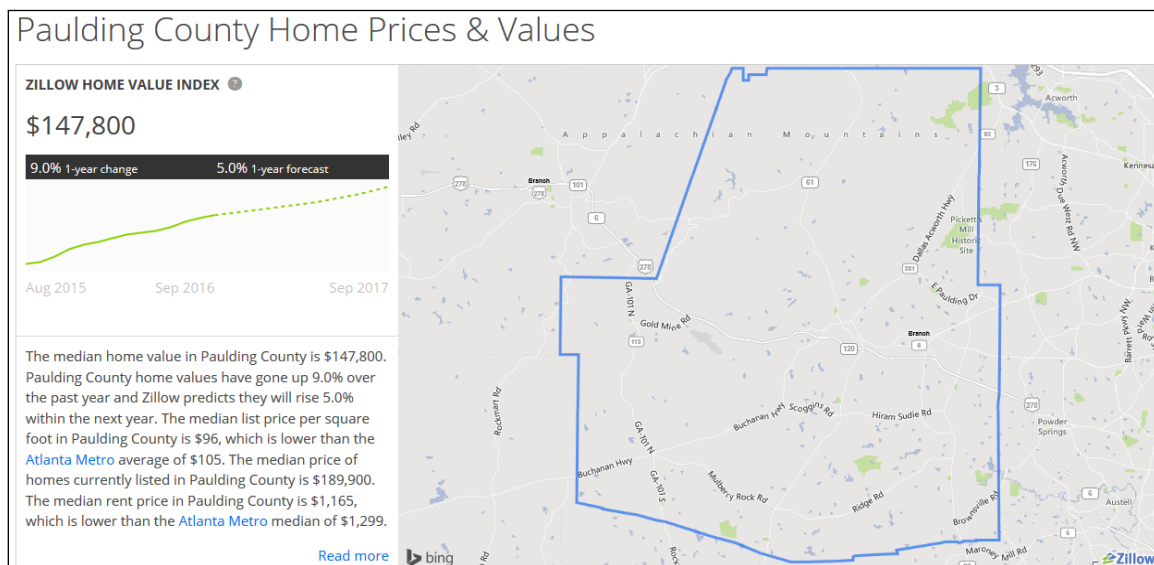


The following real property, owned by Debtor, is located in Oxford Georgia: 130 Whippoorwill Drive. Zillow is predicting a 4.7% increase in average home values in Oxford in the next 12 months. This property is actively rented. Rental prices in this market have rebounded. Zillow reports an upward trending rental market.

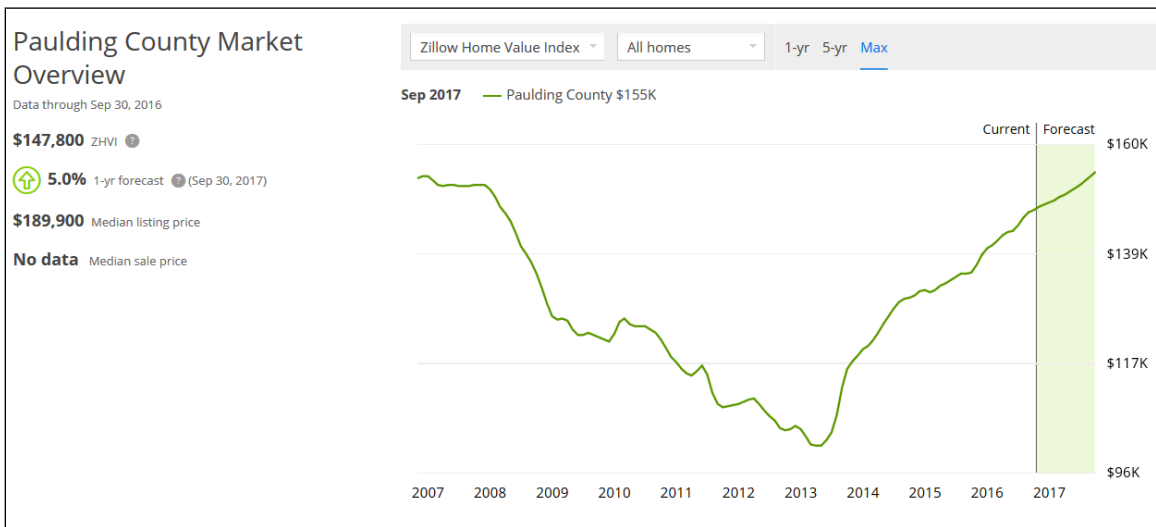
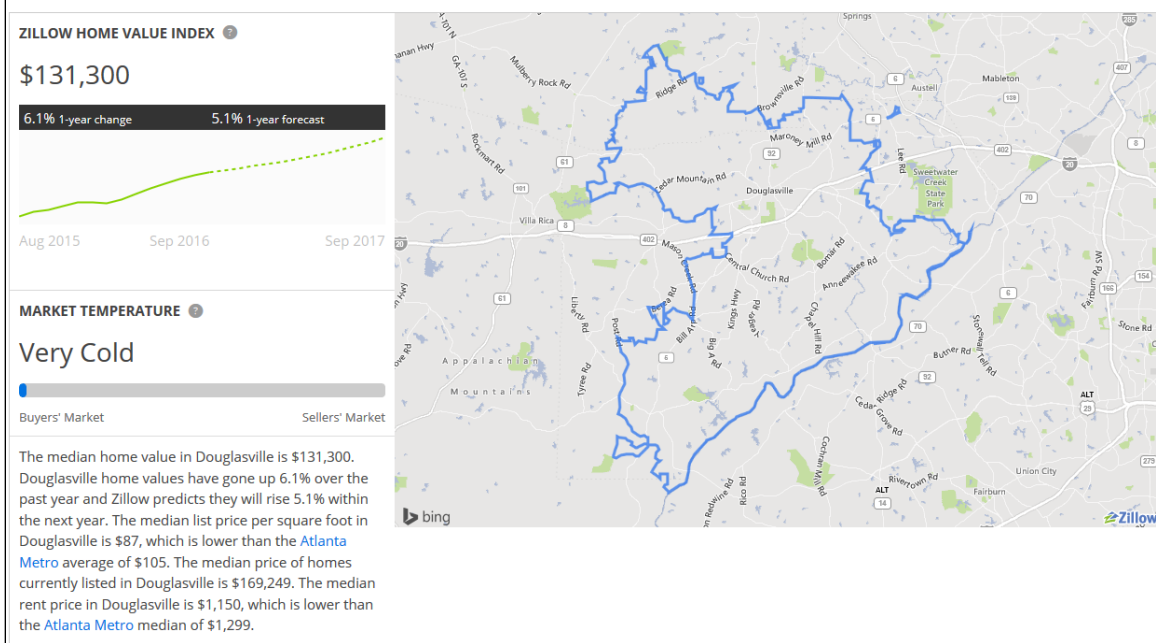
Oxford Home Prices & Values

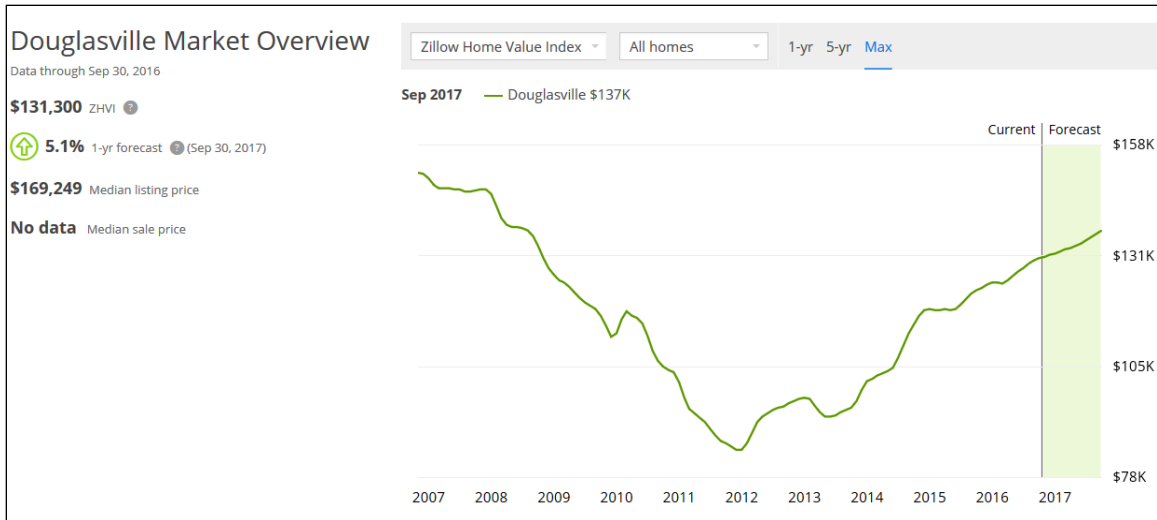


The following vacant developed lots, owned by Debtor or his LLCs, are located in South Paulding County Georgia: 29 Lots in Horseshoe Bend subdivision and 17 lots in Little Creek Manor subdivision consisting collectively of more than 43 acres of developed subdivisions. These properties are close in proximity to Douglasville and also influenced by Douglasville markets. Vacant lot price appreciation has lagged home price appreciation in this area. Collectively these lots were valued over \$1.8m in 2007 (based on recorded Deeds and consistent with local historical trends). Inventory of low cost vacant lots has kept pressure on lot pricing over the last few years. However, inventory of these lots has fallen substantially in Paulding County as builders buy up the lowest priced lots. North Paulding County lots have recently recovered to pre-financial crisis valuations. Debtor beleives South Paudling County will experience similar corrections in the future. Zillow is predicting a 5.0% increase in average home prices in the next 12 months in Paulding County. Zillow is predicting a 5.1% increase in average home prices in the next 12 months in Douglasville.

