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6		
7	IN THE UNITED STATES BANKRUPTCY COURT	
8	DISTRICT (	OF ARIZONA Case No.: 2-16-bk-06224-MCW
9	FIVE LOTS, LLC,	In Proceedings Under Chapter 11
10	Debtor(s)-in-Possession.	FIRST AMENDED CHAPTER 11 PLAN OF REORGANIZATION
11	)	OF NEOKUAMIZATION
12	Dated: September 18, 2017	
13	Filed by: 5 Lots,	
14		N POSSESSION
15		l above, pursuant to United States Code,
16	Title 11, Section 1121, file this Chapter 11	
17		icle I
18	Defir	nitions
19	The following terms, when used in	this Chapter Eleven Plan of Reorganization
20	shall have the following meanings:	
21	1.01 "Administrative Claimant". A	ny person entitled to payment under
22	11 U.S.C. § 507(A)(1);	
23	1.02 "Bankruptcy Proceeding". Th	at certain proceeding under Chapter
24	11 of Title 11, United States Code, caption	ed 5 Lots, LLC, case no. 2-16-bk-06224-
25	MCW, now pending in the United States Ba	ankruptcy Court for the District of
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<sup>1</sup> Arizona, Phoenix Division;

1.03 "Confirmation". The entry of an Order by the Court confirming the Plan, as provided in United States Code, Title 11, § 1129, and the expiration of any appeal period other than AZ-16-1263 with no appeal having been filed;

1.04 "Court". The United States Bankruptcy Court for the District of Arizona, Phoenix Division, presiding over this Bankruptcy proceeding;

1.05 "Debtor" or "Debtor-in-Possession" means 5 Lots, LLC as it reorganizes in this bankruptcy proceeding;

1.06 "Effective Date" means the latter of (1) the first business day following fourteen (14) judicial days after entry of the Order of the Court confirming the Plan or (2) thirty-one judicial days subsequent to the entry of a final order of the Court of competent jurisdiction vacating any Order staying the efficacy of the Order of Confirmation, provided however that in any event, all appeals other than AZ-16-1263, shall have been resolved prior to there being any effective date.

1.07 "Plan". This current Plan of Reorganization;

1.08 "Plan Distribution Date". Date upon which distributions to be made under the Plan will be effected. Said date will be thirty (30) days following the Effective Date of this Plan as defined above;

# Article II

Classification of Claims and Interests; Impairment.

2.01 For the purpose of this plan, the claims and interests in and against the Debtor(s)-in-Possession are classified as follows:

CLASS I – Holders of claims entitled to priority under 11 U.S.C. § 507(A)(1), including costs and expenses of administration.

CLASS II – This class consists of the unimpaired secured claim of the *Maricopa County Treasurer*.

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CLASS III – This class consists of the impaired secured claim of *Abbott Properties, LLC*.

CLASS IV – This class consists of the impaired unsecured claims.

CLASS V – This class consists of the equity interest of the Debtor(s).

2.02 Classes I, II, and V are unimpaired under the Plan. All remaining classes are impaired.

## Article III

#### Treatment of Claims

3.01 The treatment of each class of creditors in this proceeding is as follows:

**CLASS I** – Unimpaired administrative claims for the administration of this bankruptcy estate.

## I(A). <u>U.S. Trustee Quarterly Fees.</u>

This class includes all pre-confirmation quarterly fees due the United States Trustee. The aforementioned fees shall be timely paid by the Effective Date.

The debtor(s)-in-possession shall ensure that all quarterly fees due the United States Trustee and imposed by 28 U.S.C.§1930(a)(6) will be paid in a timely fashion through the date this case is dismissed, converted, or officially closed. The debtor(s) as reorganized, shall timely complete and file quarterly reports in a form acceptable to the United States Trustee with the Court and provide copies thereof to the United States Trustee until entry of a final decree closing this proceeding.

I(B). <u>Administrative Expenses For Representation of 5 Lots.</u>

Currently the sole member and manager of 5 Lots, Judith V. Brown, has paid legal counsel for 5 Lots subject to periodic fee applications and notice of the same as ordered by the U.S. Bankruptcy Court on July 28, 2016.

