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6 Attorneys for Debtor

7  
8 **UNITED STATES BANKRUPTCY COURT**  
9 **DISTRICT OF ARIZONA**

10 In re:

11 THE DRYSDALE VILLAGE, LLC dba  
FRONTIER VILLAGE,  
12 Debtor.

Chapter 11

Case No. 0:16-bk-08755-SHG

**DEBTOR'S DISCLOSURE STATEMENT**  
**DATED AUGUST 26, 2016**

13  
14 The Drysdale Village, LLC dba Frontier Village, the debtor and debtor-in-possession in  
15 the above captioned Bankruptcy Case ("Debtor"), hereby submits its *Disclosure Statement*  
16 *Dated August 26, 2016* to assist its Creditors in making an informed decision in voting on the  
17 *Debtor's Plan of Reorganization Dated August 26, 2016* ("Plan") proposed pursuant to 11  
18 U.S.C. § 1121.

19 **ARTICLE 1**

20 **INTRODUCTION TO THE DISCLOSURE STATEMENT AND VOTING**

21 **1.1 Purpose of the Disclosure Statement.**

22 This Disclosure Statement sets forth certain information regarding Debtor's pre-petition  
23 history, its assets, significant events that have occurred during this Bankruptcy Case, a summary of  
24 the Plan, including when and how Creditors will be paid, and a brief discussion of the confirmation  
25 process and the voting procedures that holders of claims in Impaired Classes must follow for their  
26 votes to be counted.

27 The primary purpose of this Disclosure Statement is to provide adequate information to  
28 those Creditors voting on the Plan so that they may make a reasonably informed decision with

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1 respect to exercising their right to accept or reject the Plan. This Disclosure Statement is intended  
2 for the sole use of Creditors and other parties in interest. This Disclosure Statement may not be  
3 relied upon for any purpose other than to determine how to vote on the Plan and nothing contained  
4 herein shall constitute an admission of any fact or liability by any party or be admissible in any  
5 proceedings involving Debtor or any other party or be deemed conclusive advise on the tax or  
6 other legal effects of the reorganization on holders of Claims or interests.

7 **You should consult your personal counsel or tax advisor on any questions or concerns**  
8 **respecting tax, securities, or other legal consequences of the Plan.**

9 **1.2 Definitions.**

10 Unless otherwise defined herein, terms defined in the Plan shall have the same meaning  
11 when used in this Disclosure Statement. In addition, unless otherwise defined herein or in the Plan,  
12 terms used in this Disclosure Statement shall have the same meaning as in the Bankruptcy Code  
13 (“Code”) or the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”), or, if not defined  
14 therein, their ordinary meaning.

15 **1.3 Authorized Representations.**

16 This Disclosure Statement is the only document authorized by the Bankruptcy Court to be  
17 used in connection with the solicitation of votes on the Plan. You should not rely upon any  
18 representations or inducements made to secure your acceptance of the Plan other than those set  
19 forth herein or in the Plan. **The Bankruptcy Court’s approval of this Disclosure Statement**  
20 **does not constitute a certification or ruling by the Court regarding the completeness or**  
21 **accuracy of any statements contained herein. The information contained in this Disclosure**  
22 **Statement came from Debtor’s records.**

23 This Disclosure Statement is not the Plan. This Disclosure Statement, together with the  
24 Plan (attached hereto as **Exhibit A**), should be read in their entirety before you vote on the Plan.  
25 For the convenience of the Creditors and holders of interests, the Plan is summarized in this  
26 Disclosure Statement, but all summaries are qualified in their entirety by the Plan itself, which is  
27 controlling in the event of any inconsistency. The financial information contained herein has been  
28 provided by Debtor in good faith, but has not been audited by a certified public accountant and has

1 not necessarily been prepared in accordance with generally accepted accounting principles.

2 **1.4 Voting Procedures.**

3 To be entitled to vote, a Creditor must have an Allowed Claim that is impaired under the  
4 Plan. The Bankruptcy Code defines whether a Claim is impaired in 11 U.S.C. § 1124. Summarily,  
5 a Claim is impaired if the Plan modifies the legal or contractual rights of the Claimant, or if the  
6 Plan does not cure and reinstate the legal rights of the Claimant. A Creditor in a Class that will not,  
7 under any circumstances, receive any distributions under the Plan, is not entitled to vote as the  
8 Class of which it is a member is deemed to have rejected the Plan. If a Creditor holds more than  
9 one Claim in one Class, all of the Claims in such Class will be aggregated and the Creditor will be  
10 entitled to one vote in the amount of all aggregated Claims.

11 **All Creditors or parties in interest entitled to vote on the Plan may cast their votes for**  
12 **or against the Plan by completing, dating, and signing the Ballot which accompanies this**  
13 **Disclosure Statement.**

14 In order for the Ballot to be considered, the original Ballot must be mailed to the attorneys  
15 for the Plan Proponents. **The Court has issued an order requiring that all votes for the**  
16 **acceptance or rejection of the Plan be received by close of business on \_\_\_\_\_.** The  
17 Ballots should be sent as follows:

18 Thomas H. Allen  
19 Philip J. Giles  
20 ALLEN BARNES & JONES, PLC  
1850 N. Central Ave., Suite 1150  
Phoenix, Arizona 85004

21 **Your Ballot will not be counted if Proponent's counsel receives it after such deadline.**

22 You may not change your vote after it is cast, unless the Bankruptcy Court permits you to do so  
23 after notice and a hearing to determine whether sufficient cause exists to permit the change.

24 **1.5 Confirmation of the Plan.**

25 In order for the Proponent's Plan to be effective, it has to be confirmed. Confirmation of  
26 the Plan means that the Court has approved the Plan. For the Plan to be confirmed, votes by each  
27 Impaired Class representing at least two-thirds (2/3) in amount of the Allowed Claims voting in  
28 each Class and greater than one-half (1/2) in number of individual Creditors for such class (of those

1 casting votes) must be submitted in favor of acceptance of the Proponent's Plan. If the requisite  
2 acceptances are not obtained from one or more Impaired Classes, the Court may nonetheless  
3 confirm the Proponent's Plan pursuant to 11 U.S.C. § 1129(b) if one Impaired Class accepts the  
4 Plan and the Court finds that Debtor's Plan provides, among other things, fair and equitable  
5 treatment of the Classes rejecting the Plan and that Creditors receive as much or more under the  
6 Plan than they would receive in a Chapter 7 liquidation (discussed more fully below).

7 When confirmed by the Bankruptcy Court, this Plan will bind all holders of Claims or  
8 equity interests in Debtor, whether or not they are entitled to vote, or did vote on the Plan and  
9 whether or not they received or retained any distributions or Property under the Plan.

10 **1.6 Proponent's Recommendations and Position.**

11 Proponent strongly urges each Creditor to vote to accept the Plan. Debtor believes that  
12 each person or entity entitled to vote will conclude that the Plan is fair, reasonable, and provides  
13 the greatest return to the greatest number of Creditors.

14 **ARTICLE 2**

15 **The Drysdale Village, LLC dba Frontier Village**

16 **2.1 History of the Debtor and Incidents Leading to the Chapter 11 Filing.**

17 Debtor is an Arizona limited liability company conducting business in Yuma, Arizona.  
18 The Debtor owns, manages, and leases certain commercial property located at 3780 South 4<sup>th</sup>  
19 Avenue, Yuma, Arizona 85365 ("Property"). The Property is comprised of nine (9) units, eight  
20 (8) of which are leased to various tenants.

21 On or around July 27, 2005, Debtor's managing members, the Raymond R. and Valerie  
22 M. Drysdale Trust ("Trust") and Raymond R. Drysdale (along with Valerie M. Drysdale) as  
23 trustees of the Trust, obtained a loan (the "Loan") from AEA Federal Credit Union ("AEA")  
24 which is secured by a Deed of Trust, Security Agreement, Assignment of Leases and Rents and  
25 Fixture Filing, and Unlimited Guarantee which encumber the Property. Debtor was  
26 subsequently added as a borrower under the Loan through an Assumption and Modification  
27 Agreement. Up until May 2016, Debtor remained current on the obligations due to AEA under  
28 the Loan.

1 On or about April 8, 2016, AEA sent Debtor a letter advising that the maturity date for  
2 the Loan was November 28, 2016, and that AEA expected the entire unpaid principal balance of  
3 the Loan, all unpaid interest, and all other charges to be paid in full. Additionally, in July 2016,  
4 AEA filed a Complaint for Breach of Contract and Receivership in the Superior Court for the  
5 County of Yuma due to Debtor's failure to tender the May 2016 debt servicing payment and  
6 failure to keep the real property taxes current. Unable to find alternative financing, and unable  
7 to reach an agreement to modify and/or extend the term of the Loan, the Debtor filed its petition  
8 to protect its interests, the interests of its tenants, and all creditors.

9 **2.2 Debtor's Future.**

10 The Debtor intends to keep the Property and continue with its business of leasing the  
11 individual units and collecting rental payments. Debtor retained Realty Executives to assist  
12 with the management of the Property. Currently, the Debtor receives \$21,250.00 in monthly  
13 rental income from its tenants. Debtor's monthly business and operating expenses average  
14 \$6,396.00. The monthly debt servicing payment owed to AEA under the Loan as of the Petition  
15 Date is \$10,350.00. Debtor has created a Plan Budget (attached hereto as **Exhibit B**) that  
16 displays its ability to pay its expenses and to make payments under the Plan. By maintaining a  
17 positive cash-flow, Debtor will be able to provide for AEA's claim in full in accordance with  
18 the treatment more fully described herein. Additionally, Debtor anticipates being able to provide  
19 for its unsecured claims in full.

