

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

In re:

VICTOR SEIJAS and
CECILIA SEIJAS,
Debtors.

CASE NO: 14-33499-RAM

CHAPTER 11

DEBTORS' AMENDED DISCLOSURE STATEMENT

YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD READ THE PLAN AND THIS DISCLOSURE STATEMENT CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE. BE SURE TO READ THE PLAN AS WELL AS THE DISCLOSURE STATEMENT. THIS DISCLOSURE STATEMENT DESCRIBES THE PLAN, BUT IT IS THE PLAN ITSELF THAT WILL, IF CONFIRMED, ESTABLISH YOUR RIGHTS.

EXHIBITS TO THE AMENDED DISCLOSURE STATEMENT

- A - PLAN OF REORGANIZATION
- B - SCHEDULE OF CLAIMS
- C- PROJECTED INCOME, EXPENSES, AND DISPOSABLE INCOME AND PROJECTED PLAN DISTRIBUTIONS
- D- LIQUIDATION ANALYSIS
- E- FEASIBILITY ANALYSIS
- F- AMENDED SETTLEMENT AGREEMENT – BANIF
- G- PURCHASE AND SALE CONTRACT – 184TH STREET PROPERTY
- H- MORTGAGE AND NOTE – 134TH STREET PROPERTY (HOME)
- I- ANALYSIS VALUE DEBTORS' AND SEILAS LLC PROPERTIES
- J- MONTHLY DIP REPORT SUMMARIES DURING BK
- K- PROFIT AND LOSS SEICO CONSTRUCTION 2014 AND 2015
- L- ANALYSIS SECURED/UNSECURED CLAIMS BANK OF AMERICA

I. INTRODUCTION

This Amended Disclosure Statement (“Disclosure Statement”) contains information about the Debtors and describes the Debtors’ Plan of Reorganization (the “Plan”, other defined terms are set forth in Article 1 of the Plan). A copy of the Plan is **Exhibit A**.

A. Purpose of This Document. This Disclosure Statement describes: (i) classification of claims and interests under the Plan; (ii) treatment of those classes of claims and interests under the Plan; (iii) which creditors are allowed to vote to accept or reject the Plan, or to file an objection to the Plan; (iv) the factors considered by the Bankruptcy Court in deciding whether to confirm and approve the Plan; (v) the feasibility of the Plan, i.e. the likelihood the Debtors will be able to make the plan payments required under the Plan; (vi) comparison of what creditors will receive under the Plan with what creditors would have received in a straight liquidation of the Debtors' non-exempt assets in the context of a hypothetical Chapter 7; and (vii) the effect of confirmation of the Plan on your rights as a creditor.

Under the Bankruptcy Code, only classes of Claims or Interests that are "impaired" under the Plan may vote to accept or reject the Plan. The Plan sets forth those Classes that the Debtors believe are impaired under the Plan; and, therefore, entitled to vote on the Plan. ACCORDINGLY, A BALLOT TO ACCEPT OR REJECT THE PLAN IS PROVIDED ONLY TO CREDITORS IN VOTING CLASSES. After carefully reviewing the Plan, including all its attachments and this Disclosure Statement and its exhibits, please indicate your vote by accepting or rejecting the Plan on the enclosed Ballot and return it in the envelope provided. *See* Subsection B: "Voting Instructions." Please read the balloting package instructions carefully and vote every ballot you receive.

B. Voting Instructions

(1) Ballots

In voting for or against the Plan, please use only the ballot sent to you with this Disclosure Statement. IF YOU RECEIVE MORE THAN ONE BALLOT, YOU SHOULD ASSUME THAT EACH BALLOT IS FOR A SEPARATE CLAIM AND YOU SHOULD COMPLETE AND RETURN ALL OF THEM.

