

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
PANAMA CITY DIVISION**

In re:

The Intown Companies, Inc.

**CASE NO.: 14-50374-KKS
CHAPTER 11**

Debtor-In-Possession.

_____/

DISCLOSURE STATEMENT

Dated: January 16, 2017

Law Offices of Jason A. Burgess
1855 Mayport Road
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Attorneys for Debtor-In-Possession

Introduction

This Disclosure Statement is submitted by The Intown Companies, Inc. (“Debtor”) pursuant to § 1125 of the Bankruptcy Code. The purpose of this Disclosure Statement is to provide holders of claims against the Debtor with sufficient information to make an informed judgment of whether to accept or reject the Plan of Reorganization (the “Plan”) which Debtor has filed with this Court. The Disclosure Statement should be read in conjunction with the Plan.

To the extent this Disclosure Statement contains financial information, it was prepared from information provided by Debtor. Debtor has made every attempt to provide reliable and accurate financial information. However, such information has not been subject to an independent certified audit to insure absolute accuracy.

The description of the Plan contained in this Disclosure Statement is intended as a summary only and is qualified in its entirety by reference to the Plan itself. Except as otherwise expressly provided herein, capitalized terms used herein and defined in the Plan shall have the same meaning attributed to them in the Plan.

The statements contained in this Disclosure Statement are made as of the date hereof, unless another time is specified herein, and delivery of this Disclosure Statement shall not create an implication that there has been no change in the facts set forth herein since the date of this Disclosure Statement and the date the materials relied upon in preparation of this Disclosure Statement were compiled.

This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan, and nothing contained herein shall constitute an admission of fact or liability by any party, or be admissible in any proceeding involving the Debtor or any other party, or be deemed conclusive advice on the tax or other legal effects of the reorganization on holders of claims or interests.

THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF FLORIDA, PANAMA CITY DIVISION, HAS APPROVED THIS DISCLOSURE STATEMENT, WHICH APPROVAL DOES NOT CONSTITUTE A DETERMINATION ON THE MERITS OF THE PLAN. THE APPROVAL OF THE DISCLOSURE STATEMENT MEANS THAT THE BANKRUPTCY COURT HAS FOUND THAT THE DISCLOSURE STATEMENT CONTAINS ADEQUATE INFORMATION TO PERMIT CREDITORS OF DEBTOR TO MAKE A REASONABLY INFORMED DECISION IN EXERCISING THEIR RIGHT TO VOTE UPON THE PLAN.

THIS DISCLOSURE STATEMENT, TOGETHER WITH THE PLAN, SHOULD BE READ IN ITS ENTIRETY. ADDITIONALLY, IT MAY BE ADVISABLE FOR CREDITORS TO CONSULT THEIR OWN COUNSEL OR OTHER ADVISORS WITH RESPECT TO THE MATTERS CONTAINED HEREIN.

NO REPRESENTATIONS CONCERNING THE PLAN, OTHER THAN THOSE SET FORTH IN THIS DISCLOSURE STATEMENT, HAVE BEEN AUTHORIZED BY THE BANKRUPTCY COURT.

Overview of Chapter 11

Once a petition for reorganization is filed, actions to collect pre-petition debts are stayed, and other contractual obligations may not be enforced. These protections give debtors the opportunity to restructure their operations under court supervision and guarantee that all creditors will receive fair and equitable treatment. After the commencement date, debtors are given the opportunity to restructure their operations and may obtain credit, sell assets, and reject executory contracts and lease obligations, subject to court approval. Debtors may then propose a plan of reorganization to restructure their obligations. Substantially all liabilities of a debtor as of a commencement date are subject to settlement under a plan of reorganization and are to be voted upon by all impaired classes of creditors and interest holders and approved by a bankruptcy court. The approval of a plan of reorganization allows a debtor to emerge from bankruptcy and to continue operating its business without continued court supervision.

Voting and Acceptance

Following approval of this Disclosure Statement, the Bankruptcy Court will schedule a hearing to consider confirmation and approval of the Plan. Notice of that hearing will be provided to you, along with a copy of the Plan, this Disclosure Statement and a ballot for you to either accept or reject the Plan.

Under the Bankruptcy Code, not all creditors of the Debtor are entitled to cast a vote to accept or reject the Plan. Only holders of claims that are “impaired” may vote. However, any creditor or party in interest may appear at the confirmation hearing on the Plan and be heard by the court in support of opposition to the Plan, provided that parties opposing confirmation shall have timely filed an objection in writing with the Bankruptcy Court.

Under the Bankruptcy Code, a class of claims or interests is considered to have accepted the Plan if both a majority in number and two-thirds (2/3) of the dollar amount of those actually voting from that class vote to accept the Plan. The claims of those who do not vote are not counted in determining whether the requisite statutory majority in number and dollar amount have voted for acceptance. Acceptance by the statutory majority, however, will bind the minority who vote to reject the Plan. Pursuant to § 1129(b) of the Bankruptcy Code, the Plan may also be confirmed and become binding on creditors and parties in interest notwithstanding the rejection of the Plan by a class of creditors if the Court finds that the Plan does not “discriminate unfairly” and is “fair and equitable” to such class in accordance with the provisions of § 1129(b).

IF YOU DO NOT VOTE, and no impaired Class accepts the Plan, the bankruptcy court may permit the secured creditors of the Debtor to enforce their rights in their collateral, which may in turn result in the non-payment of unsecured claims.

The information set forth herein is intended to help you arrive at a decision to either accept or reject the Plan.

Events During the Chapter 11 Case

1. Management.

Pursuant to 11 U.S.C. § 1107, the Debtor has continued to manage its property and business affairs as a debtor-in-possession. No trustee has been appointed. During the pendency of the case, the Debtor was authorized to pay all necessary and current post-petition expenses to the extent that such payments were necessary to preserve the assets of its estate.

2. Executory Contracts and Unexpired Leases.

Debtor is not assuming any executory contracts or unexpired leases.

The Plan

Debtor has proposed the Plan as a means for dealing with its debt burden. The Plan is intended to ensure that all creditors receive as much or more than they would receive in a liquidation of Debtor's assets.

Summary of the Plan

a. Class 1 (Panama Assets, LLC)

Panama Assets, LLC's claim was determined by the Court to be \$3,713,187 (Doc. No. 287). The Debtor will pay the full claim, minus already received adequate protection payments (totaling through November 2016 in the amount of \$278,375.17) plus other scheduled payments up to the Effective Date as follows:

The Debtor will make monthly principle and interest payments, based upon \$2,702,035.33 amortized over twenty-five (25) years with 5.50% interest, in the amount of \$16,593.00. Additionally the Debtor will pay a twenty-five (25) percent Excess Cash Payment to Panama Assets, LLC as a principle payment consistent with the attached Exhibit. All amounts due and owing on the secured portion of the claim shall come due after sixty months from the first payment under this Plan if the Debtor does not exercise the below extension rights.

The Debtor shall have the right to two (2) additional one-year extensions of the balloon by Mr. Melton Harrell making a \$25,000.00 principal payment to Panama Assets, LLC for the first year extension and a \$50,000.00 principal payment to Panama Assets, LLC for the second year extension. Each extension along with its corresponding principal payment must be executed on or before thirty days prior to the expiration of the then current balloon period.

Panama Assets, LLC will be allowed a unsecured claim in the approximate amount of \$690,803.32. Upon confirmation and on the Effective Date, this portion of the Panama Assets claim shall become recourse and hold the same rights and privileges of the Panama Assets secured claim.

This portion of the claim shall receive monthly interest only payments at the federal judgment rate that is in effect on the first date set for Confirmation. All amounts due and owing on the unsecured portion of the claim shall come due at the same time as the above secured portion, including extension periods if executed.

Voting: Class 1 is impaired and therefore is entitled to vote to accept or reject this Plan. Class 1 retains all secured rights to the same extent it held prior to the Petition Date.

b. Class 2 (Property Tax Claims)

Property Tax Claims in Bay County, Florida for 2012, 2013, and 2014 real estate taxes shall be allowed the full amount of their outstanding claims, \$121,934.62 as of December 31, 2016.

2012 Real Estate Taxes (Bill 647640-I) shall continue to be granted interest on the total amount owed on the Effective Date of the Plan at the certificate rate of 0.25%. The Debtor will pay interest only payments towards the 2012 Real Estate Taxes for months one (1) through thirty-six (36). The Debtor will pay principal and interest payments in months thirty-seven (37) through sixty (60) based upon the full outstanding balance with the certificate rate of interest amortized over twenty-four (24) months.

2013 Real Estate Taxes (Bill 674040-I) shall continue to be granted interest on the total amount owed on the Effective Date of the Plan at the certificate rate of 0.25%. The Debtor will pay interest only payments towards the 2013 Real Estate Taxes for months one (1) through thirty-six (36). The Debtor will pay principal and interest payments in months thirty-seven (37) through sixty (60) based upon the full outstanding balance with the certificate rate of interest amortized over twenty-four (24) months.

2014 Real Estate Taxes (Bill 676950) shall continue to be granted interest on the total amount owed on the Effective Date of the Plan at the statutory rate of 18%. The Debtor will pay principal and interest payments in months one (1) through thirty-six (36) based upon the full outstanding balance with the statutory rate of interest amortized over thirty-six (36) months.