20 **2.3 Anticipated Operations.**

21 After payment of priority and secured debt, Debtor will make annual payments to satisfy  
22 Unsecured Creditors. Ultimately, Debtor believes that over the five year plan term it will be able  
23 to maintain all secured and priority debt payments and pay all unsecured claims in full.

24 **ARTICLE 3**

25 **DEVELOPMENTS DURING THE BANKRUPTCY CASE**

26 **3.1 Bankruptcy Proceeding.**

27 On July 29, 2016, Debtor filed a petition for relief under Chapter 11 of the Code.  
28 Debtor employed Allen Barnes & Jones, PLC ("AB&J") to represent it in this Case, and

1 AB&J's employment was approved by this Court on August 2, 2016 [Docket No. 7].

2 On August 3, 2016, Debtor filed the *Emergency Motion for Use of Cash Collateral*  
3 ("Cash Collateral Motion") [Docket No. 10]. Debtor and AEA negotiated a *Stipulated Interim*  
4 *Order* ("Interim Order") resolving the Cash Collateral Motion which authorized Debtor to use  
5 cash collateral until October 31, 2016 [Docket No. 37].

6 On August 9, 2016, Debtor filed the Application to Employ Realty Executives to  
7 manage the Property in this case [Docket No. 21]. Debtor's Application to Employ Realty  
8 Executives was approved by the Court the same day [Docket No. 26].

#### 9 **ARTICLE 4**

#### 10 **SUMMARY OF DEBTOR'S CURRENT FINANCIAL CONDITION**

11 The Debtor's current financial condition is detailed in its Schedules and Statement of  
12 Financial Affairs and Monthly Operating Reports that have been and will continue to be filed  
13 with the Bankruptcy Court. Interested parties are encouraged to review the Debtor's Schedules,  
14 Statement of Financial Affairs, and Monthly Operating Reports. Additionally, interested parties  
15 are encouraged to review the Plan Budget, Schedule of Plan Payments, and Liquidation  
16 Analysis, attached hereto as **Exhibits B, C, and D**, respectively. As previously discussed,  
17 Debtor rents eight units at the Property and is receiving regular monthly rent from all tenants.  
18 The monthly rental income Debtor receives is sufficient to pay its operating expenses as well as  
19 the payments set forth in the Plan. Debtor believes that with the reorganization of its debts  
20 through the Plan it will be able to confirm its Plan and perform as set forth therein.

#### 21 **ARTICLE 5**

#### 22 **DESCRIPTION OF ASSETS**

23 Debtor's assets and liabilities are listed on its Schedules and Statement of Financial  
24 Affairs filed in this Bankruptcy Case. The Property is Debtor's primary asset and the Debtor's  
25 primary source of revenue is the rental income derived from the Property. The liquidation value  
26 of Debtor's assets is approximately \$1,200.00. Debtor has created a Liquidation Analysis Chart  
27 that details the liquidation value of its assets, attached hereto as **Exhibit D**; see also Article 11,  
28 below.

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**ARTICLE 6**  
**POST-CONFIRMATION CONTROL**

Debtor will retain control of its assets and use its income to make payments set forth in the Plan. Debtor will be responsible for preparing and filing quarterly post confirmation financial reports and will provide copies of those reports to the United States Trustee’s Office. During the term of the Plan, Debtor will pay, in cash, or other certified funds, quarterly fees to the United States Trustee’s Office.

**ARTICLE 7**  
**SUMMARY OF THE PLAN**

This section contains a brief summary of the Plan, and it is qualified in its entirety by reference to the Plan, which accompanies this Disclosure Statement. **THIS SUMMARY DOES NOT PURPORT TO BE COMPLETE. THE PLAN ITSELF CONTROLS THE RELATIONSHIP BETWEEN DEBTOR AND CREDITORS. YOU SHOULD READ THE PLAN IN ITS ENTIRETY PRIOR TO CASTING YOUR BALLOT.**

**7.1 Classification and Treatment of Claims.**  
**7.1.1 Class I - Administrative Claims.**

Class I consists of the Allowed Administrative Claims for actual and necessary costs and expenses of administration entitled to priority under §§ 503(b) and 507(a)(1) of the Bankruptcy Code. This Class includes, without limitation, post-petition tax Claims, Debtor’s attorneys’ fees, any post-petition management fee, approved accounting fees, and fees due the United States Trustee, if any. Prior to the filing of this case, the Debtor paid AB&J a retainer in the amount of \$15,000.00. AB&J applied \$9,248.21 of this retainer to the Debtor’s pre-filing fees and costs. The remaining \$5,751.79 of the retainer is held in AB&J’s IOLTA Trust account for post-bankruptcy fees and costs. While Plan litigation is possible, the Debtor anticipates that AB&J’s attorneys’ fees and costs will not exceed an additional \$10,000.00. The holders of Allowed Class I Claims shall be paid in full on the Effective Date or upon such other terms as Debtor and the holders of Allowed Class I Claims agree. Class I is unimpaired.

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**7.1.2 Class II – Priority Claims.**

Class II consists of all Claims that are entitled to priority treatment pursuant to 11 U.S.C. § 507(a). Each holder of a Priority Claim in Class II is considered to be in its own separate subclass within Class II, and each such subclass is deemed to be a separate Class for purposes of the Plan. Class II consists of various subclasses of asserted priority Creditor Claims. Unless otherwise specified, holders of Allowed Priority Claims in any of the Class II subclasses shall receive payment in full, within five years of the Petition Date. The first payment will be due on the Effective Date.

**7.1.2.1 Class II(a) - Priority Claim of Arizona Department of Revenue.**

Class II(a) consists of any Allowed Priority Claim of the Arizona Department of Revenue (“ADOR”) relating to taxes owed by Debtor. Debtor does not believe any Claims exist in this Class. To the extent that there are Claims, Holders of Allowed Class II(a) Claims shall receive payment in full, in monthly payments of principal and interest. The first payment will be due on the Effective Date. The interest rate paid to Allowed Class II(a) Claims shall be three percent (3.0%) per annum from the Effective Date. No prepayment penalty shall pertain to this Claim. Class II(a) is impaired.

**7.1.2.2 Class II(b) - Priority Claim of Internal Revenue Service.**

Class II(b) consists of any Allowed Priority Claim of the Internal Revenue Service relating to federal income taxes due by Debtor. Debtor does not believe any Claims exist in this Class. To the extent that there are Claims, Holders of Allowed Class II(b) Claims shall receive payment in full, in monthly payments of principal and interest. The first payment will be due on the Effective Date. Allowed Class II(b) Claims shall be paid with interest at the statutory rate set forth in I.R.C. §§ 6621 and 6622 that is in effect during the month the Plan is Confirmed (currently 4.0% compounded daily). No prepayment penalty shall pertain to this Claim. Class II(b) is impaired.

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1                                   **7.1.3    Class III – Secured Claims.**

2                                   Class III consists of various subclasses of asserted Secured Creditor Claims.  
3 Each holder of a Secured Claim in Class III is considered to be in its own separate subclass  
4 within Class III, and each such subclass is deemed to be a separate Class for purposes of the  
5 Plan. Unless otherwise specified below, holders of Allowed Secured Claims in any of the Class  
6 III subclasses shall receive full payment of the amount of their Allowed Secured Claims. Any  
7 of Debtor’s defaults under loan documents with any Allowed Secured Claimants shall be  
8 deemed cured as of the Effective Date. To the extent such loan documents provide for default  
9 resulting from Debtor’s bankruptcy filings, such default shall not be enforceable.  
10 Notwithstanding any pre-bankruptcy agreements with Class III Claimants, Debtor’s statement  
11 of the value of each Secured Claim shall be final unless a Creditor objects to Debtor’s value  
12 prior to the confirmation of the Plan. Unless otherwise specified herein or in an order entered  
13 by the Bankruptcy Court, holders of Allowed Secured Claims shall retain any existing perfected  
14 lien to secure Debtor’s obligations under the Plan. Payments to holders of Allowed Class III  
15 Secured Claims will begin on the Effective Date.

16                                   **7.1.3.1    Class III(a) – Secured Claim of AEA.**

17                                   Class III(a) consists of the Allowed Secured Claim of AEA relating to its  
18 secured claim encumbering the Property. The holder of the Allowed Secured Class III(a) Claim  
19 shall receive payment on its claim of \$1,641,723.58 at the fixed rate of 4.5% per annum for the  
20 first five (5) years, amortized over 360 months with a five year maturity. The monthly payment  
21 will be \$8,318.37. Any deficiency amount incurred prior to the Effective Date, including  
22 without limitation any: accrued interest, fees, escrow deficiency for any funds advanced, and  
23 escrow shortage shall be treated as a General IV General Unsecured Claim. AEA shall retain its  
24 lien encumbering the Property. The payments to the Allowed Secured Class III(a) Claim shall  
25 begin on the Effective Date. No prepayment penalty shall pertain to this Claim. Class III(a) is  
26 impaired.

27                                   Additionally, Debtor will provide for the timely payment of future real  
28 property taxes, establish a management and succession plan for the Property involving Debtor’s

1 management company, and provide regular financial statements to AEA as needed and/or  
2 required pursuant to the Loan documentation.

3 **7.1.3.2 Class III(b) – Secured Claim of Mickey Van Horn.**

4 Class III(b) consists of the Allowed Secured Claim of Mickey Van Horn  
5 (“**MVH**”) relating to its secured claim encumbering the 1994 Jeep Wrangler (“**Jeep**”). MVH  
6 has an Allowed Secured Claim in the approximate amount of \$3,000.00. The Allowed Secured  
7 Claim shall be amortized over five (5) years and accrue interest at 6.00% per annum. Payments  
8 in the approximate amount of \$91.27 per month shall begin on the Effective Date. MVH shall  
9 retain its lien encumbering the Jeep. No prepayment penalty shall pertain to this Claim. Class  
10 III(b) is impaired.