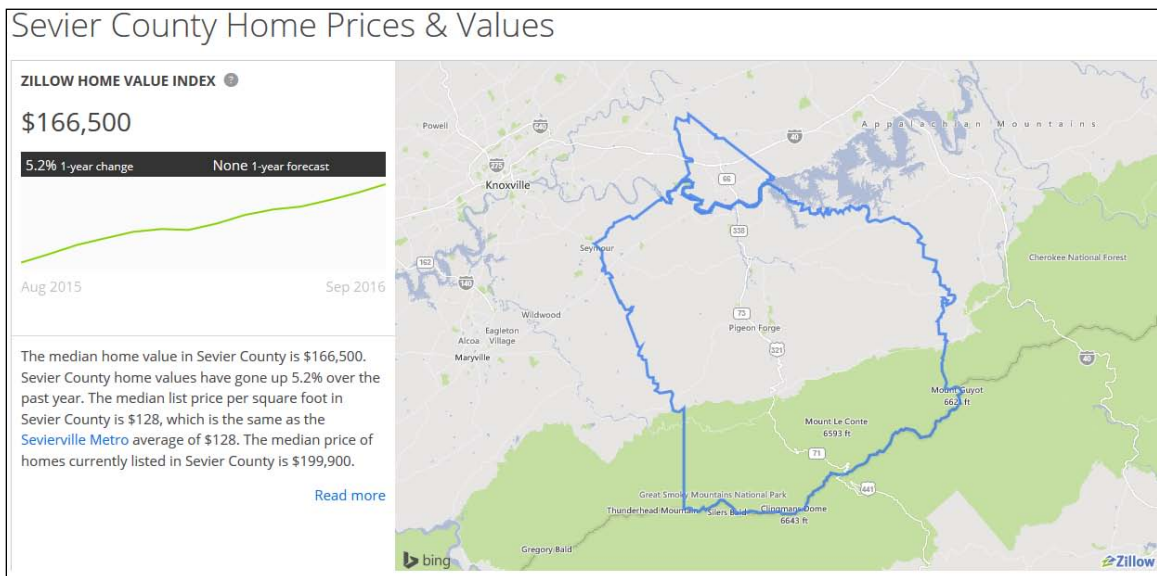


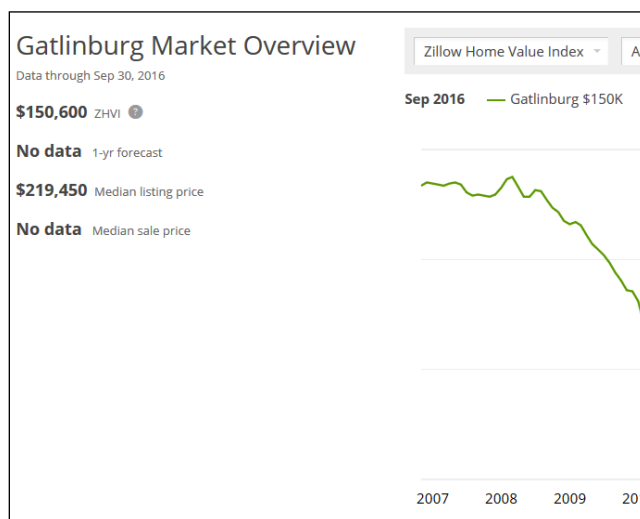
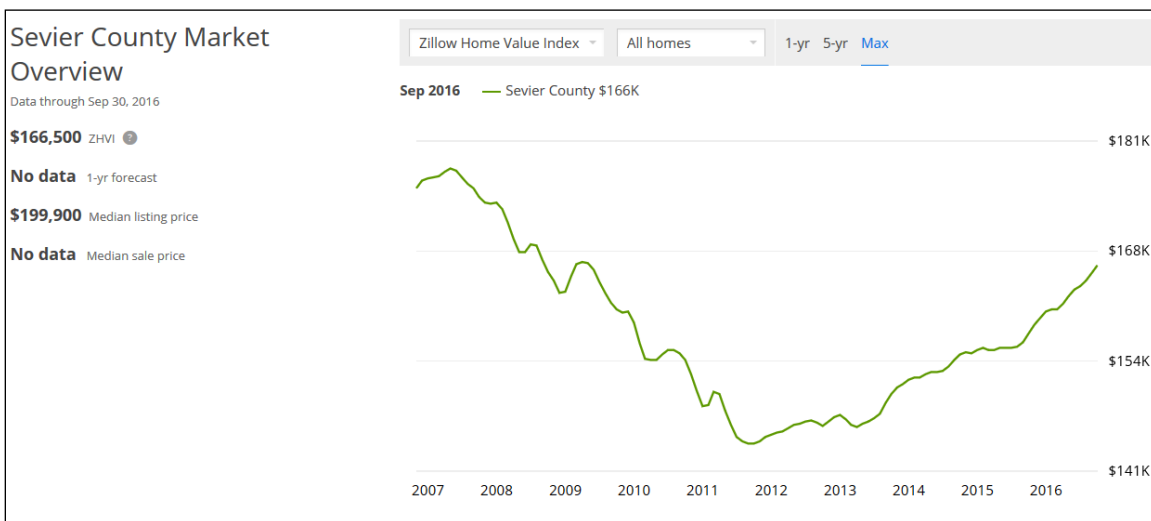
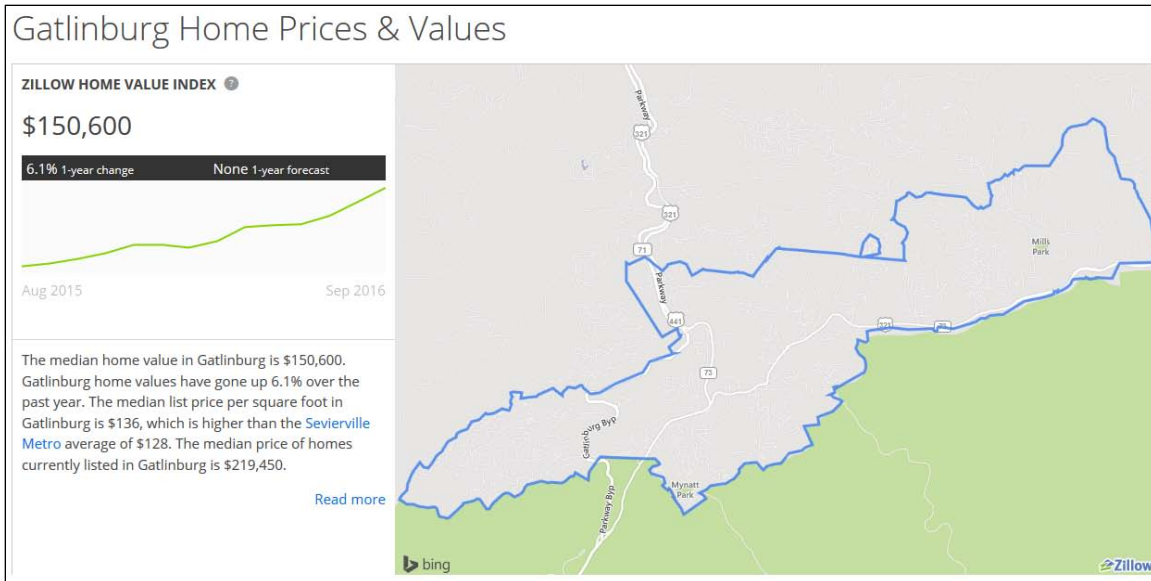
Douglasville Home Prices & Values



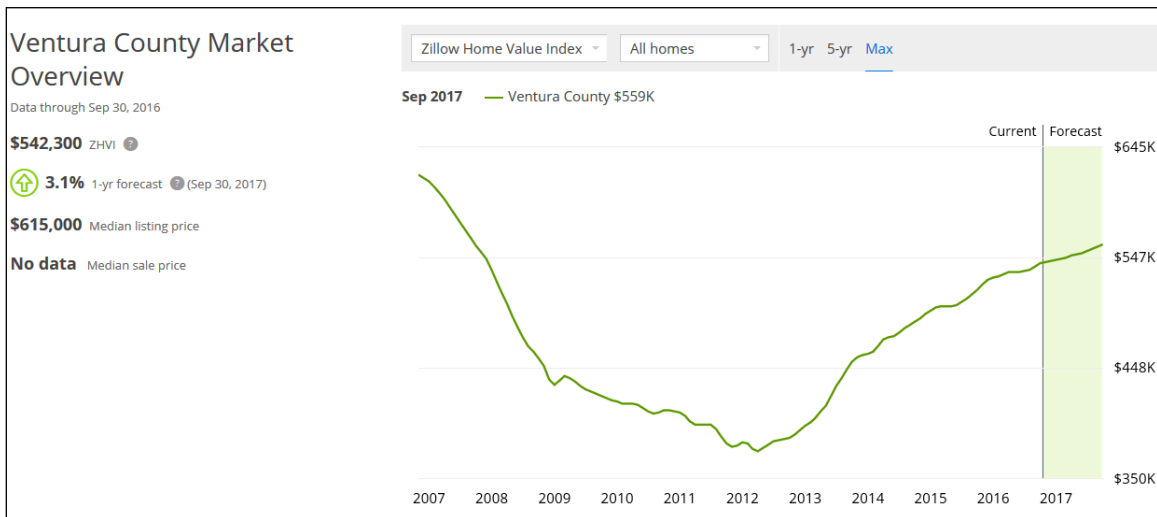
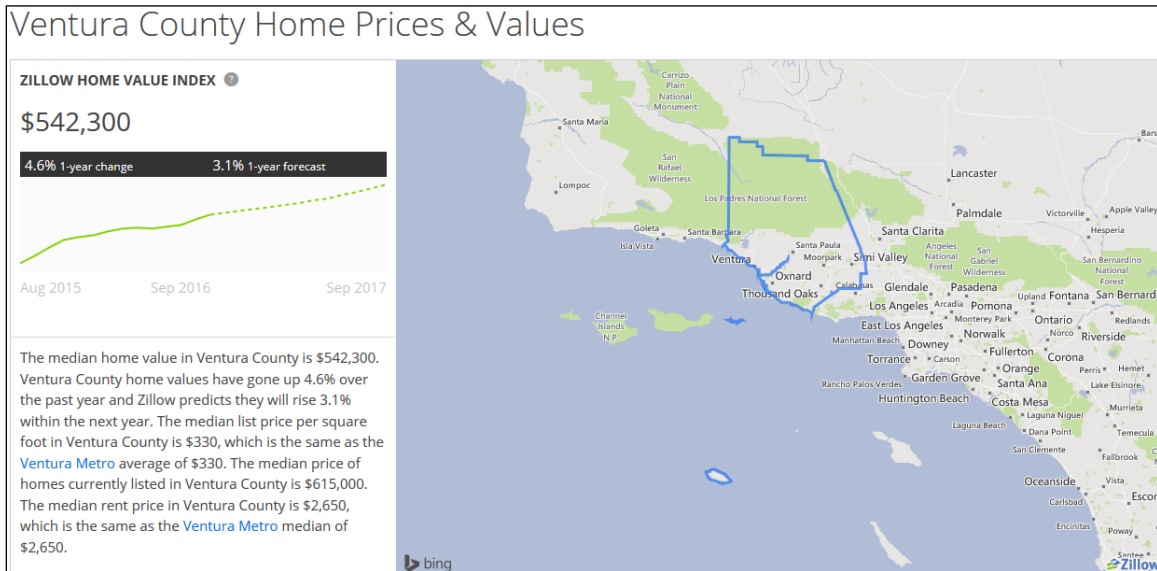


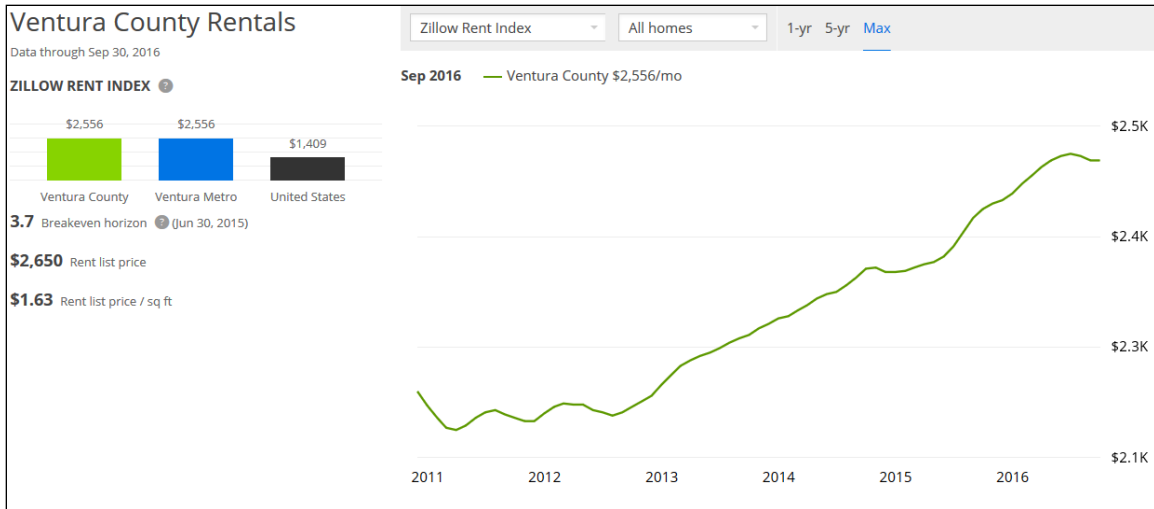
The following real property, owned by Debtor or his LLCs, is located in the Sevier County Tennessee: 2937 Legacy Vista Dr, 3010 Legacy Vista Dr, 3013 Legacy Vista Dr, 3015 Legacy Vista Dr, 3017 Legacy Vista Dr, 3049 Legacy Vista Dr, 3053 Legacy Vista Dr, 2611 Mountain Glory, 2613 Mountain Glory, 2617 Mountain Glory, 2322 Top of The World, 3451 Tekoa, 410 Beuna Vista, 218 Pinnacle Dr, 314 Pinnacle Dr, 2410 Breezy Ridge Ln, 2048 Mikey Street. Each of these properties is managed by Elk Spring Resort as vacation rentals for the greater Gatlinburg Tennessee market. Gatlinburg real estate trends are also shown. Zillow has not made a prediction of future home prices in either Gatlinburg or Sevier County. However, historical trends indicate gradually increasing home prices from 2013 to present, a current upward trend of house prices, and more than 10% margin remaining to reach pre-2008 price levels. Gatlinburg and much of Sevier County is dominated by vacation rentals making it difficult to track and predict rental price trends. Accordingly, Zillow does not publish local rent trends. However, there is no indication of softening of vacation rental rates.