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1	Legal counsel for 5 Lots will seek periodic compensation from this estate		
2	pursuant to 11 U.S.C. §§329, 330, 331 and LRBP 9013-1(k)(3).		
3	CLASS II – <u>Unimpaired Secured Claim.</u>		
4	Creditor: Nature of debt:	<i>Maricopa County Treasurer</i> Statutory first lien position	
5	Collateral: Amount due:	Three Lots (all estate assets) \$ 7,260.73	
6	Treatment:	Paid in full, with statutory rate of interest, within 36 months of the	
7		Effective Date. No periodic payments proposed to this Class.	
8	CLASS III – Impaired Secured Claim.		
9			
10	Creditor: Nature of debt:	Abbott Properties, LLC First Deed of Trust position	
11	Collateral:	3 Parcels of Real Property: (1) 1007 E. Carefree Hwy.	
12		Phoenix, AZ 85085 APN 211-74-102	
13		(2) 28588 N. Scottsdale Rd., Scottsdale, AZ 85266	
14		APN 216-68-077 (3) 52 <sup>nd</sup> Street and Carefree Hwy.,	
15		Carefree, AZ 85331 APN 211-46-034B	
16	Amount due:	\$7,649.52 plus post-petition attorneys' fees and costs.	
17	Treatment:	Abbott's Allowed Claim shall be \$28,825, accruing interest at a rate of five percent (5%) per annum, and	
18		shall be secured by 1007 E. Carefree Hwy., Phoenix, AZ 85085 (APN 211-74-102).	
19		The entire unpaid amount of Abbott's Allowed Claim shall be due and owing in full within twenty-four (24)	
20		months after the Effective Date. No periodic payments are required during the twenty-four (24)	
21		months after the Effective Date, there shall be no prepayment penalty and payment shall be made	
22		through the sale of the collateral, refinancing, payment from an	
23		insider, or from the sale of other estate assets. If the reorganized debtor fails to make	
24		full payment within twenty-four (24) months after the Effective Date, then Abbott Properties, LLC may	
25		foreclose on its Allowed Claim, and Abbott Properties, LLC shall be entitled to recover	
	   Pla	attorneys' fees and costs related to such foreclosure an of Reorganization – 2-16-bk—06224-MCW - IV	
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1	in the agreed amount of \$3,500.00 for an uncontested foreclosure.	
2	Abbott Properties, LLC shall release	
3 4	it's lien on Parcels 2 and 3 listed above on the Effective Date. The allowed claim of Abbott	
4	Properties, LLC does not include or provide for future attorney fees or costs associated with	
6	its claim other than as set forth above. However, if the reorganized debtor fails to make full payment of the Allowed Claim of Abbett Departies. LLC within	
7	the Allowed Claim of Abbott Properties, LLC within twenty-four (24) months after the Effective Date, then Abbott Properties, LLC may commence	
8	foreclosure proceedings, in which case Abbott Properties, LLC is entitled to recover its Allowed Claim plus attorneys' fees and costs related to such	
9	foreclosure in the agreed amount of \$3,500.00.	
10	CLASS IV - Impaired Unsecured Claims.	
11	Creditor: Blair Irish Hubbard & Erhart, PLC Nature of debt: Legal fees	
12	Amount due: \$17,300.00	
13	36 months of the Effective Date.	
14	No periodic payments proposed to this Class.	
15	No other claim is provided for by this Amended Plan of Reorganization.	
16	<b>CLASS V</b> - Equity Interests of the Debtor(s)-in-Possession.	
17	The Debtor(s)-in-Possession will retain their equity interests in all property	
18	owned by them, upon completion of all payments to classes Two (II), Three (III), and	
19	Four (IV), as set forth above. The right of Class Three (III) and Four (IV) to bid higher	
20	for the Debtor(s)-in-Possessions' equity interest than the amount they propose to pay	
21	to said claimants, as well as file an alternate plan of reorganization, is expressly	
22	recognized by the Plan.	
23	3.02 The equity interests of the Debtor(s) cannot be retained unless one class of	
24	impaired creditors accepts the proposed Plan of Reorganization. 11 U.S.C	
25	§1129(a)(10).	
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Case 2:16-bk-06224-MCW Doc 224 Filed 09/18/17 Entered 09/18/17 10:24:53 Desc Main Document Page 5 of 9 3.03 **Allowance of Claims**. You have an Allowed Claim if: (a) You timely filed a proof of claim and no one objected to it; or (b) you timely filed a proof of claim, an objection was filed, but the Bankruptcy Court overruled the objection and allowed the claim; or (c) you have not filed a proof of claim, you are scheduled as a creditor in this proceeding, and your claim is not listed as disputed by the Debtor(s)-in-Possession.