11 **7.1.3.3 Class III(c) – Secured Claim of Yuma County Treasurer.**

12 Class III(c) consists of the Allowed Secured Claim of the Yuma County  
13 Treasurer relating to secured claim encumbering the Property. The Yuma County Treasurer has  
14 an Allowed Secured Claim in the approximate amount of \$18,418.77. The Allowed Secured  
15 Claim shall be amortized over five (5) years and accrue interest at the statutory rate of 16.75%  
16 per annum. Payments in the approximate amount of \$455.28 per month shall begin on the  
17 Effective Date. The Yuma County Treasurer shall retain its lien encumbering the Property. No  
18 prepayment penalty shall pertain to this Claim. Class III(c) is impaired.

19 **7.1.4 Class IV – General Unsecured Creditors.**

20 Class IV consists of all Allowed Unsecured Claims that are not entitled to  
21 classification in any other class of claims. Holders of Allowed Class IV Claims shall be paid in  
22 full over five years in five equal annual payments. Debtor shall make the first payment to the  
23 holders of Allowed Class IV Claims on the first Business Day that occurs 6 months after the  
24 Effective Date (“Initial Payment Date”) and every year thereafter for four years. No interest  
25 will accrue or be paid to the holders of the Allowed Class IV Claims. If a Class IV Claim is not  
26 an allowed claim prior to 30 days after the Effective Date, the Class IV Claim shall receive  
27 payment on the one year payment date that falls after their Class IV Claim becomes an allowed  
28 claim. Class IV is impaired.

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**ARTICLE 8**  
**MEANS TO IMPLEMENT PLAN**

The Plan will be funded from Debtor’s post-confirmation rental income from leasing the Property. Debtor shall continue to act as landlord for the Property, which will be managed by Realty Executives. Through the restructuring of its debt, Debtor believes that it can fulfill its post-petition obligations under the Plan. See Disclosure Statement Article 2.2, 2.3, above; Exhibit B.

**ARTICLE 9**  
**AVOIDANCE OF PRE-PETITION TRANSFERS**

Within the 90 days prior to the Petition Date, Debtor made no payments on any debts except for one debt-servicing payment of \$10,350.00 paid to AEA on or about May 3, 2016. Debtor made no other avoidable pre-petition transfers or payments.

**ARTICLE 10**  
**NON-BANKRUPTCY LITIGATION**

Debtor is a named defendant in the non-bankruptcy litigation initiated by AEA in the Superior Court for the County of Yuma, Case No. S1400CV201600488. Debtor anticipates that the treatment of AEA’s claim herein and confirmation of Debtor’s Plan will resolve AEA’s state law claims and result in the dismissal of the non-bankruptcy litigation.

**ARTICLE 11**  
**LIQUIDATION ANALYSIS**

As a condition to confirmation, Bankruptcy Code § 1129(a)(7) requires the Plan to provide that each creditor either accept the Plan or receive from Debtor’s estate as much under the Plan as each creditor would receive in a Chapter 7 liquidation. Debtor’s assets and liabilities are listed in its Schedules and Statement of Financial Affairs. Additionally, other than as listed in the Schedules, Debtor has investigated and is unaware of any receivable owing to it or any transfer that may be avoided for the benefit of the bankruptcy estate. Creditors will receive payment of their Allowed Claims in full. Debtor believes that Unsecured Creditors will receive more under the Plan than in a Chapter 7 liquidation.

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**ARTICLE 12**

**TAX ISSUES**

Debtor makes no representations regarding any tax implications resulting from confirmation of the Plan. **CLAIMANTS AND PARTIES IN INTEREST ARE ADVISED TO CONSULT WITH THEIR TAX ADVISORS CONCERNING THE INDIVIDUAL TAX CONSEQUENCES OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING STATE AND LOCAL TAX CONSEQUENCES.**

**ARTICLE 13**

**BALLOTING INSTRUCTIONS**

Creditors will vote to accept or reject this Plan. THIS PLAN CANNOT BE CONFIRMED IF THE PLAN DOES NOT RECEIVE AT LEAST TWO-THIRDS (2/3) IN AMOUNT AND MORE THAN ONE-HALF (1/2) IN NUMBER OF ALLOWED CLAIMS VOTING IN EACH IMPAIRED CLASS, provided, however, if the requisite acceptances are not obtained from one or more Impaired Classes, the Court may nonetheless confirm the Plan pursuant to 11 U.S.C. § 1129(b) if one Impaired Class accepts the Plan and the Court finds that the Plan provides, among other things, fair and equitable treatment of the Classes rejecting the Plan and that Creditors receive as much or more under the Plan than they would receive in a Chapter 7 liquidation.

**ARTICLE 14**

**MODIFICATION OF PLAN**

Debtor reserves the right to modify the Plan in accordance with the provisions of the Bankruptcy Code as follows:

**14.1 Pre-Confirmation.**

In accordance with § 1127(a) of the Code, the modification of the Plan may be proposed in writing by the Proponent at any time before its Confirmation, provided that the Plan, as thus modified, meets the requirements of §§ 1122 and 1123 of the Code, and the Proponent complies with § 1125 of the Code.

**14.2 Post-Confirmation.**

In accordance with § 1127(b) of the Code, the Plan also may be modified at any time after

1 its Confirmation and before its substantial consummation, provided that the Plan as thus modified  
2 meets the requirements of §§ 1122 and 1123 of the Code, provided further that the circumstances  
3 then existing justify such modification, and the Court confirms the Plan as thus modified under §  
4 1129 of the Code.

5 **14.3 Objections.**

6 Any holder of a claim or equity interest that has accepted or rejected the Plan will be  
7 deemed to have accepted or rejected, as the case may be, the Plan as modified unless, within the  
8 time fixed by the Bankruptcy Court for doing so, such holder changes its previous acceptance or  
9 rejection.

10 **14.4 Effect.**

11 Every modification of the Plan will supersede the previous version of the Plan as and when  
12 ever each modification is effective. When superseded, the previous version of the Plan will be in  
13 the nature of a withdrawn or rejected settlement proposal, and will be null, void and unusable by  
14 Debtor or any other party for any purposes whatsoever with respect to any of the contents of such  
15 version of the Plan.

16 **14.5 Default.**

17 If Debtor is unable to perform the terms and conditions of the Plan, then it will be in  
18 default. Any Creditor may seek to enforce the Plan. Before doing so, the Creditor must provide  
19 notice to Debtor specifying the nature of the alleged default and a 30-day period to cure the default.

20 Any notice must be in writing and sent via certified mail to Debtor at the address on file with the  
21 Clerk of this Court and with a copy sent via certified mail to:

22 Thomas H. Allen  
23 Philip J. Giles  
24 ALLEN BARNES & JONES, PLC  
25 1850 N. Central Ave., Suite 1150  
26 Phoenix, Arizona 85004

27 **ARTICLE 15**

28 **CONFIRMATION, RISKS & RECOMMENDATION**

**15.1 Best Interests Test.**

Debtor believes that the “best interests test” imposed by Bankruptcy Code § 1129(a)(7) is

1 satisfied by the Plan because each holder of a Claim or Interest not accepting the Plan will receive  
2 at least as much as such holder would receive in a Chapter 7 liquidation as discussed in detail in  
3 Article 11 herein.

4 **15.2 Fair and Equitable Test.**

5 To the extent such requirements are applicable based upon the votes of Creditors on the  
6 Plan, the Debtor believes that the Plan will satisfy the fair and equitable requirements of  
7 Bankruptcy Code § 1129(b). With respect to the Secured Classes, the Plan provides for all Secured  
8 Creditors to retain pre-petition liens and to be paid the full value of their Allowed Secured Claims.

9 **15.3 Recommendation of Debtor.**

10 Debtor recommends that the Plan be approved.

11 RESPECTFULLY SUBMITTED this 26<sup>th</sup> day of August, 2016.

12 **The Drysdale Village, LLC**  
13 **dba Frontier Village**

14 /s/ Raymond Drysdale  
15 Raymond Drysdale, Member

16 **APPROVED AS TO FORM AND CONTENT:**

17 **ALLEN BARNES & JONES, PLC**

18 By: /s/ THA #11160  
19 Thomas H. Allen  
20 Philip J. Giles  
21 1850 N. Central Avenue, Suite 1150  
22 Phoenix, Arizona 85004  
23 Attorneys for Debtor  
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# **Exhibit “A”**

1 Thomas H. Allen, State Bar #11160  
Philip J. Giles, State Bar #30340  
2 **ALLEN BARNES & JONES, PLC**  
1850 N. Central Ave., Suite 1150  
3 Phoenix, Arizona 85004  
Ofc: (602) 256-6000  
4 Fax: (602) 252-4712  
Email: [tallen@allenbarneslaw.com](mailto:tallen@allenbarneslaw.com)  
5 [pgiles@allenbarneslaw.com](mailto:pgiles@allenbarneslaw.com)

6 Attorneys for Debtor

7  
8 **UNITED STATES BANKRUPTCY COURT**  
9 **DISTRICT OF ARIZONA**

10 In re:

11 THE DRYSDALE VILLAGE, LLC dba  
FRONTIER VILLAGE,  
12 Debtor.

Chapter 11

Case No. 0:16-bk-08755-SHG

**DEBTOR'S PLAN OF REORGANIZATION  
DATED AUGUST 26, 2016**

13  
14 The Drysdale Village, LLC dba Frontier Village, the debtor and debtor-in-possession in  
15 the above captioned Bankruptcy Case ("Debtor"), hereby files its *Plan of Reorganization Dated*  
16 *August 26, 2016*.