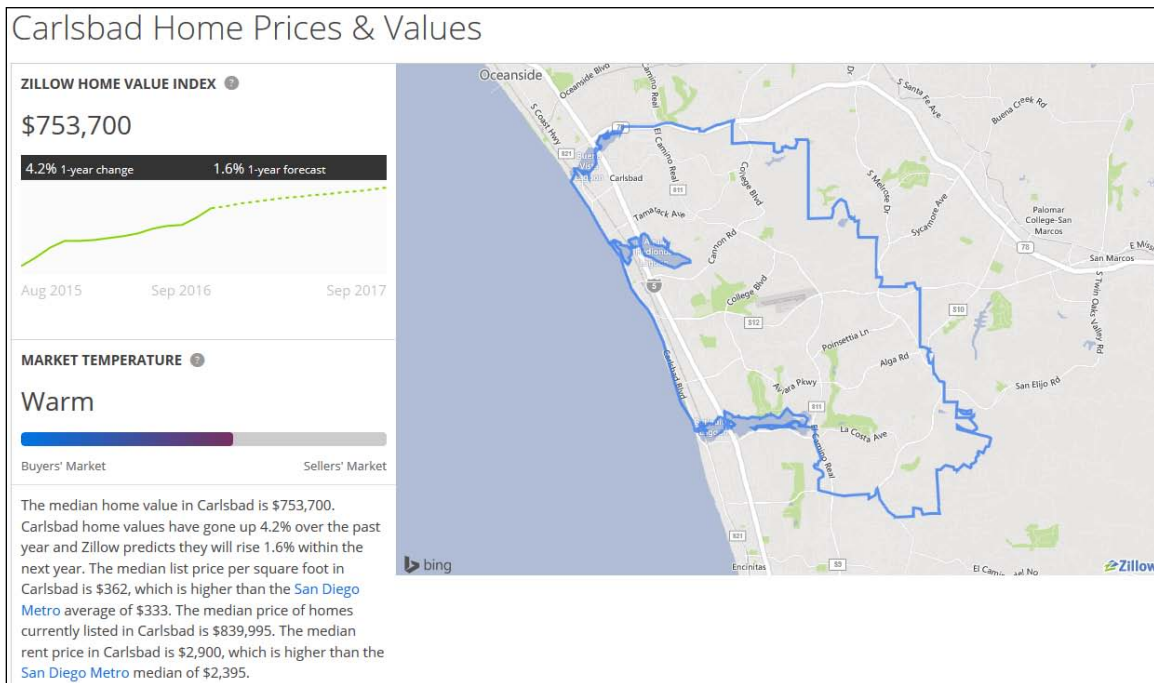


The following real properties, owned by Debtor, are located in Ventura County, California: 3621 Ketch, 3565 Hemlock, 549 E Pt Hueneme. These properties are actively rented. Zillow is predicting a 3.1% increase in average home values in the next 12 months. Zillow is also reporting upward trending rent prices. The rental market in this area is very strong and expected to remain strong as housing prices continue to increase.

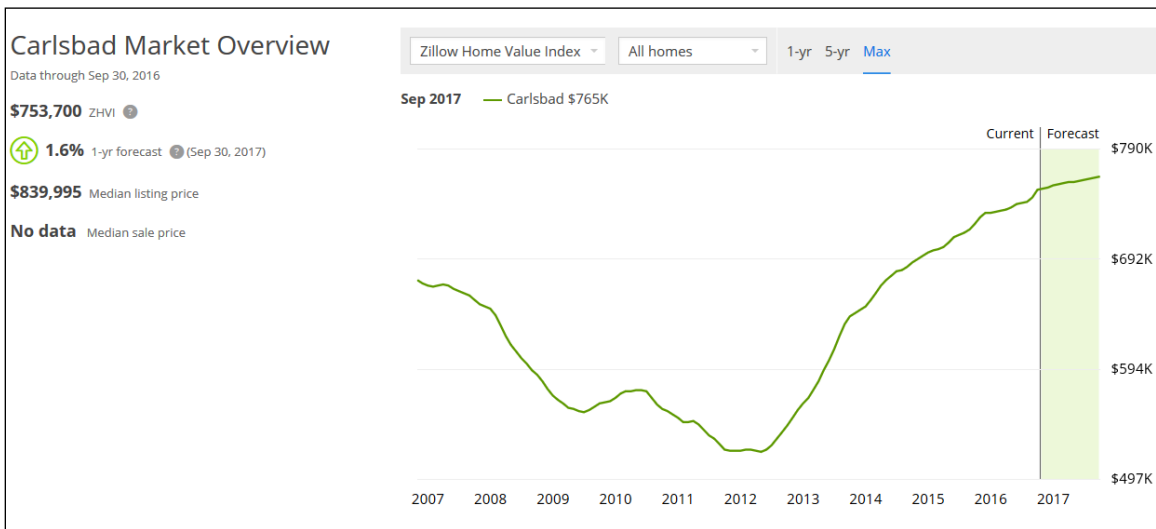
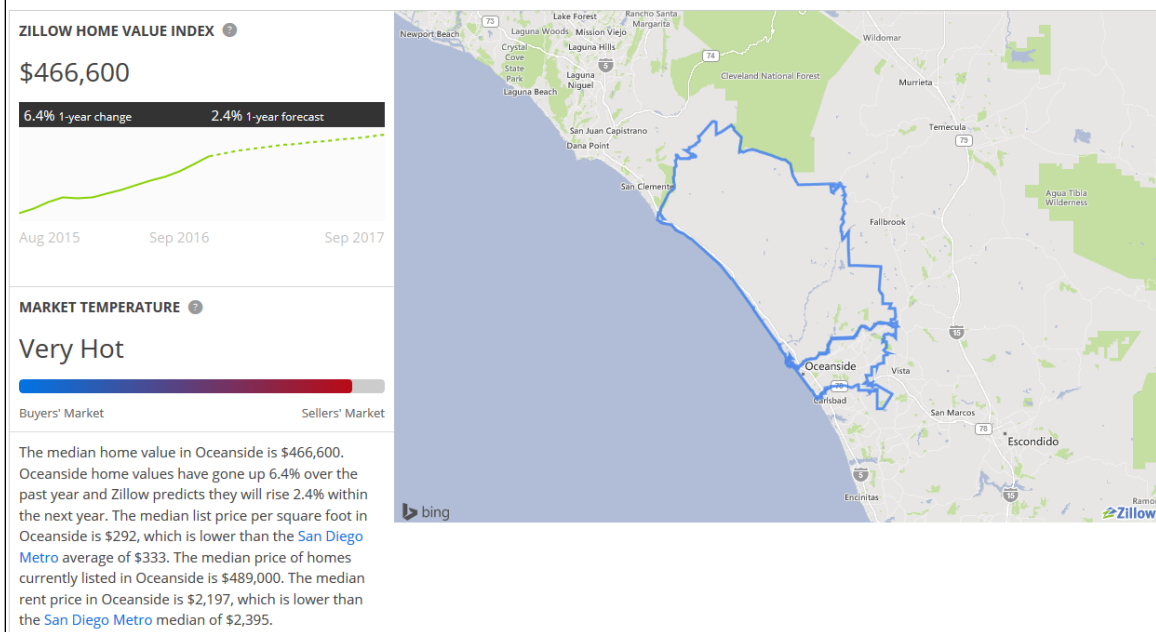


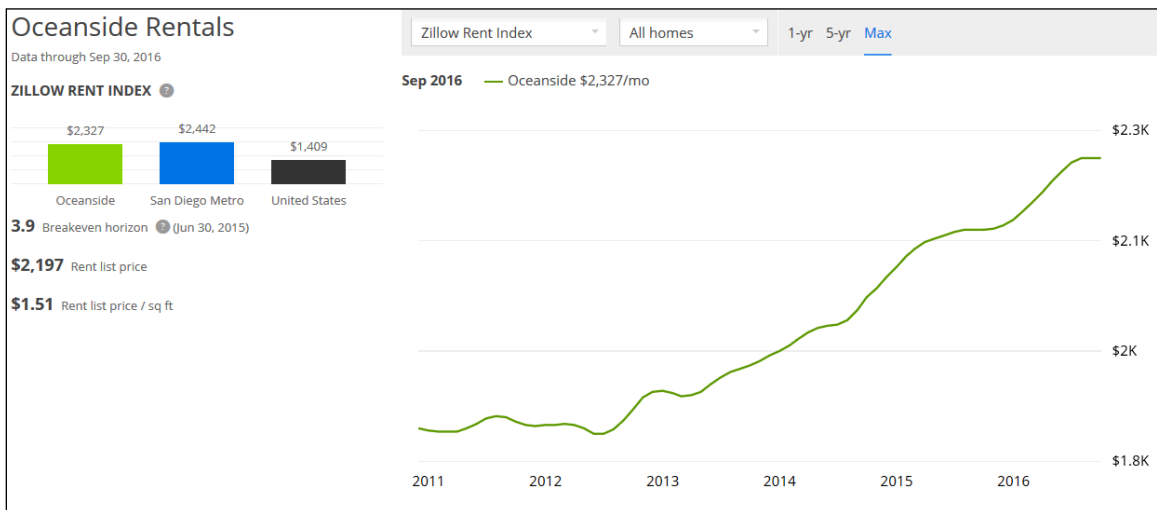
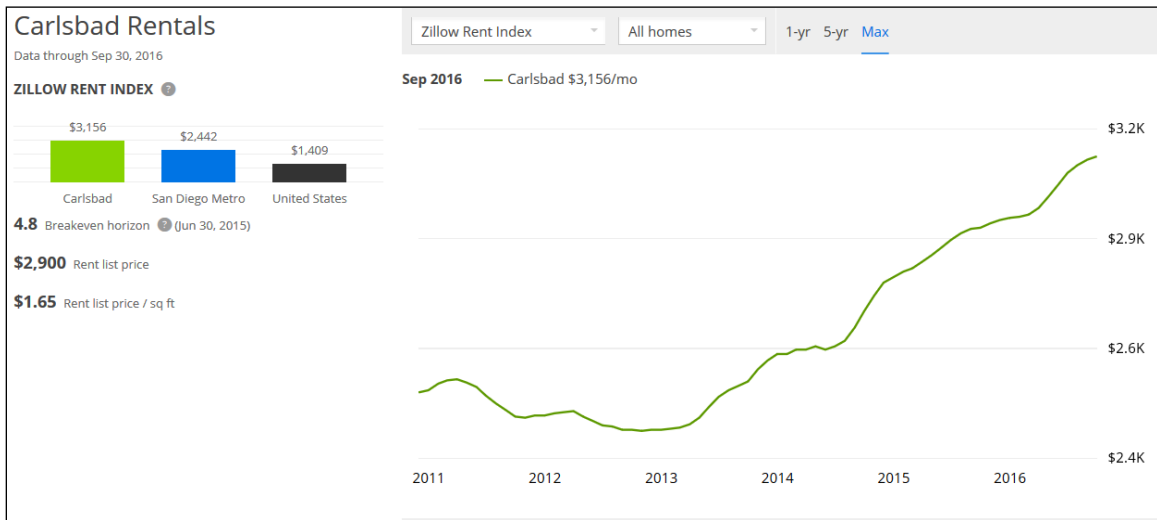