Voting: Class 2 is impaired and therefore entitled to vote to accept or reject this Plan. Class 2 retains all secured rights to the same extent it held prior to the Petition Date.

c. Class 3 (Trade Creditors)

Allowed General Unsecured Claims/Trade Creditors, estimated at \$22,515.00, will be paid 100% of their allowed claims over five (5) years with interest calculated at the federal judgment rate that is in effect on the first date set for Confirmation in monthly payments beginning on the first day of the first full month following the Effective Date.

Voting: Class 3 is impaired and therefore entitled to vote to accept or reject this Plan.

d. Class 4 (Insider Claims)

All Insider Claims will receive no distribution under this Chapter 11 Plan.

Voting: Class 4 is impaired and therefore entitled to vote to accept or reject this Plan.

Means of Implementation

The current operations of the Debtor will pay creditors of the Debtor under this plan from income generated through the operation of the business. Additionally, the Debtor's management company, American Motel Management, Inc., has agreed to collect no management fee for the first year following the effective date of the Plan and to reduce their monthly management fees for years two (2) through five (5) to \$3,000.00 monthly. All uncollected management fees shall accrue. American Motel Management, Inc. will execute a Management Company Support Agreement similar to the attached Exhibit. Additionally Mr. Melton Harrell has agreed to infuse \$100,000.00 on the Effective Date of the Plan into the Debtor's operating account and has also agreed to additional protections that will be as laid out in the attached Plan Support Agreement. The Equity Holders and insiders have also agreed to not take any dividend, payment, distribution or loan from the Debtor for the first three years as well as agreed to additional limitations as shown on the attached Equity Support Agreement.

Effective Date of the Plan

In accordance with the Plan, the Effective Date of the Plan shall be the first business day arising 30 days following the date upon which the Confirmation Order is no longer subject to appeal or certiorari proceedings, or in the event of an appeal, upon which an order confirming the Confirmation Order becomes final and is no longer subject to further appeal or certiorari proceedings or such other earlier date as the debtor shall designate in a written notice filed with the bankruptcy court.

Authority to Conduct Business Post-Confirmation

After confirmation, the Debtor shall continue in the management of its financial affairs and property. Debtor will be authorized and permitted to purchase property, incur debt and engage in any business or investment activity which it deems appropriate without the necessity of seeking Bankruptcy Court approval or having to modify the Plan.

Preference and Fraudulent Transfer Claims

Pursuant to § 547 of the Bankruptcy Code, a debtor in possession may avoid as a preference a transfer of property made by the debtor to or for the benefit of a creditor on account of an antecedent debt while the debtor was insolvent, if that creditor received more than it would have received in a liquidation of the debtor under Chapter 7 of the Bankruptcy Code had the payment not been made and if the payment was made (i) within 90 days before the date that the bankruptcy case commenced, or (ii) if the creditor is an "insider" as defined in the Bankruptcy Code, within one year before the commencement of the bankruptcy case. A debtor is presumed to have been insolvent during the 90 days preceding the commencement of its bankruptcy case. The power to avoid preferences is subject to a number of exceptions set forth in § 547 of the Bankruptcy Code, including one exception applicable to the payment of obligations in the ordinary course of business on ordinary business terms. Furthermore, if the transferee extended credit subsequent to the transfer (and prior to the commencement of the bankruptcy case) for which the transferee was not repaid, such extension constitutes an offset against any otherwise recoverable transfer of

property. If a transfer is recovered by the debtor, the transferee obtains a general unsecured claim against the debtor to the extent of the recovery.

Pursuant to § 548 of the Bankruptcy Code, a debtor in possession may also avoid a fraudulent transfer of property, including the granting of a security interest in property, made while the debtor was insolvent or which rendered the debtor insolvent, if the debtor received less than reasonably equivalent value in exchange for such property and if the transfer was made within one year before the commencement of the bankruptcy case. Pursuant to § 544 of the Bankruptcy Code, a debtor in possession may avoid a transfer of property that is avoidable under applicable non-bankruptcy law. Section 544 of the Bankruptcy Code enables a debtor to apply applicable state laws, including fraudulent conveyance laws, to avoid a transfer of property. Debtor is not aware of any fraudulent transfer claims which must be pursued.

Pursuant to § 1123(b)(3) of the Bankruptcy Code, Debtor shall retain and have the exclusive right to enforce against any person or governmental unit any and all causes of action and rights of Debtor that arose both before and after the Petition Date, including the rights and powers of a trustee and debtor in possession and all causes of action granted pursuant to and still existing under §§ 502, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code.

Federal Tax Consequences

Generally, a holder of a claim that receives a distribution under a plan of reorganization with respect to its claim for interest will recognize ordinary income to the extent it receives cash or property in respect of interest that has not already been included by the holder in income for federal income tax purposes under its method of accounting. If the cash and other property allocable to interest is less than the amount previously included as interest in the holder's federal income tax return, the discharged portion may be deducted in the taxable year in which the Effective Date occurs.

A holder who, under the Plan, receives cash and property in respect of a claim (other than a claim constituting a "security") an amount (other than interest) less than the holder's tax basis in that claim may be entitled in the year of receipt (or in an earlier year) to a bad debt deduction in some amount under § 166(a) of the Tax Code. The rules governing the timing, amount and character (i.e. ordinary or short-term capital loss) of bad debt deductions, depend in large part on the facts and circumstances of the holder, the obligor, and the instrument with respect to which a deduction is claimed. Holders of claims are therefore urged to consult their own tax advisors regarding the "bad debt" deduction.

No ruling has been requested of the Internal Revenue Service as to any issues referred to or discussed in this section. Debtor does not intend to request any such ruling. In the absence of such a ruling, no assurance can be given that any of the anticipated tax results will be achieved. Nothing stated in the discussion which follows is or should be construed as tax advice to any creditor of Debtor. **CREDITORS SHOULD CONSULT WITH THEIR OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF THE PLAN.**

Effect of Confirmation

On the confirmation date of this Plan, the Debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt: (i) imposed by this Plan; (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in § 1141(d)(6)(B).

Upon confirmation of the Plan, all property of the bankruptcy estate will vest in Debtor pursuant to § 1141(b) of the Bankruptcy Code, subject only to the liens and security interests held by secured creditors, but free and clear of any and all other liens and encumbrances to secure the payment or repayment of any sum of money or the performance of any obligation.

Payments of, distributions to, and other treatment of the Claims of all creditors provided for in the Plan shall be deemed to be in complete satisfaction, discharge, and release of such Claims.

Except as otherwise provided herein, all creditors shall be permanently enjoined and precluded from asserting against Debtor, or any of Debtor's assets, any other or further Claim against Debtor or any of Debtor's assets based upon any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Confirmation Date. Nothing herein shall be construed as a release of any rights or obligations under the Plan or as an injunction against any action to enforce any rights or obligations under the Plan.

Disclaimers

The statements contained in this Disclosure Statement are made as of the date hereof, unless otherwise stated. Debt figures reflected herein represent Debtor's good-faith estimate of the amounts owed; actual liabilities may differ. Neither delivery of the Disclosure Statement nor any exchange of rights made in connection with Plan shall create an implication that there has been no change of facts since the date hereof.

DATED this 16th day of January 2017.

THE LAW OFFICES OF JASON A. BURGESS, LLC

/s/ Jason A. Burgess

By _____

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Exhibits

- A. Debtor's Chapter 11 Plan of Reorganization
- B. Debtor-In-Possession's Trailing 12 Months
- C. Lender's Allowed Claim Balance Projection
- D. Lender's Value in Security Interest Calculation
- E. Debtor's Property Improvement Plan
- F. Melton Harrell's Plan Support Agreement Language
- G. Equity Holders' Equity Support Agreement Language
- H. American Motel Management, Inc.'s Management Company Support Agreement Language
- I. Debtor-In-Possession's Excess Cash Payment Definition
- J. Debtor-In-Possession's Net Cash Flow Calculation
- K. Debtor-In-Possession's Case Prospective

Exhibit A
(Chapter 11 Plan of Reorganization)

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
PANAMA CITY DIVISION**

In re:

The Intown Companies, Inc.

**CASE NO.: 14-50374-KKS
CHAPTER 11**

Debtor-In-Possession.

_____/

CHAPTER 11 PLAN OF REORGANIZATION

Draft: January 16, 2017

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Attorneys for The Intown Companies, Inc.

Article I

Introduction

The Intown Companies, Inc. (“Debtor”), proposes this plan of reorganization (the “Plan”) pursuant to the provisions of 11 U.S.C. § 1123.

Article II

Definitions

Unless the context otherwise requires, the following terms shall have the following meanings when used in initially capitalized form in this Plan (as hereinafter defined). Such meanings shall be equally applicable to both the singular and plural forms of such terms. Any term used in capitalized form that is not defined in this Plan but that is defined in the Bankruptcy Code or Bankruptcy Rules shall have the meaning ascribed to such term in the Bankruptcy Code or Bankruptcy Rules. The rules of construction set forth in § 102 of the Bankruptcy Code shall apply in construction of this Plan.