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1 **ARTICLE I – INTRODUCTION**

2 Debtor proposes this *Plan of Reorganization Dated August 26, 2016*. All Creditors and  
3 parties in interest are encouraged to consult the *Debtor’s Disclosure Statement Dated August 26,*  
4 *2016 (“Disclosure Statement”)*, which was prepared by Debtor and approved by the  
5 Bankruptcy Court, before voting to accept or reject the Plan. **NO SOLICITATION**  
6 **MATERIALS OTHER THAN THE DISCLOSURE STATEMENT AND RELATED**  
7 **MATERIALS TRANSMITTED THEREWITH HAVE BEEN APPROVED OR**  
8 **AUTHORIZED BY THE BANKRUPTCY COURT AND THE BANKRUPTCY CODE IN**  
9 **SOLICITING ACCEPTANCES OR REJECTIONS OF THIS PLAN.**

10 **ARTICLE II - DEFINITIONS**

11 **Rules of Construction.** The following terms shall have the meanings specified below  
12 when used in this Plan. Wherever from the context it appears appropriate, each term stated in  
13 either the singular or the plural shall include the singular and the plural, and pronouns stated in  
14 the masculine, feminine, or neuter gender shall include the masculine, the feminine, and the  
15 neuter. The words “herein,” “hereof,” “hereto,” “hereunder,” and others of similar import refer  
16 to the Plan as a whole and not to any particular section, subsection, or clause contained in the  
17 Plan. Unless otherwise specified, all section, schedule, or exhibit references in the Plan are to  
18 the respective section in, schedule to, or Exhibit to the Plan. The headings in the Plan are for  
19 convenience of reference only and shall not limit or otherwise affect the provisions of the Plan.  
20 The Rules of Construction contained in § 102 of the Bankruptcy Code shall apply to the  
21 construction of the Plan, and terms that are defined by the Bankruptcy Code shall have that  
22 meaning defined by the Bankruptcy Code unless specifically modified herein. All terms not  
23 specifically defined in the Plan shall have the meanings designated in the Bankruptcy Code, or,  
24 if not defined therein, their ordinary meanings. These definitions are a substantial and operative  
25 part of the Plan.

26 **2.1 AB&J**

27 This term refers to and means Allen Barnes & Jones, PLC.

28 ///

1           **2.2 Administrative Claim**

2           This term refers to and means every cost or expense of administration of this Bankruptcy  
3 Case allowed under Bankruptcy Code § 503(b) and referred to in Bankruptcy Code § 507(a)(1),  
4 including, without limitation: (i) any actual and necessary expense of preserving the Estate as  
5 approved by the Bankruptcy Court; (ii) all Professional Fees; and (iii) all fees and charges  
6 assessed against Debtor’s Estate under Chapter 123 of Title 28, United States Code.

7           **2.3 Allowed Claim**

8           This term will refer to and mean every Claim: (a) (i) as to which a proof of such Claim  
9 has been filed within the time fixed by the Bankruptcy Court or, if such Claim arises from  
10 Debtor’s rejection of an Executory Contract, no later than the first Business Day that is thirty  
11 (30) days after the Effective Date, or (ii) which Debtor has scheduled in its Schedules (including  
12 any amendments thereto) as liquidated in amount and undisputed; and in either event: (b) (i) as  
13 to which no objection to the allowance of such Claim has been filed within any applicable time  
14 period fixed by the Bankruptcy Court, or (ii) as to which the order allowing such Claim has  
15 become final and non-appealable without any appeal, review, or other challenge of any kind to  
16 that order having been taken or being still timely. The term Allowed Claim may be used  
17 throughout the Plan with each of the various Creditors’ Claims or Classes of those Claims (*e.g.*,  
18 “**Allowed Administrative Claims**” or “**Allowed Class I Claims**”) to signify that such Claims  
19 are, will be, or must be Allowed Claims to qualify for certain treatment under the Plan.

20           **2.4 Allowed Secured Claim.**

21           This term refers to and means a Claim that is both an Allowed Claim and a Secured  
22 Claim.

23           **2.5 Allowed Unsecured Claim.**

24           This term refers to and means a Claim that is both an Allowed Claim and an Unsecured  
25 Claim.

26           **2.6 Assets.**

27           This term will refer to and mean, collectively, each and every item of Property and  
28 interests of Debtor as of the Effective Date, whether tangible or intangible, real or personal, legal

1 or equitable, liquidated or unliquidated.

2 **2.7 Ballot.**

3 This term refers to and means the ballot for accepting or rejecting the Plan which will be  
4 distributed to holders of Claims in Classes that are impaired under this Plan and are entitled to  
5 vote on this Plan.

6 **2.8 Bankruptcy Case.**

7 This term will refer to and mean the case under Chapter 11 of the Bankruptcy Code that  
8 Debtor commenced by the filing of a voluntary Chapter 11 petition on the Petition Date.

9 **2.9 Bankruptcy Code.**

10 This term refers to and means Title 11 of the United States Code, 11 U.S.C. §§ 101, et  
11 seq., as now existing or hereafter amended during this Bankruptcy Case.

12 **2.10 Bankruptcy Court or Court.**

13 These terms refer to and mean the United States Bankruptcy Court for the District of  
14 Arizona, Phoenix Division, or any other court that exercises jurisdiction over all or part of the  
15 Bankruptcy Case, including the United States District Court for the District of Arizona to the  
16 extent that the reference of all or part of the Bankruptcy Case is withdrawn.

17 **2.11 Bankruptcy Rules.**

18 This term refers to and means the Federal Rules of Bankruptcy Procedure promulgated  
19 under 28 U.S.C. § 2075 and the local rules of the Court, as applicable during the term of the  
20 Bankruptcy Case.

21 **2.12 Business Day.**

22 This term refers to and means every day except Saturdays, Sundays, and holidays  
23 observed by the Bankruptcy Court.

24 **2.13 Claim.**

25 This term will refer to and mean “claim” as defined in Bankruptcy Code § 101(5).

26 **2.14 Claimant.**

27 This term will refer to and mean the holder of a Claim.

28 ///



1           **2.15    Class.**

2           This term refers to and means each of the categories of claims described in Article IV of  
3 the Plan.

4           **2.16    Confirmation Date.**

5           This term refers to and means the date on which the Bankruptcy Court enters the  
6 Confirmation Order.

7           **2.17    Confirmation Hearing.**

8           This term refers to and means the hearing regarding confirmation of the Plan conducted  
9 by the Bankruptcy Court pursuant to Bankruptcy Code § 1128, including any adjournment or  
10 continuation of that hearing from time to time.

11          **2.18    Confirmation Order.**

12          This term refers to and means the order of the Bankruptcy Court confirming the Plan  
13 pursuant to Bankruptcy Code § 1129.

14          **2.19    Court.**

15          This term is defined in a preceding section of this Article II, which defines the term  
16 “Bankruptcy Court.”

17          **2.20    Creditor.**

18          This term will refer to and mean “creditor” as defined in Bankruptcy Code § 101(10).

19          **2.21    Debtor.**

20          This term refers to and means The Drysdale Village, LLC dba Frontier Village.

21          **2.22    Disclosure Statement.**

22          This term refers to and means the *Debtor’s Disclosure Statement Dated August 26, 2016*,  
23 presented by Debtor with respect to the Plan, in its present form or as it may be altered,  
24 amended, or modified.

25          **2.23    Disputed Claim.**

26          This term refers to and means every claim: (a) that Debtor scheduled as disputed,  
27 contingent, or unliquidated; and/or (b) that is not an Allowed Claim. Where performance is to  
28 be rendered under the Plan to any Creditor in respect to a Disputed Claim, such performance

1 shall not be due (notwithstanding the occurrence of the Effective Date for all other purposes and  
2 legal effects) unless and until such Disputed Claim becomes, wholly or in part, an Allowed  
3 Claim.

4 **2.24 Effective Date.**

5 This term refers to and means the thirtieth calendar day after the Confirmation Date.

6 **2.25 Estate.**

7 This term refers to and means the bankruptcy estate of Debtor created under Bankruptcy  
8 Code § 541.

9 **2.26 Executory Contract.**

10 This term will refer to and mean every unexpired lease and other contract that is subject  
11 to being assumed or rejected under Bankruptcy Code § 365.

12 **2.27 Final Order.**

13 This term refers to and means an order or judgment of the Court which (a) shall not have  
14 been reversed, stayed, modified or amended and the time to appeal from, or to seek review or  
15 rehearing of, shall have expired and as to which no appeal or petition for review, or hearing for  
16 certiorari is pending, or (b) if appealed from, shall have been affirmed and no further hearing,  
17 appeal or petition for certiorari can be taken or granted

18 **2.28 General Unsecured Claim.**

19 This term will refer to and mean every Unsecured Claim against Debtor (including, but  
20 not limited to, every such Claim arising from the rejection of an Executory Contract, and  
21 Unsecured Deficiency Claims) which will be classified and paid under the Plan as the Plan  
22 provides for Class IV Claims.

23 **2.29 Person.**

24 This term will refer to and mean “person” as defined in Bankruptcy Code § 101(41).

25 **2.30 Petition Date.**

26 This term will refer to and mean the filing date of the voluntary Chapter 11 petition of  
27 Debtor. The Petition Date in the Bankruptcy Case is July 29, 2016.

28 ///

1           **2.31    Plan.**

2           This term will refer to and mean “*Debtor’s Plan of Reorganization Dated August 26,*  
3 *2016,*” and every amendment to or modification thereof, if any, filed by Debtor.

4           **2.32    Professional Fees.**

5           This term will refer to and mean any of the interim and final professional fees and  
6 expenses charged by professional Persons Debtor employed under Bankruptcy Code § 327.

7           **2.33    Proof of Claims Bar Date.**

8           This refers to and means any deadline fixed by the Bankruptcy Court for the filing of  
9 Claims in the Bankruptcy Case (except for Claims arising out of the rejection of an Executory  
10 Contract).