The following real properties, owned by Debtor, are located in the Oceanside or Carlsbad area of San Diego County, California: 2654 Navarra Dr Unit 115 and 3422 Los Mochis Way. These properties are actively rented. Zillow is predicting a 1.6% increase in average home values in the next 12 months in Carlsbad and a 2.4% increase in average home values in the next 12 months in Oceanside. Zillow is also reporting upward trending rent prices. The rental market in this area is very strong and expected to remain strong as housing prices continue to increase.



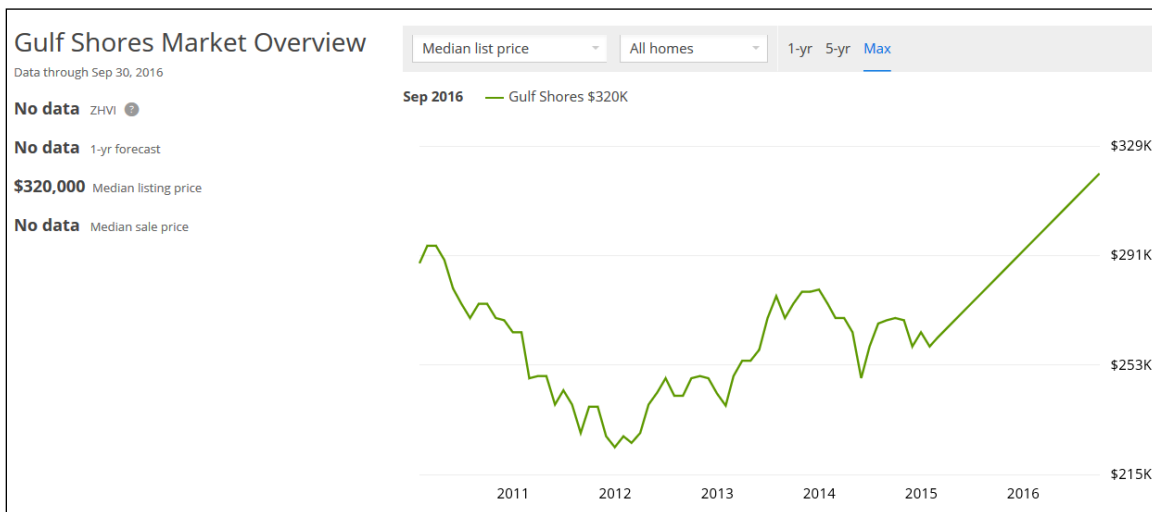
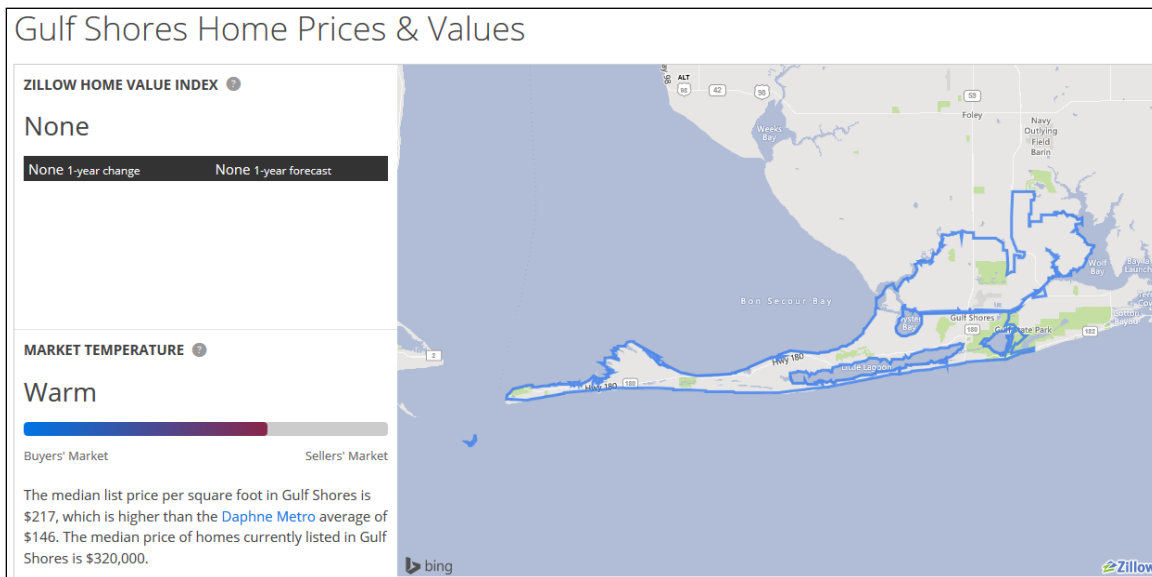
Oceanside Home Prices & Values

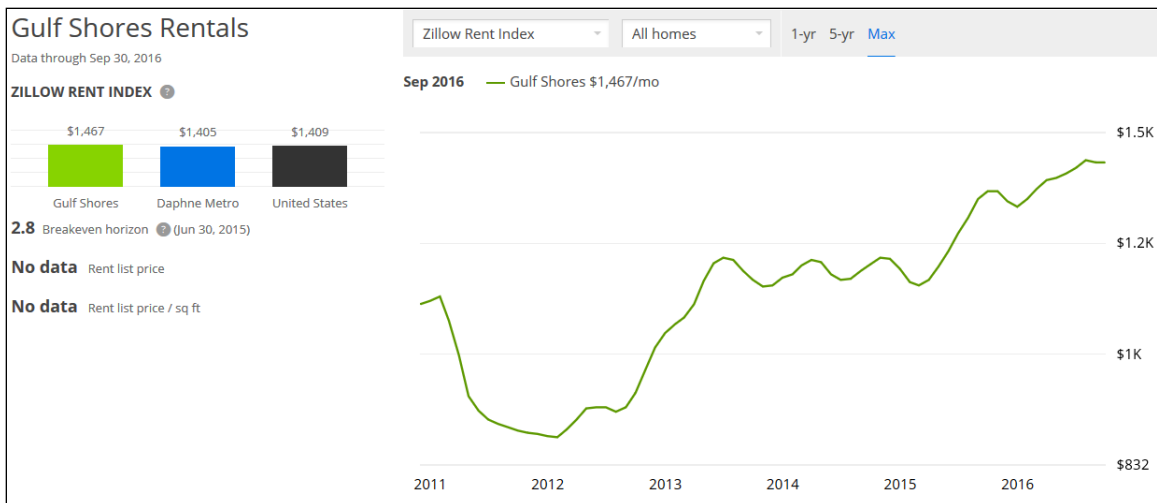




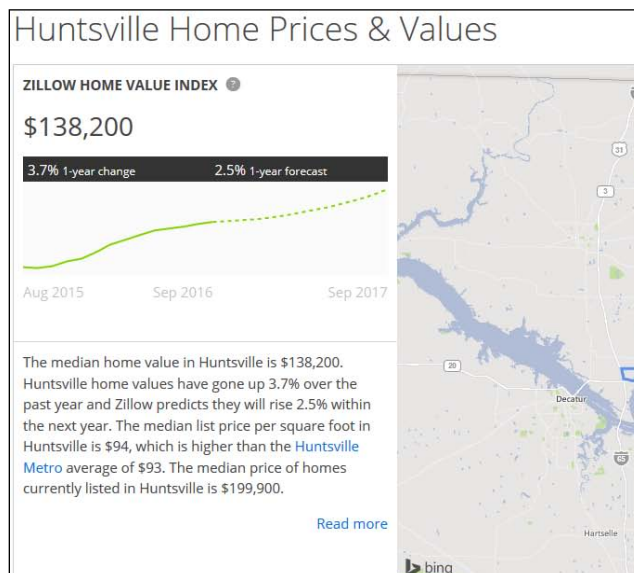
The following vacant lot, owned by Debtor, is located in the Fort Morgan area of Gulf Shores,

Alabama: Lot 12 Morgantown. This lot had a market valuation exceeding \$1.2m (supported by county tax records) prior to 2008. Home and land values in the Fort Morgan area were hit hard during the recent financial crisis. They are recovering, as illustrated by Zillow. Zillow is reporting upward trending home values and rent prices. However, vacant lot price appreciation has lagged home price appreciation. Gulf Shores city lots have recently recovered most of their losses relative to 2008. Debtor expects the Fort Morgan area to continue to appreciate in a fashion similar to Gulf Shores City. Zillow is not making prediction in the Gulf Shores area; however, Zillow reported historical data suggests the Gulf Shores housing market is in an upward trend similar to the upward trend seen in other areas of the South.