2.1 Administrative Expense: Means (a) any cost or expense of administration of the Bankruptcy Case under § 503(b) of the Bankruptcy Code including, but not limited to, any such cost or expense constituting (1) an actual and necessary post-petition cost and expense of preserving the bankruptcy estate or operating the business of the Debtor, (2) a post-petition cost, indebtedness or contractual obligation duty and validly incurred or assumed by the Debtor in the ordinary course of business, (3) a payment that is to be made under this Plan to cure defaults on executory contracts and unexpired leases, and (4) compensation or reimbursement of an expense to the extent allowed by the Bankruptcy Court under §§ 330(a) or 331 of the Bankruptcy Code, and (b) any fee or charge assessed against the estate under 28 U.S.C. § 1930.

2.2 Allowed Claim: A right against the Debtor within the meaning of § 101(5) in respect of which a Proof of Claim has been filed with the Court within the period of limitation fixed by Rule 3003 or scheduled in the list of creditors prepared and filed with the Court pursuant to Rule 1007(b) and not listed as disputed, contingent or unliquidated as to amount, and in either case as to which no objection as to allowance or amount thereof has been raised within the applicable period of limitation fixed by Rule 3001 or an order of the Court or local rule, or as to which any such objection has been determined by an order or judgment which is no longer subject to appeal or certiorari proceeding and as to which no appeal or certiorari is pending. Unless otherwise specified in the Plan or in a Final Order of the Bankruptcy Court allowing such Claim, “Allowed Claim” shall not include (a) interest on the amount of such Claim accruing from and after the Filing Date, (b) punitive or exemplary damages, or (c) any fine, penalty or forfeiture.

2.3 Allowed Amount: Means the dollar amount in which a Claim is Allowed. No Amount shall be Allowed for or on account of punitive damages, penalties or post-petition interest on account of any Claim except as otherwise expressly specified in this Plan or provided by Final Order of the Bankruptcy Court.

2.4 Allowed Secured Claim: An Allowed Claim against the Debtor for which a claimant asserts and is determined to hold a valid, perfected and enforceable lien, security interest or other interest of encumbrance in property in which the Debtor has an interest and which is not otherwise subject to avoidance or the equitable powers of the Bankruptcy Court under applicable bankruptcy law or nonbankruptcy law, but in any event only to the extent of the value, determined in accordance with § 506(a) of the Bankruptcy Code, of the claimant's interest in the Debtor's interest in the property. Allowed Secured Claim shall not include post-petition attorneys' fees and costs unless such fees and costs have been approved and allowed by Final Order prior to the Confirmation Date.

2.5 Allowed Unsecured Claim: An Allowed Claim for which a claimant has not asserted or is determined by a Final Order not to hold an Allowed Secured Claim or a Claim entitled to priority under the Bankruptcy Code.

2.6 Ballot: The form or forms distributed to claimants in impaired classes on which such persons may indicate the acceptance or rejection of the Plan.

2.7 Bankruptcy Code: Title 11, United States Code.

2.8 Bankruptcy Court: The United States Bankruptcy Court for the Northern District of Florida, Panama City Division.

2.9 Bankruptcy Rules: The Federal Rules of Bankruptcy Procedure, as adopted by the Supreme Court of the United States pursuant to 28 U.S.C. § 2075, and the Local Bankruptcy Rules as adopted by the Bankruptcy Court for the Northern District of Florida.

2.10 Bar Date: The date fixed by court order for filing Proofs of Claim.

2.11 Causes of Action: All causes of action of any kind held at any time by the Debtor against any party or parties, including, without limitation, all causes of action held by the Debtor as of the Petition Date, all causes of action held by the Debtor arising after the Filing Date, and including any rights arising under §§ 362(b), 542, 544, 545, 547, 548, or 549 of the Bankruptcy Code.

2.12 Claim: A right against the Debtor within the meaning of § 101(5) of the Bankruptcy Code, including any right to payment or right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, against the Debtor in existence on or as of the Petition Date, whether or not such right to payment or right to an equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, mature, unmatured, disputed, undisputed, legal, secured or unsecured. In accordance with § 502(b) of the Bankruptcy Code, the amount of all Claims against the Debtor shall be calculated and determined as of the Petition Date.

2.13 Class: A category of Claims, as classified in this Plan.

2.14 Collateral: Any property or interest in property of the estate subject to a lien or security interest to secure the repayment of a Claim, which lien or security interest is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable law.

2.15 Confirmation Date: The date upon which the Bankruptcy Court, pursuant to § 1129 of the Bankruptcy Code, enters an order confirming the Plan in accordance with the appropriate provisions of Chapter 11 of the Bankruptcy Code.

2.16 Confirmation Order: The order entered by the Bankruptcy Court confirming the Plan.

2.17 Debtor: The Intown Companies, Inc., the debtor in possession herein and the proponent of this Plan.

2.18 Deficiency Claim: An Unsecured Claim asserted by (i) a holder of an Allowed Secured Claim for any shortfall in the value of its Collateral, or (ii) a holder of a claim relating to the Debtor's guaranty of a secured loan obligation on property owned by a third-party. All Deficiency Claims shall be measured by and Allowed only to the extent of the difference between the Allowed Claim and the fair market value of the Collateral which secures such Claim, determined as of the Petition Date.

2.19 Disclosure Statement: The Disclosure Statement filed with the Court, including exhibits and any supplements, amendments or modifications thereto, prepared pursuant to 11 U.S.C. §§ 1125(a) and 1126(b) and Rule 3018(b) for solicitation and acceptance of this Plan.

2.20 Disputed Claim: A Claim that has not been allowed by a Final Order of the Bankruptcy Court as to which (a) a Proof of Claim has been filed with the Bankruptcy Court, or is deemed filed under applicable law or order of the Bankruptcy Court and (b) an objection to the allowance thereof has been or may be filed within the applicable period of limitation fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court and any such objection has not been (1) withdrawn, (2) overruled or denied in whole or part by a Final Order of the Bankruptcy Court or (3) granted in whole or part by a Final Order of the Bankruptcy Court. For purposes of this Plan, a Claim that has not been allowed by a Final Order of the Bankruptcy Court shall also be considered a "Disputed Claim", whether or not an objection has been or may be filed within the applicable period of limitation fixed by this Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, if (A) the amount of the Claim specified in the Proof of Claim exceeds the amount of any corresponding Claim scheduled in the Schedules, (B) the classification of the Claim specified in the Proof of Claim differs from the classification of any corresponding Claim scheduled in the Schedules, (C) any corresponding Claim has been scheduled in the Schedules as disputed, contingent or unliquidated, (D) no corresponding Claim has been scheduled in the Schedules, or (E) such Claim is reflected as unliquidated or contingent in the Proof of Claim filed in respect thereof.

2.21 Effective Date: The date 30 days following the date upon which the Confirmation Order is no longer subject to appeal or certiorari proceedings, or in the event of an appeal, upon which an order confirming the Confirmation Order becomes final and is no longer subject to further appeal or certiorari proceedings or such other earlier date as the Debtor may elect.

2.22 Final Order: An order or judgment of the Court that has not been reversed, modified, amended or stayed, and the time for appeal from which to seek review or certiorari or rehearing of which has expired, and as to which no appeal, review or rehearing is pending, and has become conclusive of all matters adjudicated thereby and is in full force and effect.

2.23 Impaired Class: A class of Claims which is not unimpaired under § 1124 of the Bankruptcy Code.

2.24 Initial Distribution Date: The first business day of the first month after the Effective Date, or such other date on or after the Effective Date as the Debtor may elect.

2.25 Person: An individual, partnership, corporation, joint-stock company, unincorporated company or association, business trust, limited partnership or other business entity.

2.26 Petition Date: November 11, 2014, the date on which the Debtor filed its voluntary petition of reorganization.

2.27 Plan: This plan of reorganization in its present form or as may be amended or supplemented or otherwise modified.

2.28 Priority Claims: Any pre-petition Claim entitled to priority pursuant to § 507(a) of the Bankruptcy Code other than Administrative Expenses, excluding § 507(a)(8) Priority Tax Claims.

2.29 Priority Tax Claim: Any pre-petition claim entitled to priority pursuant to § 507(a)(8) of the Bankruptcy Code.

2.30 Proof of Claim: Any Proof of Claim filed with the Bankruptcy Court with respect to the Debtor pursuant to Rules 3001 or 3002.

2.31 Schedules: The schedules, as amended, of assets and liabilities, lists and statements of financial affairs and executory contracts filed with the Bankruptcy Court by the Debtor under Rule 1007.

2.32 Secured Claim: The Claim of any creditor who holds a lien, security interest or other security as that term is defined by § 101(49)(A) of the Bankruptcy Code and which has been properly perfected by the applicable law and determined in accordance with § 506 of the Bankruptcy Code with respect to the property owned by the Debtor.