11          **2.34    Proof of Interest Bar Date.**

12          This refers to and means any deadline fixed by the Bankruptcy Court for the filing of  
13 Proofs of Interest (equity Claims) in the Bankruptcy Case.

14          **2.35    Property.**

15          This term refers to, with respect to Debtor, all rights, causes of action, title, and interests  
16 in and to property (real or personal, tangible or intangible) of whatever type or nature owned by  
17 Debtor as of the Effective Date, together with property Debtor subsequently acquires, and  
18 including, but not limited to, property of the Estate as defined in Bankruptcy Code § 541.

19          **2.36    Proponent.**

20          This term refers to and means The Drysdale Village, LLC dba Frontier Village, who is  
21 the proponent of this Plan.

22          **2.37    Pro Rata.**

23          This term will refer to and mean the proportion that an Allowed Claim in a particular  
24 Class bears to the total amount of all Allowed Claims in that Class.

25          **2.38    Secured Claim.**

26          This term refers to and means every Claim or portion thereof which the Creditor holding  
27 such Claim asserts to be secured by a lien, security interest, or assignment encumbering Property  
28 in which Debtor has an interest; provided, however, that such Claim shall be a secured Claim

1 only to the extent of the validity, perfection, and enforceability of the claimed lien, security  
2 interest, or assignment, and only to the extent of the value of the interest of the Creditor holding  
3 such Claim against such Property.

4 **2.39 Secured Creditor.**

5 This term refers to and means every Creditor that holds a Secured Claim in the  
6 Bankruptcy Case.

7 **2.40 Subordinated Claim.**

8 This term refers to and means any Claim judged to be subordinated pursuant to  
9 Bankruptcy Code § 510.

10 **2.41 Unsecured Claim.**

11 This term refers to and means all Claims held by Debtor's Creditors, including  
12 deficiency Claims, dissolution Claims and Claims arising out of the rejection of Executory  
13 Contracts, other than Secured Claims, Administrative Claims, tax Claims and equity Claims.

14 **2.42 Unsecured Creditor.**

15 This term refers to and means the owner or holder of an Unsecured Claim.

16 **ARTICLE III - GENERAL TERMS AND PROVISIONS**

17 The following General Terms and Provisions shall apply to this Plan.

18 **3.1 Class of Claims and Payment.**

19 This Plan defines various Classes of Claims and interests, and is intended to deal with all  
20 Claims against Debtor of whatever character, whether or not contingent or liquidated, and  
21 whether or not allowed by the Court under Bankruptcy Code § 502(h). Only those Claims  
22 allowed under Bankruptcy Code § 502(a) will receive payment under this Plan.

23 **3.2 Time For Filing Claims.**

24 The Court set a hearing for \_\_\_\_\_, **230 N. First Avenue, 3<sup>rd</sup> Floor,**  
25 **Courtroom 301, Phoenix, Arizona**, to consider the adequacy of the Disclosure Statement and  
26 **SET THE BAR DATE FOR FILING PROOFS OF CLAIM** (except for Claims arising out of  
27 the rejection of an Executory Contract, or Class I Administrative Claims that occur after the  
28 Proof of Claims Bar Date), regardless of whether the Claim was scheduled in Debtor's

1 bankruptcy schedules. On the 60<sup>th</sup> day after the Effective Date, all persons or entities claiming a  
2 Class I Administrative Claim (except for professional persons employed pursuant to Bankruptcy  
3 Code § 327), that arose after the Proof of Claims Bar Date, shall file a final Application for  
4 Approval of Administrative Claim with the Bankruptcy Court and serve a copy of the  
5 Application for Approval of Administrative Claim upon AB&J. Any holder of a Class I  
6 Administrative Claim that fails to timely file a final Application for Approval of Administrative  
7 Claim shall be deemed to have waived its Claim and the Claim will be disallowed.

8 Only Allowed Claims and interests will receive a distribution from Debtor's Estate.  
9 Debtor has the right to object to any Claim where it appears that there is some dispute with  
10 regard to the Claim or interest as filed. Unless deemed filed pursuant to Bankruptcy Rule  
11 3003(b), the failure to timely file a proof of Claim or interest will result in disallowance of the  
12 Claim or interest.

### 13 **3.3 Claim Dispute Resolution.**

14 On or before the 60<sup>th</sup> day after the Effective Date, Debtor and/or any party in interest  
15 may file with the Bankruptcy Court, serving a copy upon counsel for Debtor, an objection to any  
16 Application for Approval of Administrative Claim, proof of claim or proof of interest filed, or  
17 deemed filed herein. No Claim will be an Allowed Claim until timely filed objections to its  
18 allowance are resolved. The Court shall resolve all objections at a separate hearing or hearings.

19 **Any claims not timely filed or allowed shall be discharged by the Confirmation Order.**

### 20 **3.4 Executory Contracts.**

21 Debtor, as landlord, is assuming all leases that are listed on Debtor's Schedule G.

## 22 **ARTICLE IV - CLASSIFICATION OF CLAIMS AND INTERESTS**

23 In accordance with Bankruptcy Code § 1122, all Claims or interests against Debtor  
24 and/or the Estate are classified below:

### 25 **4.1 Class I - Administrative Claims.**

26 Class I consists of the Allowed Administrative Claims for actual and necessary costs and  
27 expenses of administration entitled to priority under §§ 503(b) and 507(a)(1) of the Bankruptcy  
28 Code. This Class includes, without limitation, post-petition tax Claims, Debtor's attorneys'

1 fees, any post-petition management fee, approved accounting fees, and fees due the United  
2 States Trustee, if any.

3 **4.2 Class II – Priority Claims.**

4 Class II consists of all Claims that are entitled to priority treatment pursuant to 11 U.S.C.  
5 § 507(a). Each holder of a Priority Claim in Class II is considered to be in its own separate  
6 subclass within Class II, and each such subclass is deemed to be a separate Class for purposes of  
7 the Plan. Class II consists of various subclasses of asserted priority Creditor Claims.

8 **4.2.1 Class II(a) - Priority Claim of Arizona Department of Revenue.**

9 Class II(a) consists of any Allowed Priority Claim of the Arizona Department of  
10 Revenue (“ADOR”) relating to taxes owed by Debtor.

11 **4.2.2 Class II(b) - Priority Claim of Internal Revenue Service.**

12 Class II(b) consists of any Allowed Priority Claim of the Internal Revenue  
13 Service (“IRS”) relating to federal income taxes due by Debtor.

14 **4.3 Class III - Secured Claims.**

15 Class III consists of various subclasses of asserted Secured Creditor Claims. Each  
16 holder of a Secured Claim in Class III is considered to be in its own separate subclass within  
17 Class III, and each such subclass is deemed to be a separate Class for purposes of the Plan.

18 **4.3.1 Class III(a) – Secured Claim of AEA Federal Credit Union.**

19 Class III(a) consists of the Allowed Secured Claim of AEA Federal Credit Union  
20 (“AEA”) relating to its secured claim encumbering the commercial property located at 3780  
21 South 4<sup>th</sup> Avenue, Yuma, Arizona 85365 (“Commercial Property”).

22 **4.3.2 Class III(b) – Secured Claim of Mickey Van Horn.**

23 Class III(b) consists of the Allowed Secured Claim of Mickey Van Horn  
24 (“MVH”) relating to its secured claim encumbering the 1994 Jeep Wrangler (“Jeep”).

25 **4.3.3 Class III(c) – Secured Claim of Yuma County Treasurer.**

26 Class III(c) consists of the Allowed Secured Claim of the Yuma County  
27 Treasurer relating to secured claim encumbering the Commercial Property.

28

1           **4.4 Class IV – General Unsecured Creditors.**

2           Class IV consists of all Allowed Unsecured Claims that are not entitled to classification  
3 in any other class of claims.

4                           **ARTICLE V - PLAN IMPLEMENTATION**

5           The Plan will be implemented upon entry of the Confirmation Order. Upon the  
6 Effective Date, or at such other time as specifically provided for in this Plan, Creditors holding  
7 Allowed Claims will receive the treatment provided for in the Plan. Creditors will only be  
8 entitled to the treatment of the Class of Claims within which they belong upon having their  
9 Claim allowed. As stated herein, the Plan will be funded with Debtor’s operational revenue.

10                           **ARTICLE VI - TREATMENT OF CLAIMS AND INTERESTS**

11           **6.1 Class I - Administrative Claims.**

12           Prior to the filing of this case, the Debtor paid AB&J a retainer in the amount of  
13 \$15,000.00. AB&J applied \$9,248.21 of this retainer to the Debtor’s pre-filing fees and costs.  
14 The remaining \$5,751.79 of the retainer is held in AB&J’s IOLTA Trust account for post-  
15 bankruptcy fees and costs. While Plan litigation is possible, the Debtor anticipates that AB&J’s  
16 attorneys’ fees and costs will not exceed an additional \$10,000.00. The holders of Allowed  
17 Class I Claims shall be paid in full on the Effective Date or upon such other terms as Debtor and  
18 the holders of Allowed Class I Claims agree. Class I is unimpaired.

19           **6.2 Class II – Priority Claims.**

20           Unless otherwise specified, holders of Allowed Priority Claims in any of the Class II  
21 subclasses shall receive payment in full, within five years of the Petition Date. The first  
22 payment will be due on the Effective Date.

23                   **6.2.1 Class II(a) - Priority Claim of Arizona Department of Revenue.**

24           Debtor does not believe any Claims exist in this Class. To the extent that there  
25 are Claims, Holders of Allowed Class II(a) Claims shall receive payment in full, in monthly  
26 payments of principal and interest. The first payment will be due on the Effective Date. The  
27 interest rate paid to Allowed Class II(a) Claims shall be three percent (3.0%) per annum from  
28 the Effective Date. No prepayment penalty shall pertain to this Claim. Class II(a) is impaired.