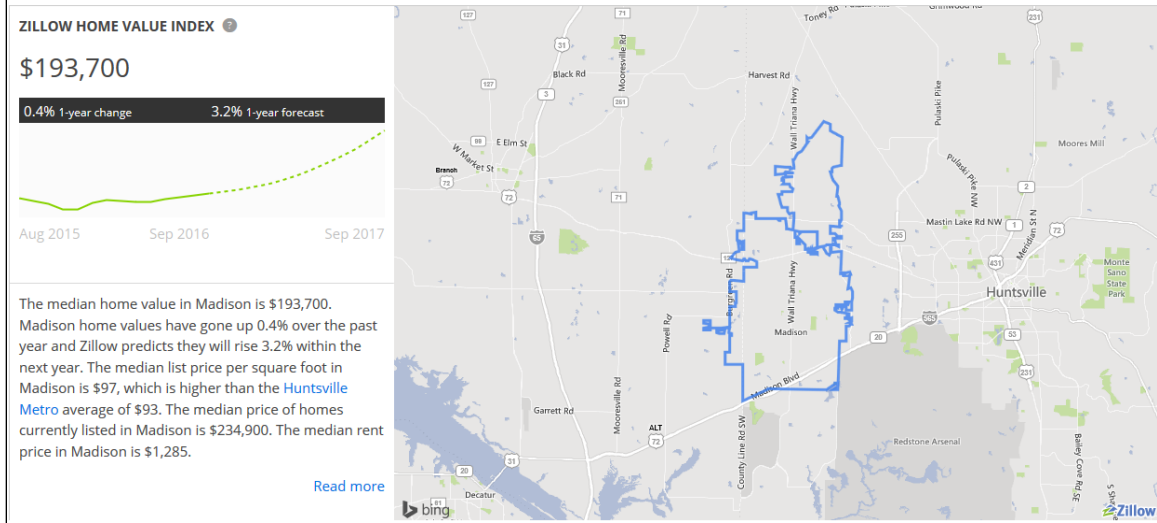




The following real properties, owned by Debtor or Debtor's LLCs, are located in Madison Alabama or Huntsville Alabama: All 25 properties securing claims by Progress Bank and Trust and 200 Walker Ave. Huntsville and Madison are experiencing similar trends in both average home prices and average rent. 200 Walker Ave is the current residence of Debtor and the vacant Lot at 198 Walker Ave is adjacent to Debtors personal residence and used by Debtor as part of his residence. A majority of the remaining 24 properties are actively rented. Three (3) of the homes are renovations that were started by Debtor but remain unfinished. These are listed for sale in their present unfinished state. Debtor experienced reduction in value of his Huntsville and Madison properties after 2009. Debtor's collateral has recovered some of these losses in recent years; however, full recovery has yet to occur. Trends reported by Zillow suggest that final recovery is occurring and that price increases may accelerate in the next 12 months. Zillow is predicting a 2.5% increase in average home values in the next 12 months in Huntsville and a 3.2% increase in average home values in the next 12 months in Madison. Zillow is reporting a rental market in both cities that has varied 10% or less in the last 5 years; suggesting low risk of rent reductions.



Madison Home Prices & Values



Huntsville Market Overview

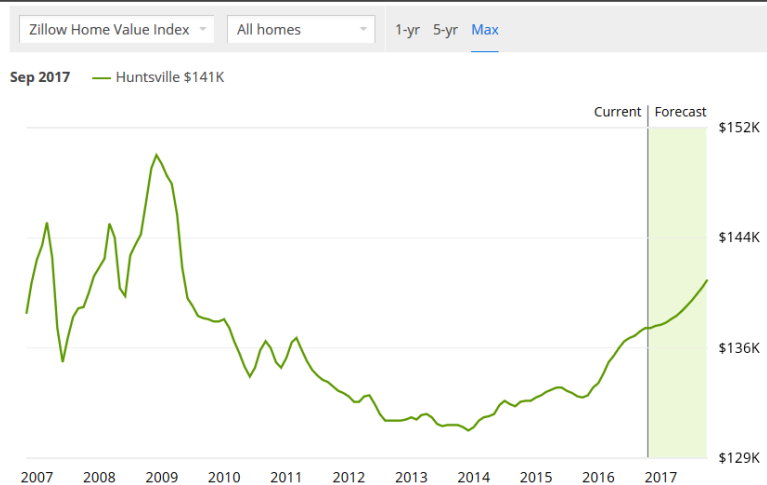
Data through Sep 30, 2016

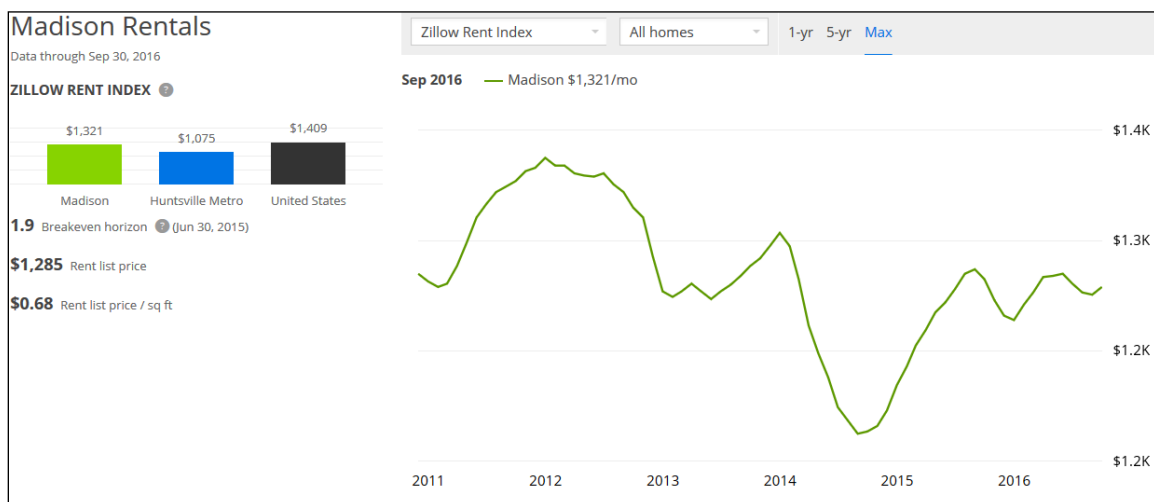
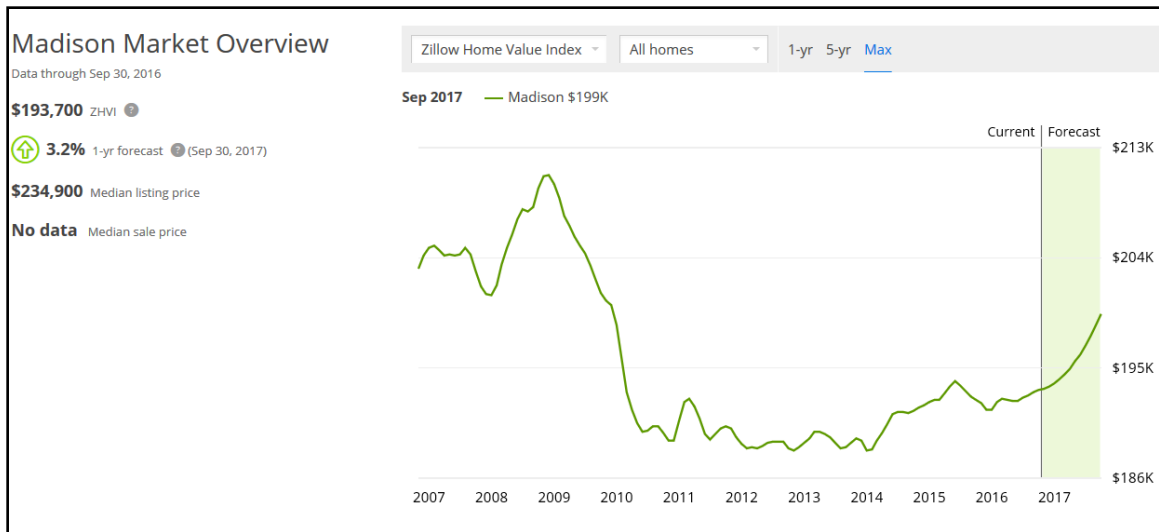
\$138,200 ZHVI

2.5% 1-yr forecast (Sep 30, 2017)

\$199,900 Median listing price

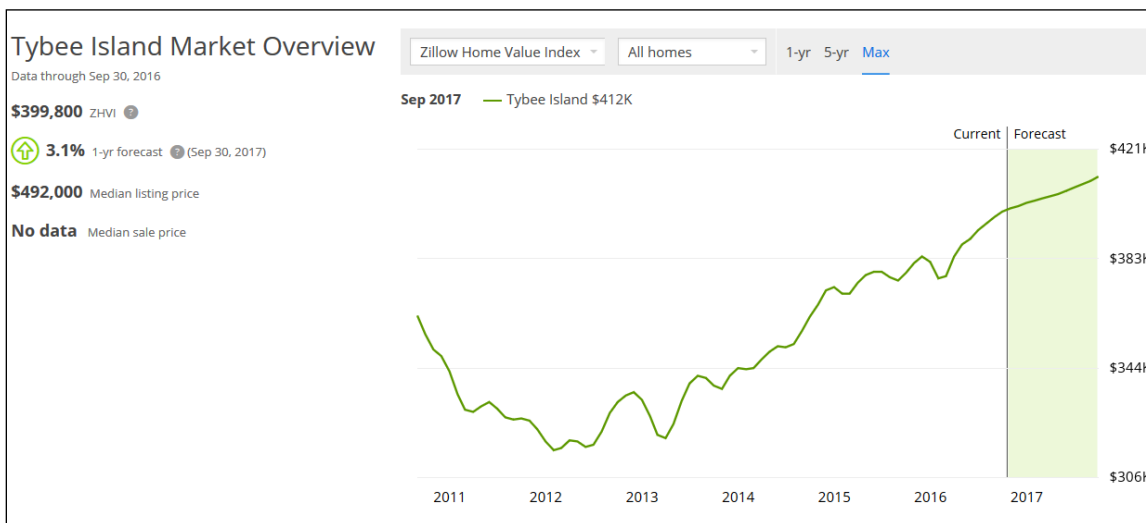
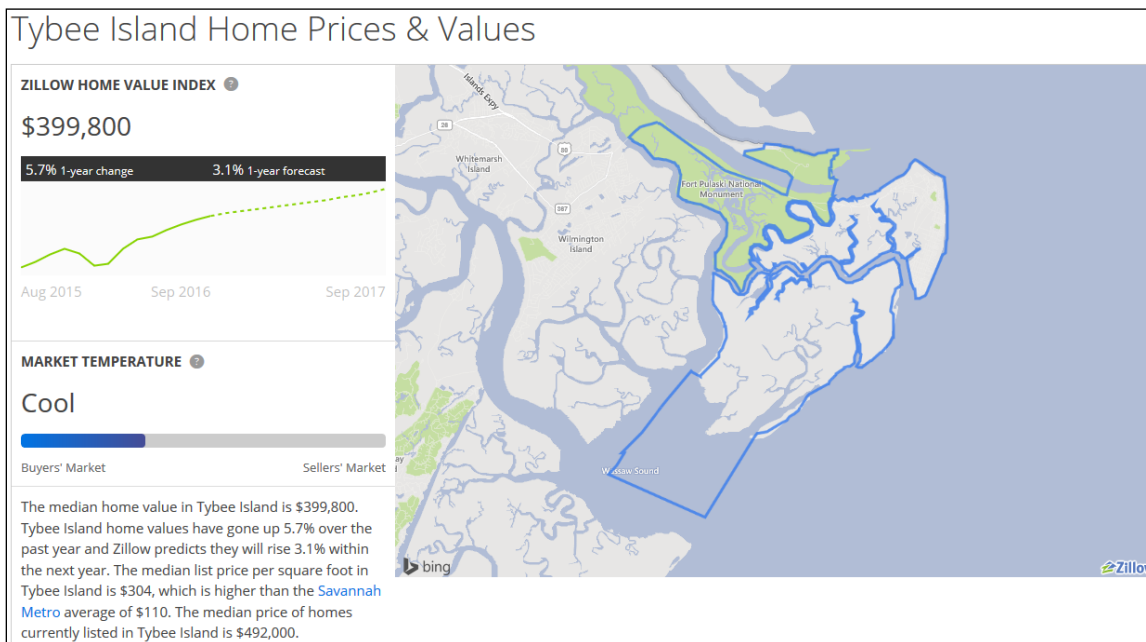
No data Median sale price