- 2.33 Secured Creditor:** Any creditor that is a holder of a Secured Claim.
- 2.34 Unsecured Claim:** Any Claim other than a Priority Claim or a Secured Claim.
- 2.35 Unsecured Creditor:** Any creditor that is a holder of an Unsecured Claim.
- 2.36 Undefined Terms:** A term used in the Plan and not defined herein but that is defined in the Bankruptcy Code or the Federal Rules has the meaning given to that term in the Bankruptcy Code or the Bankruptcy Rules.
- 2.37 Excess Cash Payment:** A term as described on the Disclosure Statement attachment.

Article III

Construction

Unless otherwise specified, all section, article and exhibit references in the Plan are to the respective section in, article of, or exhibit to the Plan, as the same may be amended, waived, or modified from time to time. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. Words denoting the singular number shall include the plural number and vice-versa, and words denoting one gender shall include the other gender. As to contested matters, adversary proceedings, and other actions or threatened actions, this Plan and the Disclosure Statement shall not be construed as a stipulation or admission, but rather, as a statement made in settlement negotiations.

Article IV

General Purpose of the Debtor's Plan of Reorganization

All Claims shall be dealt with and discharged as provided in this Plan. The intent of this Plan is to implement the function, purpose, and legislative intent of Chapter 11 of the Bankruptcy Code.

Article V

Classification of Claims and Interests

The Claims of creditors of the Debtor are divided into the four (4) classes described below. A Claim is included in a particular Class only to the extent that the Claim meets the description of that Class and may be included in a different Class to the extent that the remainder of such Claim meets the description of such different Class. A Claim will receive the treatment described herein only to the extent that it is an Allowed Claim.

- 5.1 **Class 1.** Claim of Panama Assets, LLC
- 5.2 **Class 2.** Property Tax Claims
- 5.3 **Class 3.** Trade Creditors
- 5.4 **Class 4.** Insider Claims

Article VI

Impairment of Classes

Classes 1 through 4 are impaired by virtue of § 1124 of the Bankruptcy Code.

Article VII

Treatment of Unimpaired Claims

Administrative Claims. Administrative Claims, as defined under § 507(a)(1) of the Bankruptcy Code, and as allowed under § 503(b) of the Bankruptcy Code, will be paid in full within 30 days of the Effective Date, or as otherwise agreed between Debtor and the Administrative Claim holder. All Administrative Expense Claims, excepting Claims for professional fees under § 330 of the Bankruptcy Code, must be filed prior to the Confirmation Date or be forever barred. Quarterly fees payable to the Office of the United States Trustee will be paid when due in the ordinary course through the entry of the Final Decree.

Article VIII

Treatment of Impaired Classes

Class 1. (Panama Assets, LLC)

Panama Assets, LLC's claim was determined by the Court to be \$3,713,187 (Doc. No. 287). The Debtor will pay the full claim, minus already received adequate protection payments (totaling through November 2016 in the amount of \$278,375.17) plus other scheduled payments up to the Effective Date as follows:

The Debtor will make monthly principle and interest payments, based upon \$2,702,035.33 amortized over twenty-five (25) years with 5.50% interest, in the amount of \$16,593.00. Additionally the Debtor will pay a twenty-five (25) percent Excess Cash Payment to Panama Assets, LLC as a principle payment consistent with the attached Exhibit. All amounts due and owing on the secured portion of the claim shall come due after sixty months from the first payment under this Plan if the Debtor does not exercise the below extension rights.

The Debtor shall have the right to two (2) additional one-year extensions of the balloon by Mr. Melton Harrell making a \$25,000.00 principal payment to Panama Assets, LLC for the first year extension and a \$50,000.00 principal payment to Panama Assets, LLC for the second year extension. Each extension along with its corresponding principal payment must be executed on or before thirty days prior to the expiration of the then current balloon period.

Panama Assets, LLC will be allowed a unsecured claim in the approximate amount of \$690,803.32. Upon confirmation and on the Effective Date, this portion of the Panama Assets claim shall become recourse and hold the same rights and privileges of the Panama Assets secured claim.

This portion of the claim shall receive monthly interest only payments at the federal judgment rate that is in effect on the first date set for Confirmation. All amounts due and owing on the unsecured portion of the claim shall come due at the same time as the above secured portion, including extension periods if executed.

Voting: Class 1 is impaired and therefore is entitled to vote to accept or reject this Plan. Class 1 retains all secured rights to the same extent it held prior to the Petition Date.

Class 2. (Property Tax Claims)

Property Tax Claims in Bay County, Florida for 2012, 2013, and 2014 real estate taxes shall be allowed the full amount of their outstanding claims, \$121,934.62 as of December 31, 2016.

2012 Real Estate Taxes (Bill 647640-I) shall continue to be granted interest on the total amount owed on the Effective Date of the Plan at the certificate rate of 0.25%. The Debtor will pay interest only payments towards the 2012 Real Estate Taxes for months one (1) through thirty-six (36). The Debtor will pay principal and interest payments in months thirty-seven (37) through sixty (60) based upon the full outstanding balance with the certificate rate of interest amortized over twenty-four (24) months.

2013 Real Estate Taxes (Bill 674040-I) shall continue to be granted interest on the total amount owed on the Effective Date of the Plan at the certificate rate of 0.25%. The Debtor will pay interest only payments towards the 2013 Real Estate Taxes for months one (1) through thirty-six (36). The Debtor will pay principal and interest payments in months thirty-seven (37) through sixty (60) based upon the full outstanding balance with the certificate rate of interest amortized over twenty-four (24) months.

2014 Real Estate Taxes (Bill 676950) shall continue to be granted interest on the total amount owed on the Effective Date of the Plan at the statutory rate of 18%. The Debtor will pay principal and interest payments in months one (1) through thirty-six (36) based upon the full outstanding balance with the statutory rate of interest amortized over thirty-six (36) months.

Voting: Class 2 is impaired and therefore entitled to vote to accept or reject this Plan. Class 2 retains all secured rights to the same extent it held prior to the Petition Date.

Class 3. (Trade Creditors)

Allowed General Unsecured Claims/Trade Creditors, estimated at \$22,515.00, will be paid 100% of their allowed claims over five (5) years with interest calculated at the federal judgment rate that is in effect on the first date set for Confirmation in monthly payments beginning on the first day of the first full month following the Effective Date.

Voting: Class 3 is impaired and therefore entitled to vote to accept or reject this Plan.

Class 4. (Insider Claims)

All Insider Claims will receive no distribution under this Chapter 11 Plan.

Voting: Class 4 is impaired and therefore entitled to vote to accept or reject this Plan.

Article IX

Executory Contracts and Unexpired Leases

The Debtor is not assuming any unexpired contracts or leases under this Plan. Any unexpired lease or executory contract not expressly assumed by Debtor shall be deemed rejected upon confirmation.

Any party to a contract or lease that claims damages from the rejection of such lease or contract must file a Claim for such damages within 30 days of (i) the rejection of such contract or lease, or (ii) confirmation of the Plan, whichever is earlier, or be forever barred from asserting such Claim.

Article X

Means of Implementation

The current operations of the Debtor-In-Possession will pay creditors of the Debtor under this plan from income generated through the operation of the business. Additionally, the Debtor's management company, American Motel Management, Inc., has agreed to collect no management fee for the first year following the effective date of the Plan and to reduce their monthly management fees for years two (2) through five (5) to \$3,000.00 monthly. All uncollected management fees shall accrue. American Motel Management, Inc. will execute a Management Company Support Agreement similar to the attached Exhibit on the related Disclosure Statement. Additionally Mr. Melton Harrell has agreed to infuse \$100,000.00 on the Effective Date of the Plan into the Debtor's operating account and has also agreed to additional protections that will be as laid out in the Plan Support Agreement on the related Disclosure Statement. The Equity Holders and insiders have also agreed to not take any dividend, payment, distribution or loan from the Debtor for the first three years as well as agreed to additional limitations as shown on the Equity Support Agreement on the related Disclosure Statement.

Article XI

Modification of the Plan

Debtor may propose amendments or modifications of the Plan at any time prior to confirmation, with leave of the Bankruptcy Court and upon such notice as the Court may require. After confirmation, Debtor may, with approval of the Bankruptcy Court, and so long as it does not materially or adversely affect the interests of creditors, remedy any defect or omission, or reconcile any inconsistencies in the Plan, or in the Confirmation Order, in such manner as may be necessary to carry out the purposes and intent of the Plan.

Article XII

Provisions Governing Distributions

12.1 Timing. Any payments or distributions to be made pursuant to the Plan shall be made on the Initial Distribution Date except as otherwise provided for in the Plan, or as may be ordered by the Bankruptcy Court. Any payment or distribution by the Debtor pursuant to the Plan, to the extent delivered by the United States Mail, shall be deemed made when deposited into the United States Mail. Any payment or distribution required to be made hereunder on a day other than a Business Day shall be due and payable on the next succeeding Business Day.

12.2 Prepayment. The Debtor expressly reserves the right, in its sole discretion, to prepay, in full or in part, any obligation created pursuant to the Plan, and no interest shall accrue with respect to the prepaid portion of such obligation from and after the date of such prepayment.