1                   **6.2.2 Class II(b) - Priority Claim of Internal Revenue Service.**

2                   Debtor does not believe any Claims exist in this Class. To the extent that there  
3 are Claims, Holders of Allowed Class II(b) Claims shall receive payment in full, in monthly  
4 payments of principal and interest. The first payment will be due on the Effective Date.  
5 Allowed Class II(b) Claims shall be paid with interest at the statutory rate set forth in I.R.C. §§  
6 6621 and 6622 that is in effect during the month the Plan is Confirmed (currently 4.0%  
7 compounded daily). No prepayment penalty shall pertain to this Claim. Class II(b) is impaired.

8                   **6.3 Class III - Secured Claims.**

9                   Unless otherwise specified below, holders of Allowed Secured Claims in any of the  
10 Class III subclasses shall receive full payment of the amount of their Allowed Secured Claims.  
11 Any of Debtor's defaults under loan documents with any Allowed Secured Claimants shall be  
12 deemed cured as of the Effective Date. To the extent such loan documents provide for default  
13 resulting from Debtor's bankruptcy filings, such default shall not be enforceable.  
14 Notwithstanding any pre-bankruptcy agreements with Class III Claimants, Debtor's statement  
15 of the value of each Secured Claim shall be final unless a Creditor objects to Debtor's value  
16 prior to the confirmation of the Plan. Unless otherwise specified herein or in an order entered  
17 by the Bankruptcy Court, holders of Allowed Secured Claims shall retain any existing perfected  
18 lien to secure Debtor's obligations under the Plan. Payments to holders of Allowed Class III  
19 Secured Claims will begin on the Effective Date

20                   **6.3.1 Class III(a) – Secured Claim of AEA.**

21                   AEA shall receive payment on its Allowed Secured Claim of \$1,641,723.58 at  
22 the fixed rate of 4.5% per annum for the first five (5) years, amortized over 360 months with a  
23 five year maturity. The monthly payment will be \$8,318.37. Any deficiency amount incurred  
24 prior to the Effective Date, including without limitation any: accrued interest, fees, escrow  
25 deficiency for any funds advanced, and escrow shortage shall be treated as a General IV  
26 General Unsecured Claim. AEA shall retain its lien encumbering the Commercial Property. The  
27 payments to the Allowed Secured Class III(a) Claim shall begin on the Effective Date. No  
28 prepayment penalty shall pertain to this Claim. Class III(a) is impaired.



1           Additionally, Debtor will provide for the timely payment of future real property  
2 taxes, establish a management and succession plan for the Commercial Property involving  
3 Debtor's management company, and provide regular financial statements to AEA as needed  
4 and/or required pursuant to the Loan documentation.

5           **6.3.2 Class III(b) – Secured Claim of Mickey Van Horn.**

6           MVH has an Allowed Secured Claim in the approximate amount of \$3,000.00.  
7 The Allowed Secured Claim shall be amortized over five (5) years and accrue interest at 6.00%  
8 per annum. Payments in the approximate amount of \$91.27 per month shall begin on the  
9 Effective Date. MVH shall retain its lien encumbering the Jeep. No prepayment penalty shall  
10 pertain to this Claim. Class III(b) is impaired.

11           **6.3.3 Class III(c) – Secured Claim of Yuma County Treasurer.**

12           The Yuma County Treasurer has an Allowed Secured Claim in the approximate  
13 amount of \$18,418.77. The Allowed Secured Claim shall be amortized over five (5) years and  
14 accrue interest at the statutory rate of 16.75% per annum. Payments in the approximate amount  
15 of \$455.28 per month shall begin on the Effective Date. The Yuma County Treasurer shall  
16 retain its lien encumbering the Commercial Property. No prepayment penalty shall pertain to  
17 this Claim. Class III(c) is impaired.

18           **6.4 Class IV – General Unsecured Creditors.**

19           Holders of Allowed Class IV Claims shall be paid in full over five years in five equal  
20 annual payments. Debtor shall make the first payment to the holders of Allowed Class IV  
21 Claims on the first Business Day that occurs 6 months after the Effective Date (“Initial Payment  
22 Date”) and every year thereafter for four years. No interest will accrue or be paid to the holders  
23 of the Allowed Class IV Claims. If a Class IV Claim is not an allowed claim prior to 30 days  
24 after the Effective Date, the Class IV Claim shall receive payment on the one year payment date  
25 that falls after their Class IV Claim becomes an allowed claim. Class IV is impaired.

26           **ARTICLE VII - VOTING PROCEDURE**

27           Creditors will vote to accept or reject this Plan. THIS PLAN CANNOT BE  
28 CONFIRMED IF THE PLAN DOES NOT RECEIVE AT LEAST TWO-THIRDS (2/3) IN

1 AMOUNT AND MORE THAN ONE-HALF (½) IN NUMBER OF ALLOWED CLAIMS  
2 VOTING IN EACH IMPAIRED CLASS; provided, however, if the requisite acceptances are  
3 not obtained from one or more impaired classes, the Court may nonetheless confirm the  
4 Proponent's Plan pursuant to Bankruptcy Code § 1129(b) if one impaired Class accepts the Plan  
5 and the Court finds that the Plan provides, among other things, fair and equitable treatment of  
6 the Classes rejecting the Plan, and that Creditors receive as much or more under the Plan than  
7 they would receive in a Chapter 7 liquidation.

8 **ARTICLE VIII - BINDING EFFECT OF PLAN**

9 The provisions of this Plan shall bind Debtor and any Person or entity holding a Claim  
10 against Debtor and its Estate, whether asserted or non-asserted, and any Person asserting an  
11 interest in Debtor, whether or not a Claim or interest of such Person or entity arose before or  
12 after the Petition Date or the Effective Date, whether or not the Claim or interest is impaired  
13 under the Plan, and whether or not such Person or entity has accepted the Plan.

14 **ARTICLE IX - EFFECT OF CONFIRMATION**

15 Except as otherwise provided herein, the rights afforded in the Plan shall be in exchange  
16 for and in complete satisfaction, discharge and release of all Claims against Debtor of any nature  
17 whatsoever. All such Claims against Debtor shall be satisfied, discharged and released in full.  
18 All holders of Claims against Debtor shall be precluded from asserting against Debtor, its Estate,  
19 or the assets or properties of Debtor or its Estate any other or further Claim based upon any  
20 omission, transaction or other activity of any kind or nature that occurred prior to the Effective  
21 Date. This discharge shall be effective as to each claim, regardless of whether the Claim is  
22 listed on Debtor's Statements or Schedules filed this Bankruptcy Case, whether a proof of Claim  
23 was filed, whether such proof of Claim was withdrawn, whether the Claim is an Allowed Claim,  
24 in whole or in part, or whether the holder of the Claim votes to accept or reject this Plan. Upon  
25 the Effective Date, all Property will vest in the reorganized Debtor, which, subject to the  
26 obligations set forth in this Plan, may utilize the Property free of any burdens of the Bankruptcy  
27 Code and without need to obtain Court approval of its actions.

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## ARTICLE X - MODIFICATION OF PLAN

This Plan may be modified in accordance with the provisions of the Bankruptcy Code and Chapter 11 as follows:

### **10.1 Pre-Confirmation**

In accordance with Bankruptcy Code § 1127(a), the modification of the Plan may be proposed in writing by the Proponent at any time before the Confirmation Date, provided that the Plan, as thus modified, meets the requirements of Bankruptcy Code §§ 1122 and 1123, and the Proponent complies with Bankruptcy Code § 1125.

### **10.2 Post-Confirmation**

In accordance with Bankruptcy Code § 1127(b), the Plan also may be modified at any time after its Confirmation and before its substantial consummation, provided that the Plan as thus modified, meets the requirements of Bankruptcy Code §§ 1122 and 1123, provided further that the circumstances then existing justify such modification, and the Court confirms the Plan as thus modified under of Bankruptcy Code § 1129.

### **10.3 Objections**

Any holder of a Claim or equity interest that has accepted or rejected the Plan will be deemed to have accepted or rejected, as the case may be, the Plan as modified unless, within the time fixed by the Bankruptcy Court for doing so, such holder changes its previous acceptance or rejection.

### **10.4 Effect**

Every modification of the Plan will supersede the previous version of the Plan as and whenever each modification is effective. When superseded, the previous version of the Plan will be in the nature of a withdrawn or rejected settlement proposal, and will be null, void and unusable by Debtor or any other party for any purposes whatsoever with respect to any of the contents of such version of the Plan.

### **10.5 Default**

If Debtor is unable to perform the terms and conditions of the Plan, then it will be in default. Any Creditor may seek to enforce the Plan. Before doing so, the Creditor must provide

1 notice to Debtor specifying the nature of the alleged default and a 30-day period to cure the  
2 default. Any notice must be in writing and sent via certified mail to Debtor at the address on file  
3 with the Clerk of this Court and with a copy sent via certified mail to:

4 Thomas H. Allen  
5 Philip J. Giles  
6 **ALLEN BARNES & JONES, PLC**  
7 1850 N. Central, Suite 1150  
8 Phoenix, Arizona 85004

#### 9 **ARTICLE XI - RETENTION OF JURISDICTION**

10 Notwithstanding the confirmation of this Plan, the Bankruptcy Court shall retain  
11 jurisdiction for all matters arising out of, or related to, the Bankruptcy Case and this Plan,  
12 including, but not limited to, all of the following:

##### 13 **11.1 In General**

14 The Court shall retain jurisdiction to determine the allowance and payment of any  
15 Claims upon any objection thereto (or other appropriate proceedings) by Debtor, or any other  
16 party in interest entitled to proceed in that manner. As part of such retained jurisdiction, the  
17 Court shall continue to determine the allowance of Administrative Claims and any request for  
18 payment( thereof, including Professional Fees and costs which are Administrative Claims  
19 classified as Class I Claims.