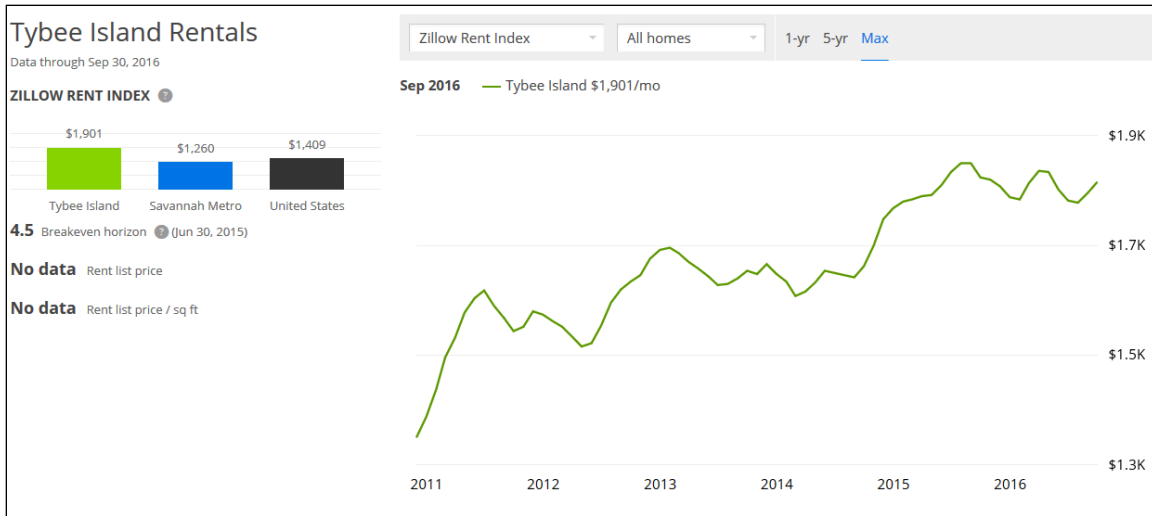




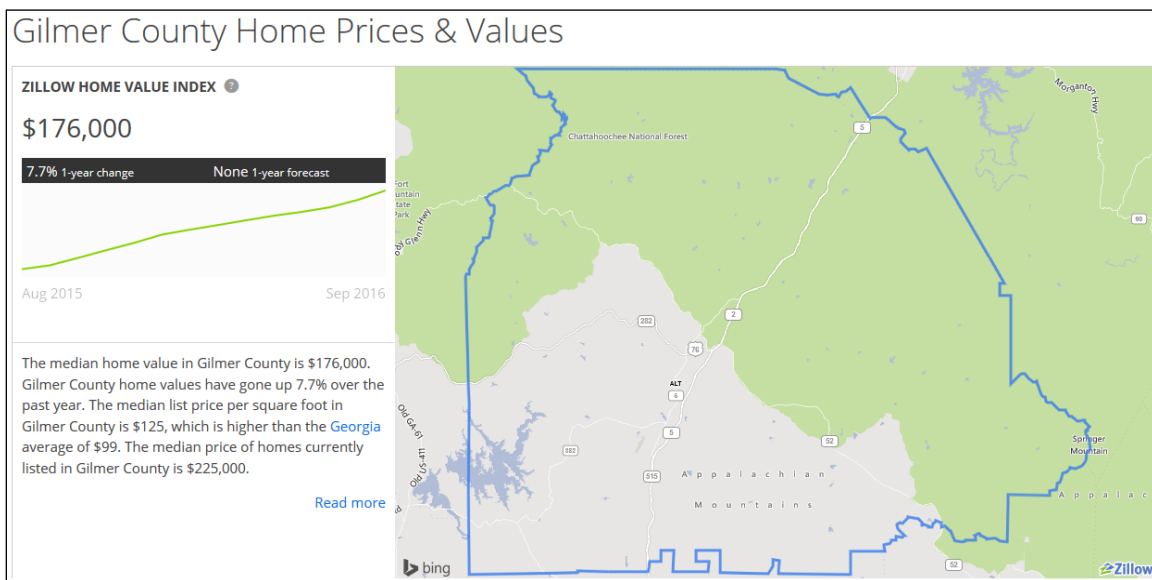
The following real properties, owned by Debtor or Debtor's LLCs, are located on Tybee Island Georgia: 1701 Strand Unit 8, 1519 Butler Unit 16, and 1519 Butler Unit 19. These

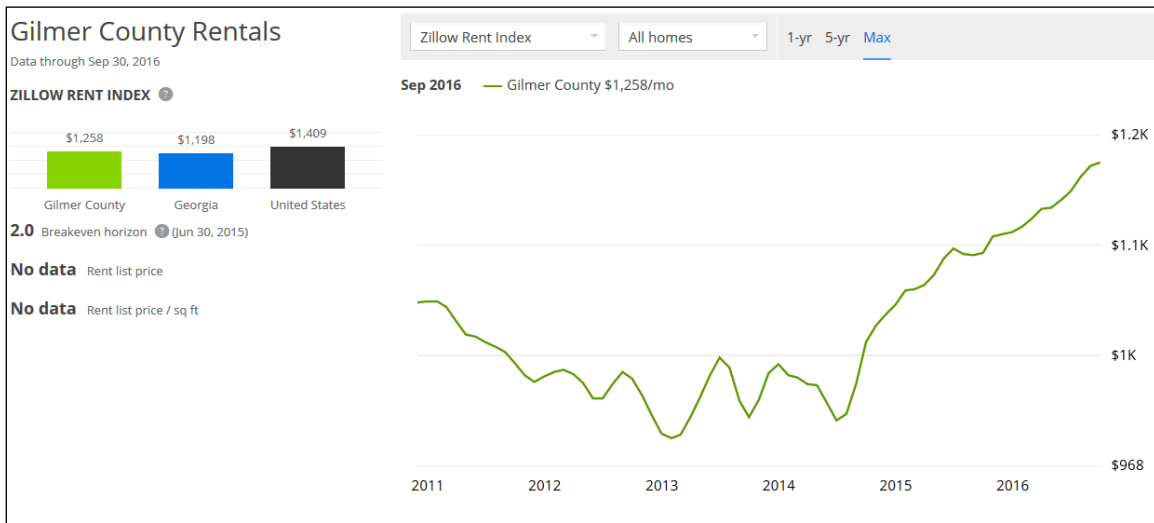
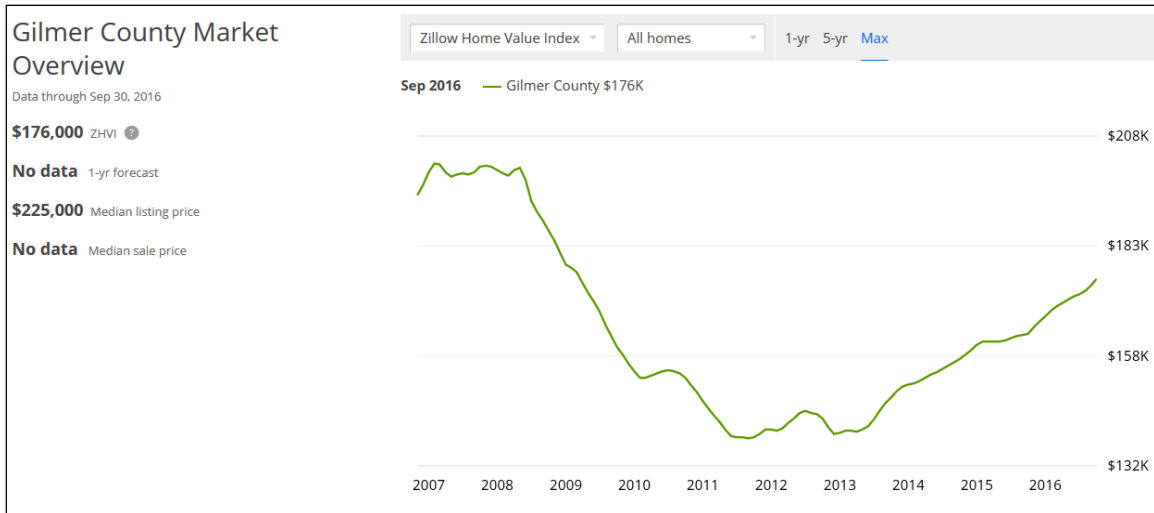
properties are currently managed by Tybee Beach Vacation Rentals as short term vacation rentals. Tybee Island rents and home values are recovering nicely from market lows.. Zillow is predicting a 3.1% increase in average home values in the next 12 months on Tybee Island. Zillow is also reporting a 30-40% increase in rents in the last 5 years with no indication that this trend is slowing down.





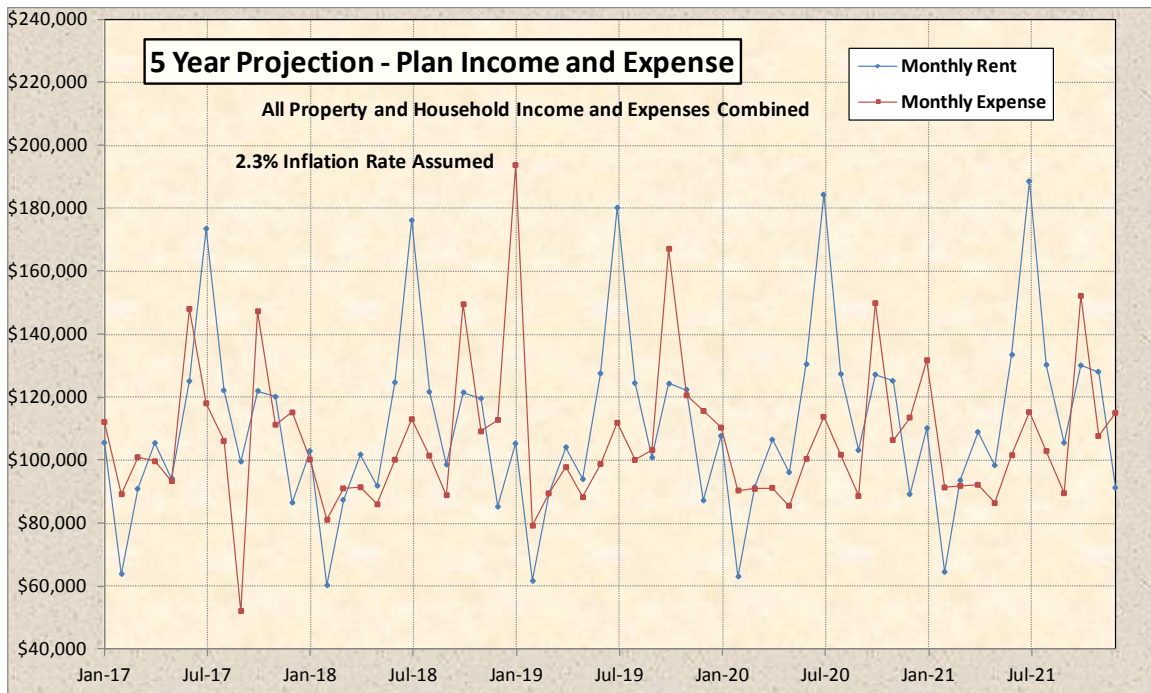
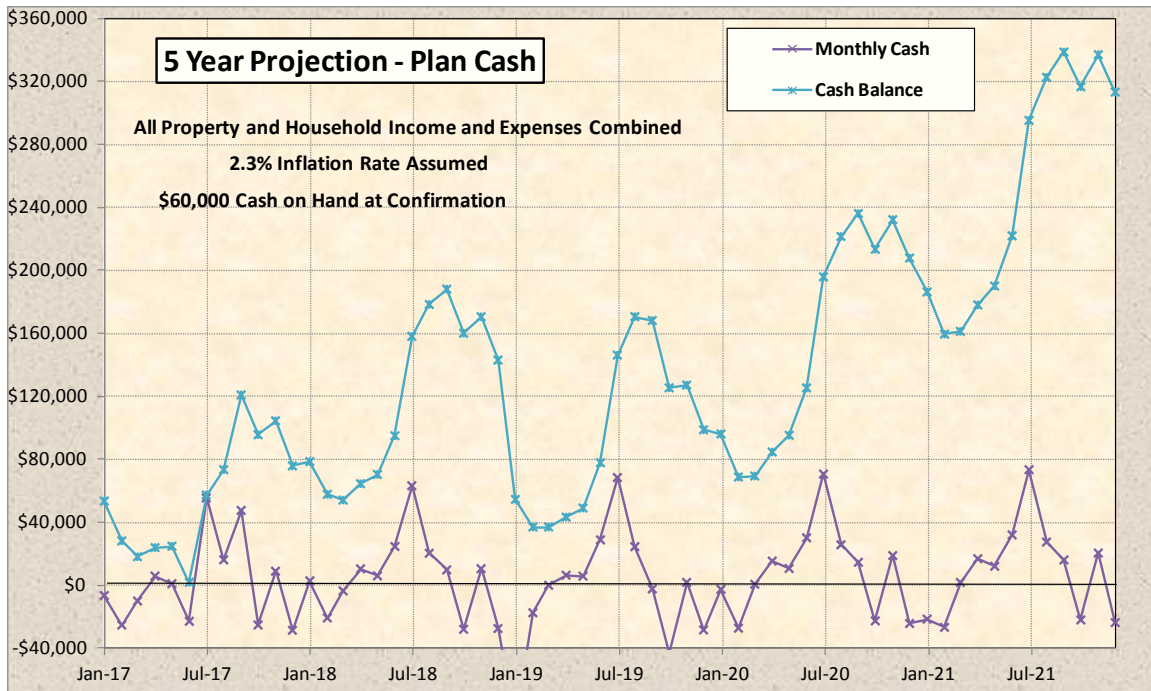
The following vacant lots, owned by Debtor or his LLCs, are located in Gilmer County Georgia: 19 Lots in Lakeland Estates; 2 Tracts of Land adjacent to Lakeland Estates, and 3 lots in Conasauga Estates. Ellijay is in the North Georgia Mountains and it attracts vacation renters, retirees, and Atlanta second-home owners. As illustrated by Zillow, the area has recovered some of its losses and is experiencing an upward trend in both home prices and rents. However, vacant lot price appreciation has lagged home price appreciation in the area. Current lot valuations are still ½ of peak pre-2008 valuations indicating room for considerably higher lot prices. Zillow is not making predictions in the area; however, average home prices increased 7.7% over the last 12 months and this trend has been very consistent over the last few years.