Article XIII

Maintenance of Causes of Action

Unless expressly waived or released by the Debtor, the Debtor shall retain any cause of action, including but not limited to avoidance or recovery actions under §§ 542, 543, 544, 545, 547, 548, 549, 550, 551, and 553 of the Bankruptcy Code, or may litigate any other causes of action, rights to payments, or Claims that may belong or have belonged to the Debtor. Persons subject to a successful avoidance action may file a Claim, as appropriate, within such time as is established by the Bankruptcy Court.

Article XIV

Conditions Precedent to Occurrence of Effective Date

The Effective Date shall not occur unless and until the following conditions have been satisfied or waived by the Debtor: (a) the Confirmation Order shall have been entered, in form and substance acceptable to the Debtor, and (b) the Confirmation Order shall have become a Final Order.

Article XV

Discharge, Release and Effect of Confirmation

On the confirmation date of this Plan, the Debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt: (i) imposed by this Plan; (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in § 1141(d)(6)(B).

Article XVI

Consummation of the Plan

186.1 Jurisdiction. Pursuant to §§ 1334 and 157 of Title 28 of the United States Bankruptcy Code, the Bankruptcy Court shall retain exclusive jurisdiction of all matters arising in, arising under, and related to the Chapter 11 Case and the Plan, for the purposes of §§ 105(a) and 1142 of the Bankruptcy Code, and for, among other things, the following purposes:

(a) To hear and determine any and all objections to or applications concerning the allowance, classification, priority, compromise, estimation, or payment of any Claim or Equity Interest Holder;

(b) To hear and determine any all applications for payments of fees and expenses made by any professional pursuant to §§ 330 or 503 of the Bankruptcy Code, or for payment of any other fees or expenses authorized to be paid or reimbursed under the Bankruptcy Code, and any and all objections thereto;

(c) To hear and determine pending applications for the rejection, the assumption, or the assumption and assignment of unexpired leases and executory contracts and the allowance of Claims resulting therefrom, and to determine the rights of any party in respect of the assumption or rejection of any executory contract or unexpired lease;

(d) To hear and determine any and all adversary proceedings, applications, or contested matters, including any remands or appeals;

(e) To hear and determine all controversies, disputes, and suits which may arise in connection with the execution, interpretation, implementation, consummation, or enforcement of the Plan or in connection with the enforcement of any remedies made available under the Plan;

(f) To liquidate any disputed, contingent, or unliquidated Claims, including Deficiency Claims;

(g) To ensure that distributions to holders of Allowed Claims are accomplished as provided in the Plan;

(h) To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

(i) To enter and implement such orders as may be necessary or appropriate in furtherance of confirmation, implementation, or consummation of the Plan;

(j) To enable the Debtor to prosecute any and all proceedings which may be brought to set aside liens or encumbrances and to recover any transfers, assets,

properties or damages to which the Debtor may be entitled under applicable provisions of the Bankruptcy Code or any other federal, state or local laws, including causes of action, controversies, disputes and conflicts between the Debtor and any other party, including, but not limited to, any objections to claims, suits for avoidance and recovery of preferences or fraudulent transfers, and suits for equitable subordination of Claims;

(k) To consider any modification of the Plan pursuant to § 1127 of the Bankruptcy Code, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

(l) To enter and implement such orders as may be necessary or appropriate to execute, interpret, implement, consummate, or enforce the terms and conditions of the Plan and the transactions contemplated under the Plan;

(m) To hear and determine any other matter not inconsistent with the Bankruptcy Code and Title 28 of the United States Code that may arise in connection with or related to the Plan; and

(n) To enter a final decree closing the Chapter 11 case.

16.2 Abstention and Other Courts. If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of or relating to the Chapter 11 case, paragraph 16.1 of the Plan shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

16.3 Nonmaterial Modifications. The Debtor may, with the approval of the Bankruptcy Court and without notice to holders of Claims and Equity Interests, correct any nonmaterial defect, omission, or inconsistency in the Plan in such manner and to such extent as may be necessary or desirable. The Debtor may undertake such nonmaterial modification pursuant to this section insofar as it does not adversely change the treatment of the Claim of any Creditor or the interest of any Equity Interest Holder who has not accepted in writing the modification.

Article XVII

Miscellaneous

17.1 Disputed Claims. Notwithstanding any other provision of the Plan, Disputed Claims shall be paid only upon their allowance and the determination of their priority by the Court.

17.2 Objection Deadline. As soon as practicable, but in no event later than 90 calendar days after the Confirmation Date, unless otherwise ordered by the Bankruptcy Court, objections to Claims shall be filed with the Bankruptcy Court and served solely upon the holders thereof.

17.3 Withholding of Taxes. The Debtor shall withhold from any assets and property distributed under the Plan any assets or property which must be withheld for foreign, federal, state or local taxes payable with respect thereto or payable by the Person entitled to such assets to the extent required by applicable law.

17.4 Unclaimed Property. Any cash, assets, or other property to be distributed to claimants under the provisions of the Plan that remains unclaimed or otherwise not deliverable to the Person or governmental unit entitled thereto, as of twelve (12) months after the Confirmation Date shall be forfeited by the creditor and shall be disbursed pro-rata to the remaining creditors within the appropriate class. In such event, such Person's or governmental unit's Claim shall no longer be deemed to be Allowed, and such Person or governmental unit shall be deemed to have waived its rights to such payments or distributions under the Plan pursuant to § 1143 of the Bankruptcy Code and shall have no further Claim in respect of such distribution and shall not participate in any further distributions under this Plan with respect to such Claim.

17.5 Non-Negotiated Check. If a holder of an Allowed Claim fails to negotiate a check issued to such holder pursuant to this Plan within six (6) months of the date such check was issued, then the amount of cash attributable to such check shall be deemed to be unclaimed property in respect of such holder's Allowed Claim and shall be transferred and delivered to the Debtor to be applied toward the funding of this Plan. In such event, such holder's Claim shall no longer be deemed to be Allowed and such holder shall be deemed to have waived its rights to such payments or distributions under this Plan pursuant to § 1143 of the Bankruptcy Code and shall have no further Claim in respect of such distribution and shall not participate in any further distributions under this Plan with respect to such Claim.

17.6 Setoffs. The Debtor may, but shall not be required to, setoff against any Allowed Claim and the distributions to be made pursuant to this Plan on account of such Allowed Claim, Claims of any kind or nature that the Debtor may have against the holder of such Allowed Claim. The Debtor shall also be entitled to set off against a Deficiency Claim, or any Claim arising from the Debtor's guaranty of a secured obligation, the value of any Collateral securing such Claim, whether or not such \Collateral is owned by the Debtor. Neither the failure to affect such a setoff nor the allowance of any Allowed Claim against the Debtor shall constitute a waiver or release of the Debtor of any Claim that the Debtor may possess against such holder.

17.7 Further Action. The Debtor is authorized and directed to execute and deliver all documents and take and cause to be taken all action necessary and appropriate to execute and implement the provisions of this Plan, including the delivery of deeds or consents to foreclosure judgments needed to accomplish the surrender of property as contemplated by this Plan.

17.8 No Post-Petition Interest. Except as expressly stated in this Plan or otherwise allowed by Final Order of the Bankruptcy Court, no interest, penalties, late charges, attorney fees, or costs arising after the Petition Date are to be Allowed on any Claim.

17.9 No Attorneys' Fees. No attorneys' fees shall be paid with respect to any Claim except as specified herein or as allowed by a Final Order of the Bankruptcy Court prior to the Confirmation Date.

17.10 Satisfaction of Mortgages and Security Interests. Upon completion of the payments contemplated by this Plan, any Creditor holding a mortgage or security interest in the Debtor's assets shall be required to deliver a satisfaction of the mortgages and security interests which it holds, including UCC-3 termination statements. Similarly, any creditor holding a security interest or lien in the Debtor's assets whose claim is found to be unsecured shall be required to release such security interest on lien within thirty (30) days if the Effective Date.

17.11 Further Assurance. If at any time Debtor shall consider or be advised that any further releases or assurances are reasonably necessary or desirable to carry out the provisions hereof and the transactions contemplated herein, the Debtor, creditors or Equity Interest Holders, as the case may be, shall, upon reasonable request, execute and deliver any and all documents and assurances, and do all things necessary or appropriate to carry out fully the provisions of this Plan.

17.12 Employment of Professionals. After confirmation, the Debtor is authorized to employ such professionals as it deems appropriate and to compensate them without the further approval of the Court.

17.13 Costs of Enforcement. In the event the Debtor is required to initiate litigation or a contested proceeding to enforce the provisions of this Plan against any holder of a Claim, the Debtor shall be entitled to recover from such creditor all reasonable attorneys' fees and costs incurred in such effort, including appellate fees and costs.

17.14 Section 1146 Exemption. Pursuant to § 1146(c) of the Bankruptcy Code, the making or delivery of any instrument of transfer pursuant to, in implementation of, or as contemplated by this Plan, or the revesting, transfer, or sale of any real or personal property of the Debtor pursuant to, in implementation of, or as contemplated by this Plan, shall not be taxed under any state or local law imposing a stamp tax, transfer tax, or similar tax or fee.

17.15 Withdrawal of Plan. At the option of the Debtor, this Plan may be withdrawn at any time prior to the entry of the Confirmation Order. If such option is timely and properly exercised, the withdrawn plan will be null and void and of no legal effect and the case shall continue and be administered in accordance with the Bankruptcy Code.