##### 20 **11.2 Sales**

21 The Court shall retain jurisdiction to adjudicate and determine any issues that arise out of  
22 or relate to a sale of any Property.

##### 23 **11.3 Plan Disputes**

24 The Court shall retain jurisdiction to determine any Disputes, which may arise regarding  
25 the interpretation of any provisions of this Plan.

##### 26 **11.4 Further Orders**

27 The Court shall retain jurisdiction to facilitate the consummation of this Plan by entering,  
28 consistent with the provisions of this Plan, any further necessary or appropriate orders regarding  
the enforcement of this Plan and any provision thereof.

1           **11.5 Other Claims**

2           The Court shall retain jurisdiction to adjudicate any causes of action or other proceedings  
3 presently pending or otherwise referenced here or elsewhere in this Plan; including, but not  
4 limited to, any action regarding the initiation, prosecution, enforcement, compromise or  
5 settlement of the causes of action in the Estate, and the adjudication of any and all “core  
6 proceedings” under 28 U.S.C. § 157(b) which may be pertinent to the Bankruptcy Case.

7           **11.6 Enforcement of Plan**

8           The Court shall retain jurisdiction to enforce any provisions of this Plan, and any and all  
9 documents relating to this Plan; including, but not limited to, the conduct of sales pursuant to  
10 Bankruptcy Code §§ 363(f) or (h), and the approval of any borrowing by Debtor, if required by  
11 the lender.

12           **11.7 Appeals**

13           In the event of any appeal of the Confirmation Order, and provided that no stay of the  
14 effectiveness of such Confirmation Order has been entered, the Court shall retain jurisdiction to  
15 implement and enforce the Confirmation Order and this Plan according to their terms; including,  
16 but not limited to, jurisdiction to enter such orders regarding disbursements under the Plan or the  
17 consummation thereof as may be necessary to effectuate the terms of the Plan.

18           **11.8 Tax Issues**

19           The Court shall retain jurisdiction to adjudicate and determine any issues that relate to  
20 this Bankruptcy Case, and any governmental unit’s claim with respect to any tax, or any fine,  
21 interest or penalty relating to a tax.

22           **11.9 Unexpired Leases And Other Executory Contracts**

23           The Court shall retain jurisdiction to determine any and all claims arising from rejection  
24 of Executory Contracts.

25           **11.10 Settlement Agreement Disputes**

26           The Court will retain jurisdiction to determine any dispute which may arise regarding the  
27 enforcement of any settlement or compromise related to the Bankruptcy Case.

28           **11.11 Professional Fees and Costs.**

1 The Court will retain jurisdiction to determine any and all issues that relate to the  
2 payment of Professional Fees in the Bankruptcy Case.

3 **11.12 Close of Case**

4 This Bankruptcy Case shall be deemed closed upon entry of a final decree closing this  
5 Bankruptcy Case. Notwithstanding anything to the contrary contained herein, the Proponent  
6 shall not be bound by estoppel, or the principles of *res judicata* or collateral estoppel, with  
7 respect to any term or provision contained herein in the event the Plan is not confirmed upon the  
8 terms and provisions set forth herein.

9 **ARTICLE XII - RETENTION AND PROSECUTION OF CLAIMS**

10 **12.1 Preservation of Debtor's Claims, Demands, and Causes of Action**

11 In accordance with Bankruptcy Code § 1123(b)(3), all of Debtor's claims and causes of  
12 action will survive entry of the Confirmation Order and the Effective Date; they will not be  
13 discharged by the Plan; and they will become and remain assets of the reorganized Debtor after  
14 the Effective Date. The reorganized Debtor may bring such action within the longer of (i) the  
15 applicable state or federal statute of limitation applicable to such claim or cause of action or (ii)  
16 180 days after the Effective Date.

17 **12.2 Procedure for Determination of Claims**

18 Except as to any Claim that has been allowed prior to the Effective Date, no later than 60  
19 days after the Effective Date, the Debtor or any party in interest may object to the allowance of  
20 any Claim against the Debtor or seek estimation thereof on any Claim (including any Claim  
21 amounts stated in the Plan).

22 **12.3 Disputed Claims**

23 No payments or other distributions will be made to holders of Disputed Claims unless  
24 and until such Claims are Allowed Claims pursuant to a Final Order. If a Disputed Claim is not  
25 an Allowed Claim by or on the Effective Date or when payment is otherwise due under the Plan,  
26 payment of the Disputed Claim will be made when it becomes an Allowed Claim after the  
27 Effective Date or as otherwise specifically provided in the Plan.  
28

1           **12.4 Treatment of Contingent Claims**

2           Until such time as a contingent Claim or a contingent portion of an Allowed Claim  
3 becomes fixed or absolute or is disallowed, such Claim will be treated as a Disputed Claim for  
4 all purposes related to distributions under the Plan. The holder of a contingent Claim will only  
5 be entitled to a distribution under the Plan when and if such contingent Claim becomes an  
6 Allowed Claim.

7           **12.5 Administrative Claims Bar Date**

8           Administrative expense proofs of Claim requesting payment of administrative costs and  
9 expenses incurred prior to the Effective Date pursuant to Bankruptcy Code §§ 507(a)(1) and  
10 503(b) (except for professional persons employed pursuant to Bankruptcy Code § 327) must be  
11 served and filed with the Bankruptcy Court no later than thirty (30) days after the Effective  
12 Date; provided, however, that proofs of Claim will not be required with respect to any unpaid  
13 post-petition operating expenses incurred in the normal course of Debtor's business prior to the  
14 Effective Date. Any such Claim that is not served and filed within this time period will be  
15 forever barred. Any Claims for fees, costs, and expenses incurred by any professionals after the  
16 Effective Date will be paid in the Debtor's ordinary course of business.

17                           **ARTICLE XIII - PROVISIONS GOVERNING DISTRIBUTIONS**

18           **13.1 Distributions by Reorganized Debtor**

19           All Allowed Claims against the Debtor will be paid by the reorganized Debtor according  
20 to the Plan.

21           **13.2 Date of Distributions**

22           Except as otherwise provided in the Plan, or as may be ordered by the Bankruptcy Court,  
23 distributions of cash as to Allowed Claims as of the Effective Date will be made as of the  
24 Effective Date or as otherwise agreed by the respective parties. Authorized distributions to be  
25 made as of the Effective Date will be deemed made as of the Effective Date if made on the  
26 Effective Date or as promptly thereafter as practicable, but in any event no later than thirty (30)  
27 days after the Effective Date. Distributions on account of the disputed portion of Disputed  
28 Claims that are allowed after the Effective Date will be made as provided in the Plan and if not

1 so provided no later than thirty (30) days after entry of a Final Order allowing the Claim.

2 **13.3 Delivery of Distributions**

3 Subject to Bankruptcy Rule 9010, distributions and deliveries to each holder of an  
4 Allowed Claim will be made at the address of such holder as set forth on the respective proof of  
5 Claim (or at the last known address of such holder if no proof of Claim is filed or if the Debtor  
6 has been notified of a change of address) as of the last Business Day prior to the Effective Date.  
7 If any holder's distribution is returned as undeliverable, no further distribution to such holder  
8 will be made unless and until the reorganized Debtor is notified of such holder's then current  
9 address, at which time all missed distributions will be made to such holder without interest.  
10 Debtor will be under no obligation to attempt to locate the holder of any Allowed Claim or to  
11 recognize any purported transfer or encumbrance on the rights of holders of Allowed Claims  
12 after the Confirmation Date. Amounts of undeliverable distributions attempted by the  
13 reorganized Debtor will be retained by the reorganized Debtor until such distributions are  
14 claimed or become unclaimed Property. All Claims for undeliverable distributions will be made  
15 on or before the first anniversary of the Effective Date. After such date, all unclaimed Property  
16 will revert to and become the Property of the reorganized Debtor.

17 **13.4 Means of Payment**

18 Payments made to holders of Allowed Claims pursuant to this Plan will be in United  
19 States dollars by checks drawn on the domestic bank selected by the reorganized Debtor, or by  
20 wire transfer from a domestic bank, at the option of the reorganized Debtor. Payment shall be  
21 deemed made upon deposit by the reorganized Debtor of such payment in the United States  
22 mail, first class postage pre-paid.

23 **13.5 DeMinimis Cash Distributions**

24 No cash payment of less than ten dollars (\$10.00) will be made to any holder of an  
25 Allowed Claim unless a request therefore is made in writing to the reorganized Debtor.

26 **13.6 Setoff**

27 The reorganized Debtor will, pursuant to Bankruptcy Code § 553 or common law rights  
28 of setoff and/or recoupment, in the ordinary course of business setoff or assert recoupment



1 against any Allowed Claim, and the distributions to be made pursuant to this Plan on account of  
2 such Claim, the Claims, rights, and causes of action of any nature that the Debtor may hold  
3 against the holder of such Claim; provided, however, that neither the failure to effect such a  
4 setoff nor the allowance of any Claim hereunder will constitute a waiver or release by the Debtor  
5 of any such Claims, rights, and causes of action that the Debtor may possess against such holder.

## 6 **ARTICLE XIV - GENERAL PROVISIONS**

### 7 **14.1 Extension of Payment Dates**

8 If any payment date falls due on any day that is not a Business Day, then such due date  
9 will be extended to the next Business Day.

### 10 **14.2 Notices**

11 Any notice required or permitted to be provided under the Plan will be in writing and  
12 served by regular postage prepaid first-class mail, hand-delivery, facsimile, or e-mail.