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If you do not have an Allowed Claim, it is a Disputed Claim, and you will not be entitled to vote on the Plan unless and until the Bankruptcy Court temporarily or provisionally allows it for voting purposes pursuant to Rule 3018, Federal Rules of Bankruptcy Procedure. If you are uncertain about the status of your Claim you should review the Bankruptcy Court records carefully, including the schedules and any amendments thereto. You should seek legal advice if you have any dispute with the Debtor(s)-in-Possession about your Claim. Neither the Debtor(s)-in-Possession nor its legal counsel can advise you about such matters. All creditor should be aware that their Claims are subject to objection by Debtor(s)-in-Possession and other interested parties. Debtor(s)-in-Possession reserve(s) all of its rights with respect to the allowance or disallowance of any and all Claims including, without limitation, the right to object to them, assert counterclaims, seek to subordinate them, and seek affirmative relief against creditors. In voting on the Plan, creditors may not rely on the absence of an objection to their proofs of claim as an indication that Debtor(s)-in-Possession or other parties in interest will not object to them, assert counterclaims, seek to subordinate them, or seek affirmative relief against such creditors.

## Article IV

## Method of Execution of the Plan

4.01 Source of Payments – Payments under this Plan of Reorganization
shall be obtained from the future sales of property of this bankruptcy estate.

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1	4.02 Retention of Property – Upon confirmation, all property of this Chapter
2	11 estate will vest in and be retained by the Debtor-in-Possession subject to the
3	payments set forth in Article III. Upon Confirmation no further Court order will be
4	necessary to approve sales of property of this bankruptcy estate.
5	Article V
6	Retention of Jurisdiction
7	This court shall retain jurisdiction over the Debtor(s)-in-Possession's property,
8	and all claimants provided for in this Plan of Reorganization for the purposes of
9	implementing and consummating the Plan. Such retention includes the right to object
10	to proof of claims filed in this proceeding.
11	Article VI
12	Retention of Lien Rights
13	Subject to the reorganized Debtor-in-Possession(s)' right to substitute collateral
14	and the sale of collateral, any remaining secured creditor will retain their security
15	interest(s) in their collateral to the extent of each such creditor's allowed claim.
16	Article VII
17	No Waiver of Plan Terms
18	The failure of the Debtor(s)-in-Possession to enforce any term of this Plan shall
19	not be deemed to constitute a waiver thereof. To be effective, any such waiver shall be
20	in writing signed by both debtors.
21	Article VIII
22	Severability
23	The terms of this Plan are severable such that in the event any provision there-
24	of is found to be invalid for whatever reason, the remaining terms shall remain and
25	shall be fully enforceable according to their terms.
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Article IX

#### Discharge

Pursuant to § 1141(D)(1) of the Bankruptcy Code, upon Confirmation of the Plan, the Debtor(s)-in-Possession will be discharged of all debts listed in the schedules and of claims filed in this proceeding.

#### Article X

#### **Disputed Claims**

The Debtor(s)-in-Possession reserve the right to verify and object to any proof of claim filed in this proceeding. Payment to disputed claims shall be made pursuant to a court approved stipulation between the Debtor(s)-in-Possession and the disputed creditor(s) or upon order of the Court.

#### Article XI

## No Admissions

Nothing contained in this Plan shall constitute an admission of fact or law by the Debtor(s)-in-Possession and shall not be admissible in any proceeding for purposes of proving the validity or the invalidity of any claims or defenses which may in any way affect or benefit the Debtor(s)-in-Possession. The Debtor(s)-in-Possession may withdraw the Plan at any time prior to confirmation and upon doing so, nothing contained therein shall be deemed to preclude the litigation of any issue nor shall the Debtor(s)-in-Possession be collaterally estopped from asserting any right or claim that may be in the Debtor(s)-in-Possession's best interests.

## Article XI

#### Representations

No representations concerning the Debtor(s)-in-Possession are authorized by the Debtor(s)-in-Possession other than as set forth in this plan of reorganization. Any

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1	representations or inducements made to secure acceptance, other than those
2	contained in this plan of reorganization, should not be relied upon in arriving at a
3	decision, and such representation and inducements shall be reported to counsel for
4	the Debtor(s)-in-Possession, who in turn will deliver such information to the
5	Bankruptcy Court for such action as may be deemed appropriate.
6	
7	The foregoing proposed Plan of Reorganization is respectfully
8	submitted this 18th day of September, 2017.
9	
10	Judith V. Brown as manager of the
11	Debtor-in-Possession
12	
13	/s/ David Allegrucci Attorney for the Debtor(s)-in-
14	Possession
15	
16	
17	

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