17.16 Discrepancies. In the event of any discrepancy between the terms of this Plan and the Disclosure Statement, the terms of this Plan shall control.

17.17 Default by Debtor. A default by the Debtor occurs only when a breach of the terms of this Plan is not cured within twenty (20) days of the receipt by the Debtor of notice of such breach. The notice must be written and from the party affected by the breach.

A breach that is not timely cured shall be a default under this Plan. Unless the Debtor has defaulted under this Plan, no Person may proceed with litigation against the Debtor or his property.

17.18 Conditions Precedent. It shall be a condition precedent to the effectiveness of this Plan that a Confirmation Order that is a Final Order be entered.

17.19 Automatic Stay. The automatic stay imposed by § 362 of the Bankruptcy Code will remain effective until the Effective Date. Following the Effective Date, the automatic stay shall be replaced by the discharge injunctions of §§ 524 and 1141(d) of the Bankruptcy Code.

17.20 Notices. Any notice hereunder shall be in writing, and if by e-mail or facsimile, shall be deemed to have been given when sent, and if mailed shall be deemed to have been given three (3) days after the date when sent by registered or certified mail, postage prepaid, and addressed as follows:

To the Debtor: The Intown Companies, Inc.
 c/o Melton Harrell
 1872-A Montreal Road
 Tucker, GA 30084

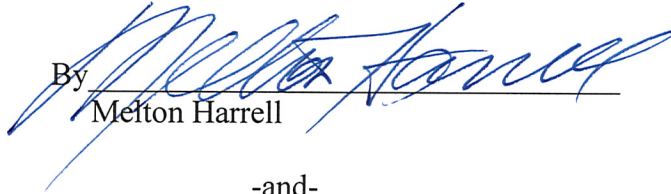
with a copy to: Jason A. Burgess
 The Law Offices of Jason A. Burgess, LLC
 1855 Mayport Road
 Atlantic Beach, FL 32233

17.21 Successors and Assigns. The duties, rights and obligations of any Person named or referred to in this Plan shall be binding upon, and shall inure to the benefit of, the successors and assigns of such Persons.

DATED this 16 day of January 2017.

THE INTOWN COMPANIES, INC.

By



Melton Harrell

-and-

THE LAW OFFICES OF JASON A. BURGESS, LLC

/s/ Jason A. Burgess

By

Jason A. Burgess
1855 Mayport Road
Atlantic Beach, Florida 32233
(904) 372-4791
(904) 372-9156 (Facsimile)
jason@jasonaburgess.com

Attorneys for The Intown Companies, Inc.

Exhibit B
(Trailing 12 Months)

The Intown Companies, Inc.,
Trailing 12 Mos. Through 11/30/2016

	\$	%	Per Available Room
Rooms	160	160	160
Revenue:			
Room	\$ 1,433,653	96.6%	\$ 8,960
Telephone Revenue	\$ 40		
Other	\$ 49,672	3.3%	\$ 310
Total Revenue	\$ 1,483,365	100.0%	\$ 9,271
Departmental Expenses			
Rooms Department	\$ 419,993	29.3%	\$ 2,625
Telephone Expenses	0	0.0%	\$ -
Other Operating Department	\$ -		\$ -
Total Department Expense	\$ 419,993	29.3%	\$ 2,625
Gross Operating Profit	\$ 1,063,372	71.7%	\$ 6,646
Undistributed Expenses			
Administrative and General	\$ 195,386	13.2%	\$ 1,221
Franchise Fees (Royalty)	\$ -	0.0%	\$ -
Marketing	\$ 10,415	0.7%	\$ 65
Energy Costs	\$ 214,854	14.5%	\$ 1,343
Repair and Maintenance	\$ 137,565	9.3%	\$ 860
Management Fees	\$ 72,000	4.9%	\$ 450
Total Undistributed Expense	\$ 630,220	42.5%	\$ 3,939
Income Before Fixed Charges	\$ 433,152	29.2%	\$ 2,707
Fixed Charges			
Other	\$ 16,486	1.1%	\$ 103
Insurance Property	\$ 31,139	2.1%	\$ 195
Property Taxes	\$ 26,271	1.8%	\$ 164
Total Fixed Charges	\$ 73,896	5.0%	\$ 462
Net Operating Profit	\$ 359,256	24.2%	\$ 2,245

Exhibit C
(Lender's Allowed Claim Balance Projection)

Lender's Allowed Claim Balance

Estimated Effective Date

Petition Date

Days of Petition Period Interest -

	Amount Due
Principal Balance on Petition Date	\$ 3,713,187.00
Interest Balance on Petition Date	\$ -
Default Interest Balance on Petition Date	\$ -
Late Charges	\$ -
Prepayment Consideration	\$ -
Expenses and Projective Advances at Petition Date	\$ -
Loan Balance - Petition Date	\$ 3,713,187.00

Petition Period Interest & Expenses

Interest Accrual - Petition Date To Estimated Effective Date	\$ -
Default Interest - Petition Date To Estimated Effective Date	\$ -
Petition Period Expenses - To Date	\$ -
Petition Period Expenses (Remaining) - Estimate to Effective	\$ -
Total Petition Period Interest & Expenses	\$ -

Less: Adequate Protection Payments Received	\$ 278,375.17
Less: Other Payments Received	\$ 278,375.17

Less: Anticipated Adequate Protection Payments to be Received	\$ 41,973.18
Less: Other Payments Anticipated to be Received	\$ -
	\$ 41,973.18

Loan Balance (Estimated) - Effective Date \$ 3,392,838.65

Exhibit D
(Lender's Value in Security Interest Calculation)

Value of Lender's Security Interest In Collateral

	<u>Effective Date</u>
Value of Real and Associated Personal Property	\$ 2,500,000.00
Value of Personal Property	\$ 100,000.00
Value of Accounts Receivable on Effective Date	\$ 13,506.51
Value of Security Interest in Cash Collateral	\$ 210,463.43
Value of Other Collateral Interest(s)	\$ -
Value of Other Balance Sheet Items	
Less: Sales, Distributions, Assignments, or Property	
Abandonment Included In Above Values	
Total Value of Available Collateral	\$ 2,823,969.94
<u>Preceding Senior Priority Liens Existing Post Confirmation</u>	
Less: Preceding Senior Priority Liens - Taxes	\$ 121,934.62
Less: Preceding Senior Priority Liens - Other	\$ -
Total Senior Priority Liens	\$ 121,934.62
Value of Lender's Security Interest In Collateral	\$ 2,702,035.33

Lender's Claim Treatment

	<u>Effective Date</u>
Lender's Claim	\$ 3,392,838.65
Value of Lender's Security Interest in Collateral on Petition Date	\$ 2,702,035.33
Has the 1111(b) election been made?	
<i>Secured Claim</i>	\$ 2,702,035.33
<i>Unsecured Claim</i>	\$ 690,803.32

Exhibit E
(Debtor's Property Improvement Plan)

Property Improvement Plan

Immediate Repairs - F3, Inc. Engineering Report

[illegible]

On-Going Capital Budget Plan (Five Years Plus Two) - F3, Inc. Engineering Report

Item	Units	Unit Cost	EUL	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Appliances (Lodge Rooms)	18	\$1,000	10	2,571	2,571	2,571	2,571	2,571	2,571	2,571	17,997
Floor and Window Coverings	224	\$400	5	12,800	12,800	12,800	12,800	12,800	12,800	12,800	89,600
HVAC (PTAC) Units	70	\$800	15	8,000	8,000	8,000	8,000	8,000	8,000	8,000	56,000
Bedding	224	\$185	5	5,920	5,920	5,920	5,920	5,920	5,920	5,920	41,440
Room FF&E	112	\$1,500	10	24,000	24,000	24,000	24,000	24,000	24,000	24,000	168,000
Life Safety Equipment	Net	\$2,500		2,500	2,500	2,500	2,500	2,500	2,500	2,500	17,500
Lobby/Gameroom Building Roof	4330 sf	\$4.50	20	-	-	-	19,485	-	-	-	19,485
Pool & Equipment	1	\$10,000	5	-	-	-	-	10,000	-	-	10,000
Common Area HVAC	1	\$2,500	15	-	-	-	2,500	-	-	-	2,500
Water Heaters	2	\$5,000	15	-	-	-	5,000	-	5,000	-	10,000
Exterior Paint	1	\$16,000	5	-	-	-	-	16,000	-	-	16,000
Asphalt Pavement Seal and Strip	66150 sf	\$0.20	5	-	-	-	-	13,230	-	-	13,230
Roofing Flat (Buildings 3 & 4)	14625 sf	\$4.50	20	-	-	65,810	-	-	-	-	65,810
F3, Inc. Engineering Report - Subtotal				55,791	55,791	121,601	82,776	95,021	60,791	55,791	527,562