### 13 **14.3 Closing of the Case**

14 At such time as the Plan has been fully administered (*i.e.*, when the Plan has been  
15 substantially consummated), the reorganized Debtor will file an application for Final Order  
16 showing that the Plan has been fully administered.

### 17 **14.4 Exculpation and Limitation of Liability**

18 Neither Debtor, nor any of its respective present or former officers, directors, employees,  
19 advisors, attorneys, or agents, will have or incur any liability to any holder of a Claim or Equity  
20 Interest, or any other party-in-interest, or any of their respective agents, employees,  
21 representatives, financial advisors, attorneys, or affiliates, or any of their successors or assigns,  
22 for any act or omission in connection with, relating to, or arising out of the Bankruptcy Case, the  
23 extension of credit to the Debtor during the Bankruptcy Case pursuant to debtor-in-possession  
24 financing or the use of cash collateral, efforts to obtain confirmation of the Plan, the  
25 consummation of the Plan, or the administration of the Plan or the property to be distributed  
26 under the Plan, whether now known or hereafter discovered, *except for their gross negligence;*  
27 *willful, wanton, or intentional misconduct; or breaches of their fiduciary duties.*  
28

1           **14.5 General Injunction**

2           Except as otherwise expressly provided in this Plan, the Confirmation Order shall  
3 provide, among other things, that all parties-in-interest who have held, hold, or may hold Claims  
4 are permanently enjoined on and after the Effective Date from: (a) commencing or continuing  
5 in any manner any action or other proceeding of any kind with respect to any such Claim against  
6 Debtor or any successor-in-interest of Debtor, against Property of Debtor, or against Property of  
7 any successor-in-interest of Debtor; (b) the enforcement, attachment, collection, or recovery by  
8 any manner or means of any judgment, award, decree, or order against Debtor or any successor-  
9 in-interest of Debtor, Property, or against Property of any successor-in-interest of Debtor with  
10 respect to any such Claim; (c) creating, perfecting, or enforcing any encumbrance of any kind  
11 against Debtor or any successor-in-interest of Debtor, against Property, or against Property of  
12 any successor-in-interest of Debtor with respect to any such Claim; (d) from asserting any setoff,  
13 right of subrogation, or recoupment of any kind against any obligation due the Debtor or any  
14 successor-in-interest of Debtor, against Property, or against Property of any successor-in-interest  
15 of Debtor, with respect to any such Claim; (e) conducting any form of discovery from Debtor  
16 with respect to any such Claim, or any successor-in-interest of Debtor; and/or (f) harassing  
17 Debtor or any successor-in-interest of Debtor.

18           **14.6 Interest**

19           Whenever interest is to be computed under the Plan, interest will be simple interest and  
20 not compounded. Unless otherwise specifically provided for in the Plan or the Confirmation  
21 Order, post-petition interest shall not accrue or be paid on Claims, and no holder of a Claim will  
22 be entitled to interest accruing on or after the Petition Date on any Claim.

23           **14.7 Additional Assurances**

24           Debtor and any party-in-interest holding Claims herein will execute such other further  
25 documents as are necessary to implement any of the provisions of the Plan.

26           **14.8 Confirmation by Non-Acceptance Method**

27           Debtor hereby requests, if necessary, confirmation of the Plan pursuant to Bankruptcy  
28 Code § 1129(b) with respect to any impaired Class of Claims that does not vote to accept the

1 Plan.

2 **14.9 Vesting**

3 As of the Effective Date, the reorganized Debtor shall retain and be vested with all of the  
4 assets of the Estate. All assets retained shall be free and clear of all liens, Claims, and interests  
5 of Creditors and parties-in-interest, except as specifically provided in this Plan.

6 **14.10 Successors and Assigns**

7 The rights and obligations of any Creditor or other party-in-interest referred to in the  
8 Plan will be binding upon, and will inure to the benefit of, the successors, assigns, heirs,  
9 devisees, executors, and personal representatives of such Creditor or party-in-interest.

10 **14.11 Withdrawal of Plan**

11 The Plan may be withdrawn or revoked by the Debtor at any time before entry of the  
12 Confirmation Order.

13 **14.12 Severability and Reformation**

14 It is the intention of Debtor to comply fully with the Bankruptcy Code and applicable  
15 non-bankruptcy law in proposing the Plan. Therefore, if any provision of the Plan is determined  
16 by the Bankruptcy Court to be contrary to the Bankruptcy Code or applicable non-bankruptcy  
17 law, that provision will be deemed severed and automatically deleted from the Plan, if it cannot  
18 be reformed or the provision or its interpretation will be deemed reformed to ensure compliance;  
19 provided, however, that nothing contained in this paragraph will prevent Debtor from modifying  
20 the Plan in any manner whatsoever in accordance with and as set forth in the Plan. Pursuant to  
21 any ruling by the Bankruptcy Court regarding the subject matter of this paragraph, any such  
22 severance or reformation will be stated specifically in the Confirmation Order, which then will  
23 control notwithstanding any contrary or inconsistent provisions of the Plan.

24 **14.13 Prohibition Against Prepayment Penalties**

25 If the reorganized Debtor so chooses, in its sole and absolute discretion, to prepay any  
26 obligation on which deferred payments are provided for under the Plan, the reorganized Debtor  
27 will not be liable or subject to the assessment of any prepayment penalty thereon unless  
28 otherwise ordered by the Bankruptcy Court.

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**14.14 Payment of Statutory Fees and Filing of Quarterly Reports**

All fees payable pursuant to 28 U.S.C. § 1980, as determined by the Bankruptcy Court at or in conjunction with the Confirmation Hearing, will be paid on or before the Effective Date and, thereafter, in accordance with applicable bankruptcy law. All quarterly reports of disbursements required to be filed by applicable bankruptcy law will be filed in accordance with applicable bankruptcy law.

**14.15 Governing Law**

Except to the extent that the Bankruptcy Code is applicable, the rights and obligations arising under this Plan shall be governed by, construed, and enforced in accordance with, and subject to, the laws of the State of Arizona, excluding any laws that result in the application of the laws of another jurisdiction.

**14.16 Special Tax Issues**

The issuance, transfer, or exchange of a security as defined under the Bankruptcy Code or applicable law, or the making or delivery of any instrument of transfer under this Plan, shall not be taxed under any state or local law imposing a stamp tax or similar tax as provided in Bankruptcy Code § 1146.

**14.17 Conflicts Between Plan and Confirmation Order**

In the event the terms of this Plan and the Confirmation Order conflict, the terms of the Confirmation Order shall govern.

RESPECTFULLY SUBMITTED this 26<sup>th</sup> day of August, 2016.

**The Drysdale Village, LLC  
dba Frontier Village**

/s/ Raymond Drysdale  
Raymond Drysdale, Member

-signatures continued on next page-

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///

1 **APPROVED AS TO FORM AND CONTENT:**

2 **ALLEN BARNES & JONES, PLC**

3

4 By: /s/ THA #11160  
5 Thomas H. Allen  
6 Philip J. Giles  
7 1850 N. Central Avenue, Suite 1150  
8 Phoenix, Arizona 85004  
9 Attorneys for Debtor  
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# Exhibit “B”

<b>MONTHLY INCOME AND REGULAR EXPENSES PER 5 YEAR PLAN</b>		
<b>Income</b>		
Rent	\$21,250.00	
<b>Total Monthly Income:</b>		<b>\$21,250.00</b>
<b>Expenses</b>		
<b>Plan payments secured by real property*</b>		<b>\$8,773.65</b>
<b>Plan payments secured by personal property*</b>		<b>\$91.27</b>
<b>Regular monthly expenses:</b>		
APS	\$500.00	
ADOR - TPT	\$250.00	
C&D Disposal	\$100.00	
Centurylink - Alarm phone lines	\$100.00	
City of Yuma - water & sewer	\$500.00	
Competitive Cleaners - cleaning & trash can service	\$375.00	
Myrna Franco - AC filter changes	\$271.00	
Wanda Southerland - landscaping	\$500.00	
Yuma Insurance - property insurance	\$600.00	
Miscellaneous repairs & maintenance	\$1,500.00	
Realty Executives - property management fees	\$1,700.00	
<b>Total Regular Monthly Expenses:</b>		<b>\$6,396.00</b>
<b>Disposable income for unsecured creditors:</b>		<b>\$5,989.08</b>

\*See Exhibit C

# Exhibit “C”



<b>Plan Payments</b>			
<b>Creditor</b>	<b>Balance</b>	<b>Payment</b>	<b>Payment Terms</b>
AEA Federal Credit Union - 1st position 4th Ave property	\$1,641,723.58	\$8,318.37	4.5% interest payable over 30 years
Yuma County Treasurer - 2nd position tax lien - 4th Ave property	\$18,418.77	\$455.28	16.75% interest payable over 5 years
Mickey Van Horn 6% over 36 months	\$3,000.00	\$91.27	6% interest payable over 3 years
<b>Total secured and priority debt payments:</b>		<b>\$8,864.92</b>	

# **Exhibit “D”**

<b>Liquidation Analysis</b>			
<b>Property</b>	<b>Value</b>	<b>Lien</b>	<b>Equity</b>
Commercial Property at 3870 S. 4th Avenue, Yuma, AZ 85365	\$1,200,000	\$1,660,142	\$0
Realty Executives Fiduciary checking account	\$8,781	\$8,781	\$0
Rental deposits	\$10,200	\$10,200	\$0
Accounts receivable (unpaid rent)	\$15,950	\$15,950	\$0
1994 Jeep Wrangler	\$3,000	\$3,000	\$0
Metal sculptures and artwork (affixed to building)	\$1,200	\$0	\$1,200
<b>TOTAL NONEXEMPT EQUITY FOR UNSECURED CREDITORS:</b>			<b>\$1,200</b>