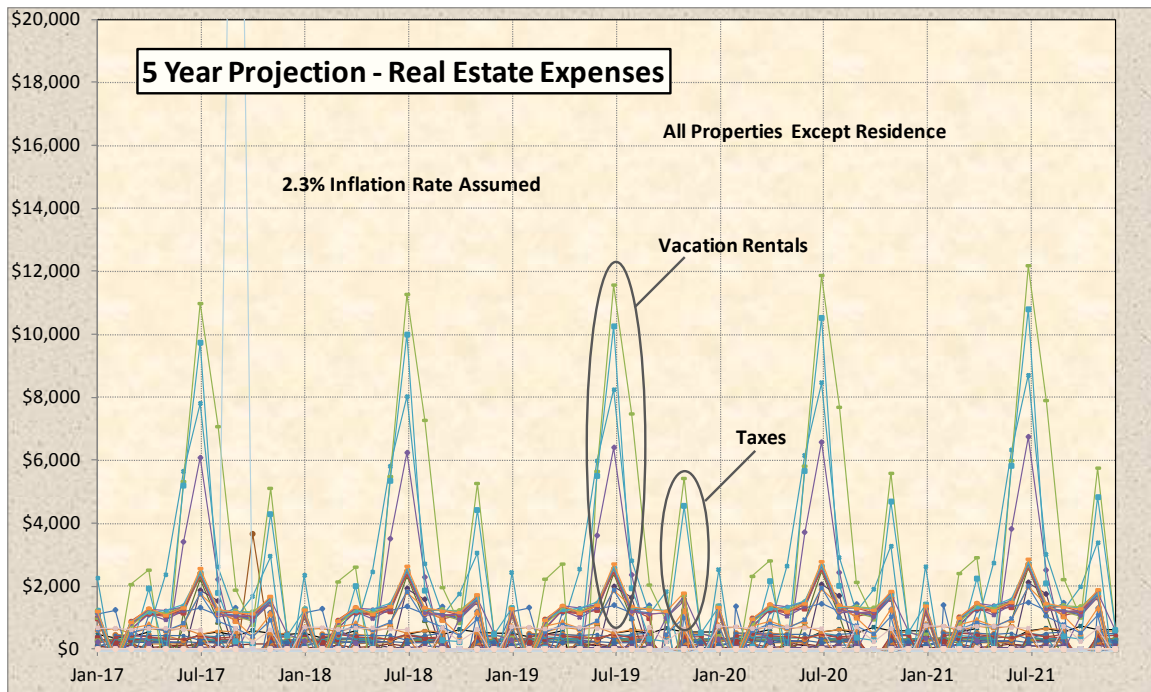
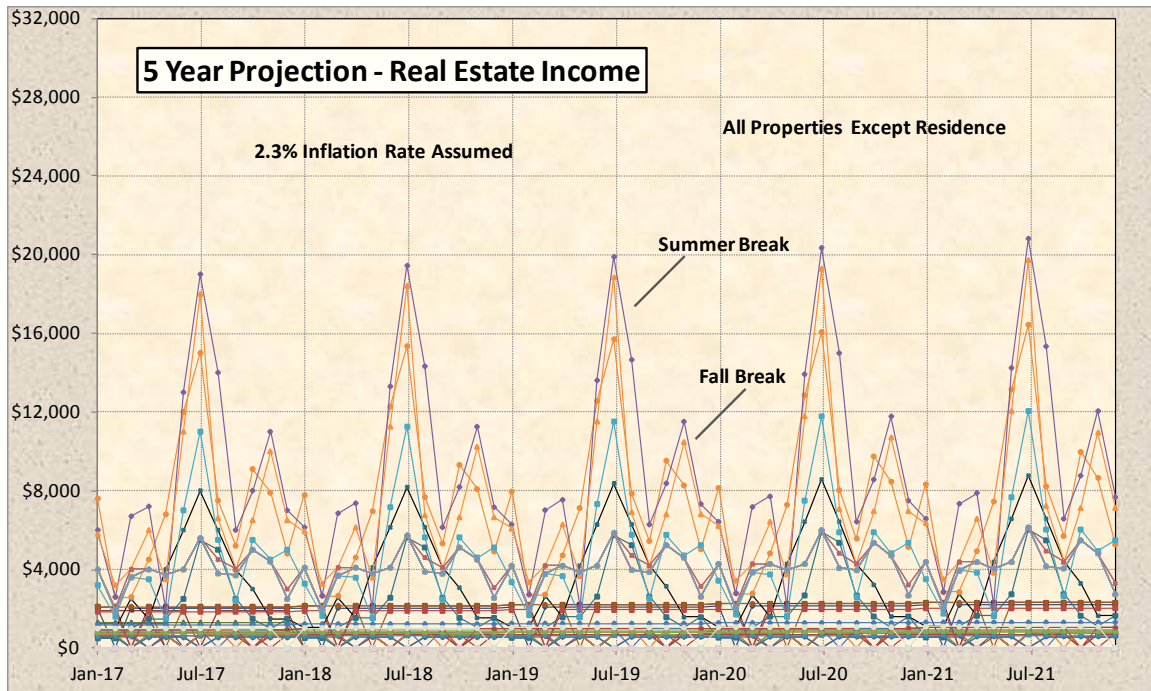


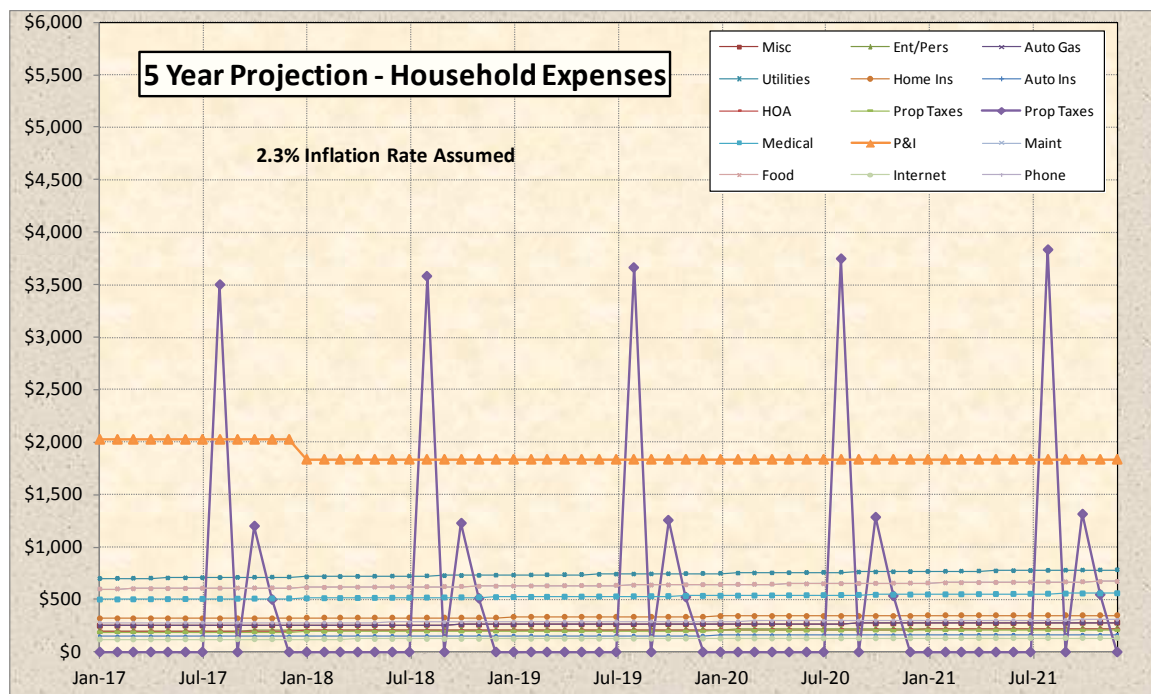
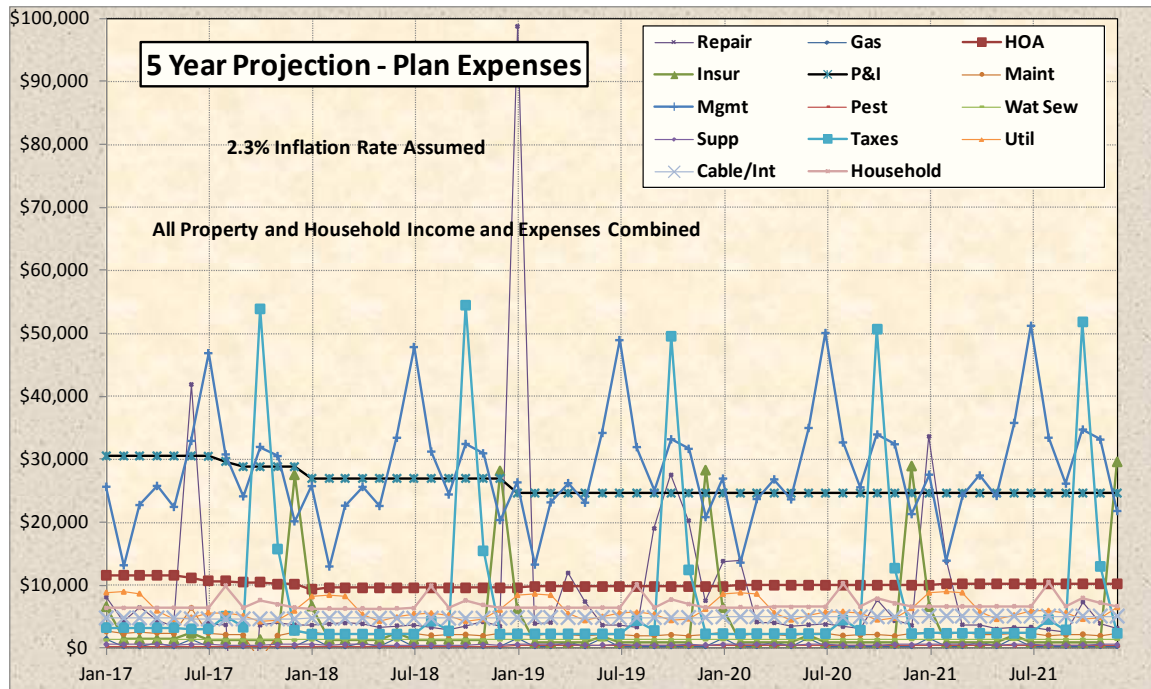