Other Items not included above - Janus Hotels & Resorts Report

Roof Replacement	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	-
Parking Lot Replacement	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	-
Wifi Installation	15,000	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	15,000
Shore-up Patio on Unit 272	4,000	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	4,000
Flat TV Installations	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	-
Mattress Sets	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	-
Guest Room Furniture	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	-
Exterior Painting	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	-
Landscaping	15,000	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	15,000
Guest Room Heating / AC Units	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	incl. above	-
Other Items - Subtotal	34,000	-	-	-	-	-	-	-	34,000

Additional Items and Contingency - Intown Properties (Debtor)

Miscellaneous/ Unidentified Items	5,000	5,000	5,000	5,000	5,000	5,000	5,000	35,000
Contingency at 5%	4,490	2,790	6,080	4,139	4,751	3,040	2,790	28,078
Additional Items and Contingency - Subtotal	9,490	7,790	11,080	9,139	9,751	8,040	7,790	63,078

Total - Capital Expenses and Replacement Reserve	\$ 94,281	\$ 58,581	\$ 127,681	\$ 86,915	\$ 99,772	\$ 63,831	\$ 58,581	\$ 63,078
Per Unit	\$ 589	\$ 366	\$ 798	\$ 543	\$ 624	\$ 399	\$ 366	\$ 394

Total Capital Expenses

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Immediate Repairs and Capital Improvements	\$ 393,233	\$ 58,581	\$ 127,681	\$ 86,915	\$ 99,772	\$ 63,831	\$ 58,581	\$ 888,592
Total Capital Expense Per Unit	\$ 2,458	\$ 366	\$ 798	\$ 543	\$ 624	\$ 399	\$ 366	\$ 5,554

Exhibit F
(Melton Harrell's Plan Support Agreement Language)

Plan Support Agreement

Melton Harrell will enter into a Plan Support Agreement to provide:

- \$100,000 on the Effective Date of the Plan
- immediate payment any past due insurance premiums during the term of the Plan
- immediate payment any past due (un-appealed and undisputed) real estate or personal property taxes during the term of the Plan
- immediately pay any past due, undisputed, payments due to Panama Assets
- Contribute to the Debtor within 60 days of each June 30th anniversary of the Plan, such amounts that the Debtor would have held a minimum cash balance (excluding those amounts escrowed for real estate taxes or the equivalent pro-rata monthly portion of the upcoming real estate taxes) on June 30th of not less than \$100,000 (less the Debtor's 30-day accounts receivable)
- Contribute to the Debtor in any year in which the Debtor's preceding calendar year has less than \$374,000 of net operating income (all cash revenue less all cash expenses except mortgage payments) the upcoming payment of the administrative expense claim of Thomas Woodward (i.e., the determination of the contribution for the 2017 administrative payment will be made by looking at the net operating income for 2016 and so on). Such contribution shall be made within ten days of each upcoming due date of the payment.
- Contribute \$25,000 as a principal reduction toward the secured claim balance in exchange for a one year extension (1st extension after year 5) and \$50,000 as a principal reduction toward the secured claim balance for a one year extension (2nd extension after year 6)

Exhibit G
(Equity Holder's Equity Support Agreement Language)

Equity Support Agreement

All equity interest holders shall agree to take no equity dividend, payment, distributions or loans (other than the reimbursement of normal operating or capital expenses) from the Debtor from the Debtor during the first three years of the Plan and only after the secured claim principal balance of Panama Assets has been reduced by at least 10% from its initial balance (or 20% should Panama Assets make the 1111b election). In the alternative, the Debtor may make such payments after the third year if the Debtor can demonstrate through a Florida state certified commercial appraiser holding the MAI designation that the Panama Assets secured claim is at an 85% loan to value (based on the real estate and personal property of the Debtor).

Exhibit H
(American Motel Management, Inc.'s
Management Company Support Agreement Language)

Management Company Support Agreement

The management company of the Debtor, AMMI, shall agree to accrue all management fees due to it during the first year of the Plan, and one-half of such fees during the second, third, fourth and fifth year of the Plan. Thereafter, nothing herein shall prohibit the payment of such accrued fees to the Management Company so long as:

- the Debtor is not in default with the terms of the Plan
- such payment would not result in the Debtor holding a cash balance of less than \$100,000.

Exhibit I
(Excess Cash Payment Definition)

Excess Cash Payment

Within 60 days of the Excess Cash Calculation Date, Debtor will pay toward Panama Assets Secured Claim 25% of all Excess Cash of the Debtor.

Excess Cash Calculation Date means the later of the Plan's Effective Date or April 1st of each year beginning after the later of the third full year of the Plan or the completion/ implementation of all the anticipated capital improvements described in the Debtor's Property Improvement Plan, but not later than the fourth full year of the Plan.

Excess Cash means the total cash balances held by the Debtor including all bank accounts, investment accounts, and petty cash less:

- the Preferred Working Capital of the Debtor which shall be set an amount of \$177,492
- All outstanding federal, county or state fees, taxes or impounds (including state sales tax payments or other amounts due to any entity of legislative authority) accrued or due
- All outstanding real estate tax payments accrued or due
- All outstanding insurance payments accrued or due
- One-Twelfth the Upcoming Real Estate Tax Payment times the number of months passed since the last real estate tax payment due date (Tax Escrow)
- Next 60 days Equivalent of Upcoming Real Estate Tax Payments
- Next 60 days of Insurance Payments
- Next Three Months of Scheduled Plan Payments
- One-Half of The Next Twelve Months of Capital Improvements and Replacement Reserves Provided for in the Property Improvement Plan (less any amount already performed plus any unspent amounts designated for previous periods in the Property Improvement Plan). For example,
 - Upcoming 12 Months of Capital Improvements = \$100,000
 - Amount would be \$50,000 less:
 - Amount of the next 12 months already completed (completed in advance of the Property Improvement Plan) of \$25,000
 - Plus, the Amount unspent from previous periods in the Property Improvement Plan) of \$20,000

Then such amount would be equal to \$50,000 less \$25,000, plus \$20,000 equaling \$45,000

Exhibit J
(Net Cash Flow Calculation)

Net Cash Flow Calculation

	Source	Effective Date	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Net Operating Income	Trailing 12 - Nov. 2016		359,256	359,256	359,256	359,256	359,256	359,256	359,256
Add Back: Accrued Management Fees			78,000	39,000	39,000	39,000	39,000		
Net Operating Income			437,256	398,256	398,256	398,256	398,256	359,256	359,256
Less: Capital Expenses and Replacement Reserves:									
Immediate Repairs	F3 Engineer Report		298,952	-	-	-	-	-	-
Replacement Reserves	F3 Engineer Report & Janus Report		89,791	55,791	121,601	82,776	95,021	60,791	55,791
Miscellaneous and Contingency	Intown Properties		9,490	7,790	11,080	9,139	9,751	8,040	7,790
Total - Capital Expenses and Replacement Reserves			398,233	63,581	132,681	91,915	104,772	68,831	63,581
Underwritten Net Cash Flow									
(Cash Flow Available for Plan Payments)			39,023	334,675	265,575	306,341	293,484	290,425	295,675
Plan Payments:									
Thomas Woodward, Esquire, Administrative	Plan Terms		15,000	15,000	15,000	8,380	-	-	-
Class 1: Panama Assets, LLC, Secured Claim	Plan Terms		199,114	199,114	199,114	199,114	199,114	199,114	199,114
	<i>DSCR</i>		<i>0.20</i>	<i>1.68</i>	<i>1.33</i>	<i>1.54</i>	<i>1.47</i>	<i>1.46</i>	<i>1.48</i>
Class 2a: Property Tax Claims - 2012, Secured Claim	Plan Terms		95	95	95	18,986	18,986	-	-
Class 2b: Property Tax Claims - 2013, Secured Claim	Plan Terms		78	78	78	15,553	15,553	-	-
Class 2c: Property Tax Claims - 2014, Secured Claim	Plan Terms		23,009	23,009	23,009	-	-	-	-
Class 3: Trade Creditors, Unsecured Claim	Plan Terms		4,601	4,601	4,601	4,601	4,601	-	-
Class 4: Panama Assets, LLC, Unsecured Claim	Plan Terms		5,872	5,872	5,872	5,872	5,872	5,872	5,872
Total Plan Payments			247,769	247,769	247,769	252,505	244,125	204,986	204,986
	<i>Overall DSCR</i>		<i>0.16</i>	<i>1.35</i>	<i>1.07</i>	<i>1.21</i>	<i>1.20</i>	<i>1.42</i>	<i>1.44</i>
Net Cash Flow After Scheduled Plan Payments			(208,745)	86,907	17,806	53,836	49,359	85,439	90,689