2. The Debtor's Projected Cash and Cash Flow is Strong.

Charts reflecting the Debtor's 5 year Cash and Monthly Cash Flow Projections are provided below.







The details of Mr. Dombrowski's projected future income and expenses analysis for five (5) years after confirmation of the Plan is provided in the attached Exhibit "G".

d. Classification.

Section 1122 of the Bankruptcy Code sets forth the requirements relating to classification of claims. Section 1122(a) provides that claims or interest may be placed in a particular class

only if they are substantially similar to the other claims or interest in that class. The Debtor believes that all Classes under the Plan satisfy the requirements of Section 1122(a). The Debtor believes that the classification of Claims set forth in the Plan is appropriate in classifying substantially similar Claims together, and does not discriminate unfairly in the treatment of those Classes. The Debtor believes that the Plan adheres to the absolute priority rule and treats holders of Claims and Interests in accordance with their contractual entitlement and applicable law.

B. Non-Consensual Confirmation.

The Bankruptcy Code provides for confirmation of the Plan even if it is not accepted by all impaired Classes, as long as at least one impaired Class of Claims has accepted it (without counting the acceptances of insiders). These so-called "cramdown" provisions are set forth in Section 1129(b) of the Bankruptcy Code. The Plan may be confirmed under the cramdown provisions if, in addition to satisfying the other requirements of Section 1129 of the Bankruptcy Code, it (i) is "fair and equitable" and (ii) "does not discriminate unfairly" with respect to each Class of Claims or Interests that is impaired under, and has not accepted, such Plan.

1. Fair and Equitable Standard.

With respect to a dissenting Class of unsecured creditors, the "fair and equitable" standard requires, among other things, that the Plan contain one of two elements. It must provide either that each unsecured creditor in the Class receive or retain property having a value, as of the Effective Date, equal to the Allowed amount of its Claim, or that no holder of Allowed Claims or Interests in any junior Class may receive or retain any property on account of such Claims or Interest. The strict requirements as to the allocation of full value to dissenting Classes before junior Classes can receive a distribution are known as the "absolute priority rule." In addition, the "fair and equitable" standard has also been interpreted to prohibit any class senior to a dissenting class from receiving under a plan more than one hundred percent (100%) of its Allowed Claims.

2. The Plan Must Not Discriminate Unfairly.

As a further condition to approving a cramdown, the Bankruptcy Court must find that the Plan does not "discriminate unfairly" in its treatment of dissenting Classes. A Plan of Reorganization does not "discriminate unfairly" if (a) the Plan does not treat any dissenting impaired Class of Claims or Interests in a manner that is materially less favorable than the treatment afforded to another Class with similar legal Claims against or Interests in the Debtor and (b) no Class receives payments in excess of that which it is legally entitled to receive for its Claims or Interests. The Debtor believes that the Plan does not discriminate unfairly as to any impaired Class of Claims or Interests.

If any impaired Class of Claims entitled to vote on the Plan does not accept the Plan by the requisite majority provided in section 1126(c) of the Bankruptcy Code, the Debtor reserves the right to amend the Plan or undertake to have the Bankruptcy Court confirm the Plan under section 1129(b) of the Bankruptcy Code or both. With respect to impaired Classes of Claims or Equity Interests that are deemed to reject the Plan, the Debtor will request that the Bankruptcy

Court confirm the Plan pursuant to section 1129(b) of the Bankruptcy Code.

C. Voting Procedures and Requirements.

1. Voting Requirements - Generally.

Pursuant to the Bankruptcy Code, only holders of Claims that are allowed pursuant to Section 502 of the Bankruptcy Code and that are impaired under the terms and provisions of the Plan are entitled to vote to accept or reject that Plan.

All creditors who filed proofs of claim in an amount different from the amount set forth in the Debtor's Schedules or whose Claim was not included in the Debtor's Schedules are treated as the holder of a Disputed Claim under the Plan. However, all creditors whose Claims are impaired under the Plan will be treated as holders of Allowed Claims for voting purposes only. A Claim recorded in the Schedules or in the Clerk's records as wholly unliquidated, contingent and/or undetermined shall be accorded one vote and valued at one dollar for purposes of Section 1126(c) of the Bankruptcy Code, unless the holder of such Claim files with the Court and serves a request for temporary allowance of such Claim in a greater amount for voting purposes. If a Claim is recorded in the Schedules or in the Clerk's records as unliquidated, contingent and/or undetermined in part, the holder of the Claim shall be entitled to vote that portion of the claim that is liquidated, non-contingent and undisputed in the liquidated, non-contingent and undisputed amount, subject to any limitations set forth herein and unless otherwise ordered by the Court. The Debtor's agreement to allow such creditors to vote on the Plan shall not waive the Debtor's right to treat such Claims as Disputed Claims for all other purposes.

Pursuant to the Bankruptcy Code a class of claims or interests is "impaired" if the legal, equitable, or contractual rights attaching to the claims or interests of that class are altered, other than by curing defaults and reinstating maturity.

Classes of Claims that are not impaired are not entitled to vote on the Plan, are presumed to have accepted the Plan and will not receive a Ballot. As set forth above, the Claims in Class 1 are not impaired, and such Class of Claims is not entitled to vote on the plan and is presumed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. The classification of Claims and their designation as impaired or not impaired is summarized above in Section IV, C. entitled "Classification and Treatment of Claims and Interests".

2. Voting Procedures.

A Ballot for voting to accept or reject the Plan will be enclosed with each copy of the Disclosure Statement that is sent by the Court to parties entitled to vote. In most cases, the Ballot enclosed with this Disclosure Statement will be printed with the amount of your Claim for voting purposes. Such amount is based on your proof of claim, the Debtor's Schedules or an order of the Court. All votes to accept or reject the Plan must be cast by using the Ballot enclosed with this Disclosure Statement.

IF YOU HAVE A CLAIM THAT IS IMPAIRED UNDER THE PLAN ENTITLING YOU

TO VOTE AND YOU DID NOT RECEIVE A BALLOT, RECEIVED A DAMAGED BALLOT, OR LOST YOUR BALLOT, PLEASE CONTACT THE U.S. BANKRUPTCY COURT AT (256) 353-2817. IF YOU HOLD CLAIMS IN MORE THAN ONE CLASS, YOU MAY RECEIVE MORE THAN ONE BALLOT. YOU SHOULD COMPLETE, SIGN AND RETURN EACH BALLOT YOU RECEIVE.

Consistent with the provisions of Bankruptcy Rule 3018, the Court will fix a date as the record date for determining the holders of Claims who are entitled to receive a copy of this Disclosure Statement and to vote to accept or reject the Plan (the "Ballot Record Date"). Entities that acquire Claims after the Ballot Record Date will not be entitled to vote on the Plan.

Under the Bankruptcy Code, for purposes of determining whether the requisite acceptances have been received, only those holders that vote to accept or reject the Plan will be counted. Votes cannot be transmitted orally or by facsimile transmission. Accordingly, it is important that you return your signed and completed Ballot(s) promptly. Failure by any holder to send a duly executed Ballot with an original signature will be deemed an abstention by such holder with respect to a vote on the Plan and will not be counted as vote for or against the Plan. To accept Plan, the holder must check the box entitled "accept the Plan" on the appropriate Ballot. Any Ballot cast that does not indicate whether the holder of the Claim or Interest is voting to accept or reject the Plan will not be counted as either an acceptance or rejection of the Plan. A vote may be disregarded if the Bankruptcy Court determines, after a hearing, that such acceptances or rejection was not solicited or procured in good faith or other in accordance with the provision of the Bankruptcy Code or if a Claim was voted in bad faith.

3. Voting Deadline.

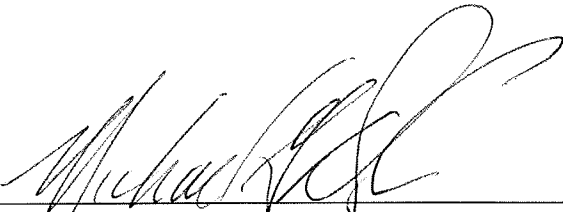
Voting on the Plan by each holder of a Claim in an Impaired Class is important. After carefully reviewing the Plan and this Disclosure Statement, please indicate your vote on each Ballot and return it in the pre-addressed envelope provided for this purpose.

IN ORDER TO BE COUNTED, BALLOTS MUST BE SIGNED AND RETURNED SO THAT THEY ARE RECEIVED EITHER BY THE U.S. BANKRUPTCY COURT NO LATER THAN 4:30 P.M. CENTRAL STANDARD TIME ON THE DATE SET BY THE COURT (THE "VOTING DEADLINE"). TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE, SIGN AND RETURN THE BALLOT TO:

**Clerk
U.S. Bankruptcy Court
P.O. Box 2775
Decatur, Alabama 35602**

PLEASE FOLLOW THE DIRECTIONS CONTAINED ON THE ENCLOSED BALLOT CAREFULLY. BALLOTS THAT ARE RECEIVED AFTER THE VOTING DEADLINE WILL NOT BE ACCEPTED OR USED BY THE DEBTOR IN SEEKING CONFIRMATION OF THE PLAN. IT IS OF THE UTMOST IMPORTANCE TO DEBTOR THAT YOU VOTE PROMPTLY TO ACCEPT THE PLAN.

This 15th day of November, 2016.



Michael G. Dombrowski, Chapter 11 Debtor

Of Counsel:

SPARKMAN, SHEPARD & MORRIS, P.C.

P. O. Box 19045

Huntsville, AL 35804

Tel: (256) 512-9924

Fax: (256) 512-9837