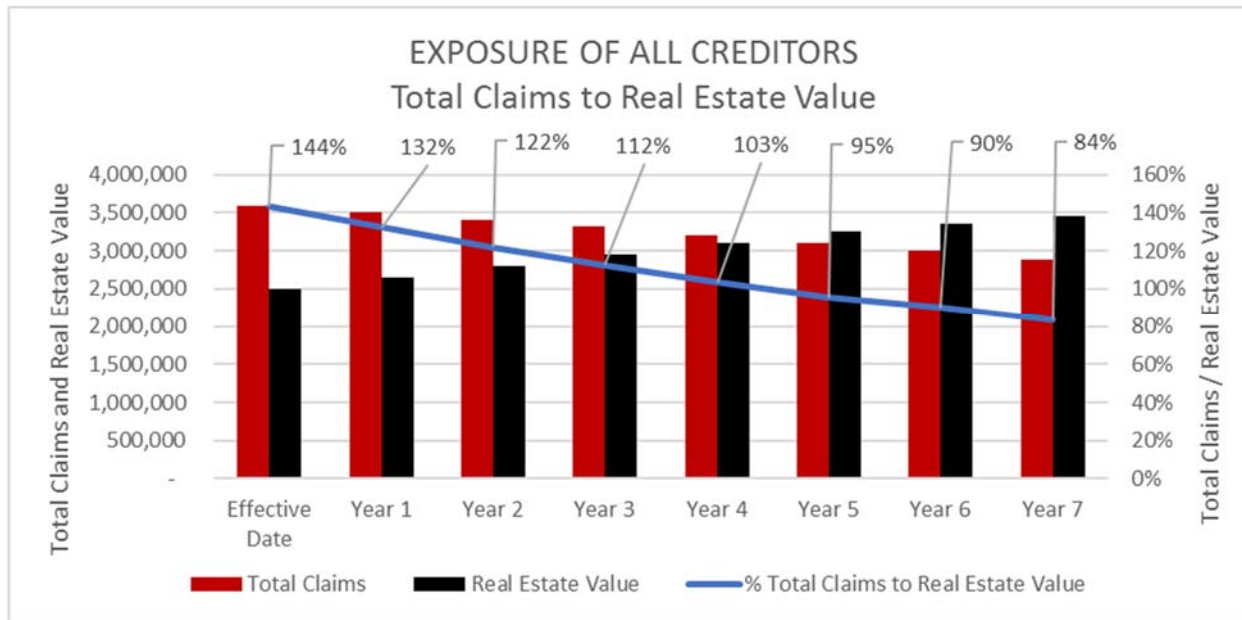
Cash Balance / Working Capital

	Effective Date	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Beginning Cash Balance	210,463	310,463	101,718	188,625	206,431	260,267	309,626	395,065
Effective Date Cash Contributions	100,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Net Operating Income		437,256	398,256	398,256	398,256	398,256	359,256	359,256
Less: Capital Expenses and Replacement Reserves		(398,233)	(63,581)	(132,681)	(91,915)	(104,772)	(68,831)	(63,581)
Less: Plan Payments (Scheduled)	0	(247,769)	(247,769)	(247,769)	(252,505)	(244,125)	(204,986)	(204,986)
Cash Balance Forward	310,463	101,718	188,625	206,431	260,267	309,626	395,065	485,754
Excess Cash Payment	n/a	n/a	n/a	n/a	-	-	(5,862)	(26,412)
Ending Cash Balance	310,463	101,718	188,625	206,431	260,267	309,626	389,203	459,342
Recommended Minimum Working Capital	\$ 118,328	\$ 118,328	\$ 118,328	\$ 118,328	\$ 118,328	\$ 118,328	\$ 118,328	\$ 118,328
Minimum Cash Surplus/Deficit	\$ 192,136	\$ (16,610)	\$ 70,297	\$ 88,104	\$ 141,939	\$ 191,298	\$ 270,875	\$ 341,014
Cash to Minimum Working Capital Ratio	2.6	0.9	1.6	1.7	2.2	2.6	3.3	3.9
Preferred Working Capital	\$ 177,492	\$ 177,492	\$ 177,492	\$ 177,492	\$ 177,492	\$ 177,492	\$ 177,492	\$ 177,492
Minimum Cash Surplus/Deficit	\$ 132,972	\$ (194,101)	\$ (107,195)	\$ (89,388)	\$ (35,552)	\$ 13,806	\$ 93,384	\$ 163,522
Cash to Preferred Working Capital Ratio	1.7	0.6	1.1	1.2	1.5	1.7	2.2	2.6

Exhibit K
(Case Prospective)

	Projected Values							
	Effective Date	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	4/1/2017	4/1/2018	4/1/2019	4/1/2020	4/1/2021	4/1/2022	4/1/2023	4/2/2023
Real Estate Value	2,500,000	2,650,000	2,800,000	2,950,000	3,100,000	3,250,000	3,350,000	3,450,000
All Collateral	2,823,970	2,984,970	3,145,970	3,306,970	3,467,970	3,628,970	3,733,970	3,833,970

	Projected Total Claim Balance to Value							
	Effective Date	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	4/1/2017	4/1/2018	4/1/2019	4/1/2020	4/1/2021	4/1/2022	4/1/2023	4/2/2023
% Total Claims to Real Estate Value	144%	132%	122%	112%	103%	95%	90%	84%
Total Panama Assets Claim to Real Estate Value	136%	126%	117%	109%	102%	95%	90%	84%
Total Claims to Total Assets	127%	117%	108%	100%	92%	86%	81%	75%
Total Panama Assets Claim to Total Assets	120%	112%	104%	98%	91%	86%	81%	75%



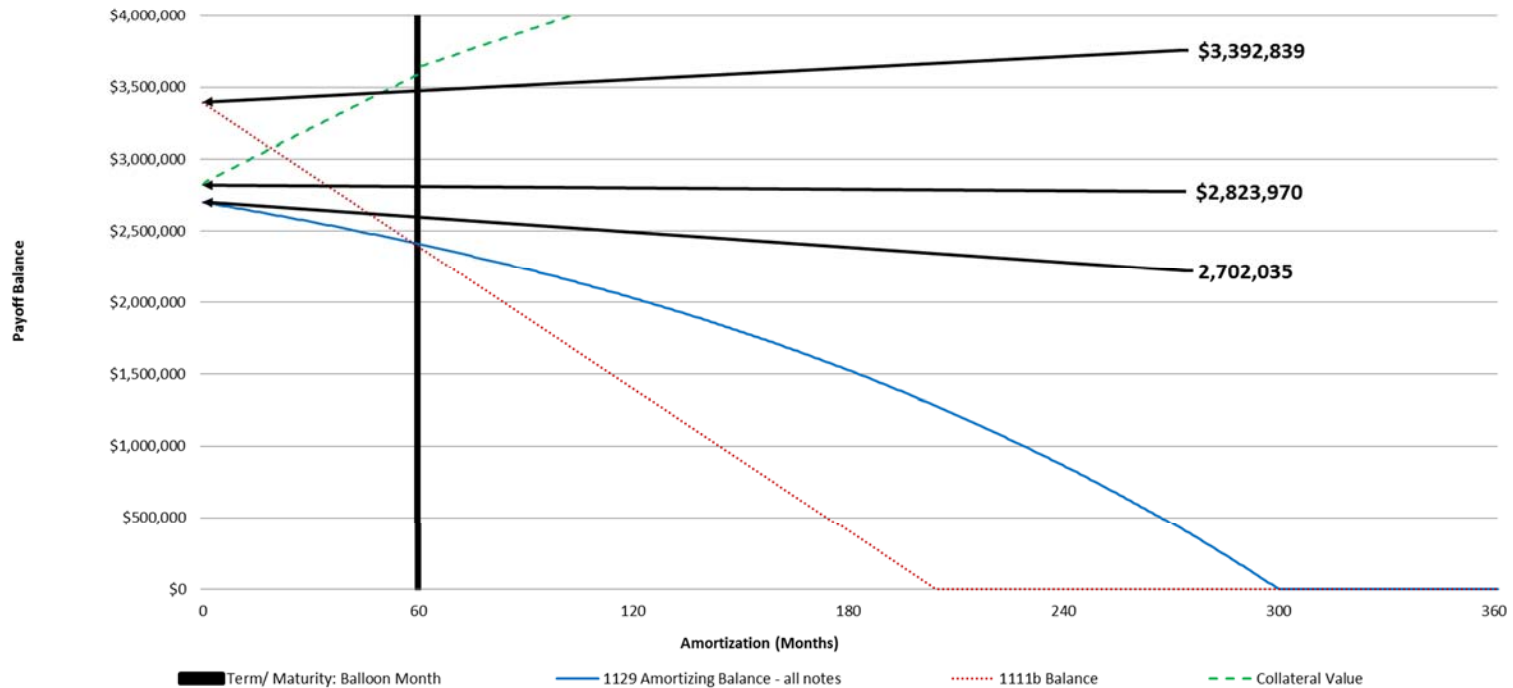
DEBTOR'S CASE PERSPECTIVE

Allowed / 1111(b) Claim Amount = \$3,392,839 / 1129 Effective Date Claim = \$2,702,035

Interest Rate = 5.5% / Amortization = 25 Years / Term (Balloon) = 60 Months / Monthly Payment = \$16,593

Payoff Amount at Maturity: \$2,412,148 (Higher of the remaining 1111(b) Claim Amount of \$2,397,267 or the remaining 1129 Claim Amount of \$2,412,148)

Effective Date Collateral Value begins at \$2,823,970 and is increasing by 6.00% per year / Plan Provides total Capital Improvements of \$888,592 / Collateral Value at Maturity = \$3,586,470



The Collateral Value exceeds the Payoff Amount in month 20 and the 1111b Claim Balance falls below the 1129 Claim Balance in month 59