(2) Returning Ballots

IN ORDER TO BE COUNTED, YOUR BALLOT MUST BE **ACTUALLY RECEIVED** ON OR BEFORE [REDACTED], AT 4:00 P.M. YOU MUST file your ballot with the Clerk of the Court, United States Bankruptcy Court, C. Clyde Atkins United States Courthouse, 301 N. Miami Avenue #150, Miami, FL 33128 and serve a copy upon the Debtor's counsel at AM Law, 7385 SW 87th Avenue, Ste. 100, Miami, FL 33173 or by FAX 305-595-5086 or email gmm@amlaw-miami.com. If you have any questions, contact counsel for the Debtor, Gary Murphree, Esq. at 305-441-9530. YOUR BALLOT MAY NOT BE COUNTED IF IT IS RECEIVED LATER.

C. Objections to the Plan and Hearing on Confirmation

The deadline to file an objection to confirmation of the Debtors' Plan is _____, AT 4:00 P.M. All objections to the confirmation of the Plan must be **actually received** at the following address: Clerk of the Court, United States Bankruptcy Court, C. Clyde Atkins United States Courthouse, 301 N. Miami Avenue

#150, Miami, FL 33128 and served upon the Debtors' counsel at AM Law, 7385 SW 87th Avenue, Ste. 100, Miami, FL 33173 or by FAX 305-595-5086 or email gmm@amlaw-miami.com.

Section 1128 of the Bankruptcy Code requires the Bankruptcy Court to hold a hearing to consider confirmation of the Debtors' Plan, and provides that any party in interest may object to confirmation of the Debtors' Plan.

The hearing to consider confirmation of the Debtors' Plan and any timely objections to confirmation will be held on _____ at _____ a.m./p.m. before the Honorable Robert A. Mark, United States Bankruptcy Judge, Courtroom 4, United States Bankruptcy Court, C. Clyde Atkins United States Courthouse, 301 N. Miami Avenue #150, Miami, FL 33128.

As a creditor, your vote is important. In order for the Plan to be deemed accepted, of the ballots cast, creditors that hold at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the allowed claims of impaired Classes must accept the Plan. However, you are advised that the Debtors may be afforded the right under the Bankruptcy Code to have the Plan confirmed over the objections of dissenting creditors consistent with the limitations set forth in the Bankruptcy Code.

NO REPRESENTATIONS CONCERNING THE DEBTORS ARE AUTHORIZED OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE, OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON IN ARRIVING AT YOUR DECISION IN CASTING YOUR BALLOT(S) ON THE PLAN. SUCH ADDITIONAL REPRESENTATIONS AND INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR THE DEBTORS, WHO IN TURN SHALL DELIVER SUCH INFORMATION TO THE UNITED STATES TRUSTEE FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE.

You are urged to carefully read the contents of this Disclosure Statement before making your decision to accept or reject the Plan. Particular attention should be directed to the provisions of the Plan affecting or impairing your rights as they presently exist.

II. BACKGROUND INFORMATION

Before the real estate crash of 2007/2008, the Debtors expanded their business operations from Seico Construction, which built and remodeled residential houses and commercial buildings, to acquisition of land for residential development projects. Although the Debtors experienced initial success, the real estate market collapse in 2007/2008 brought an abrupt halt to all of the residential development projects that were in the initial stages of development. The value of the parcels the Debtors acquired through various wholly owned limited liability companies, the Seijas LLCs (as that term is defined in the Plan) plummeted well below the actual purchase prices for the land. The real estate market no longer supported the development of the residential projects. The

Debtors and their LLCs defaulted on a series of substantial loans involving failed development projects. As of the filing of the case, the various lenders obtained final judgments of almost \$80 million dollars. *See* **Exhibit B** for a list of creditors and claims. Certain of the creditors limited themselves to in rem remedies, and did not pursue deficiency judgments against the Debtors. The five year statute of limitations on such actions had run by the Petition Date. Even so, the estimated Allowed Unsecured Claims against the Debtors total \$37,429,082.45, *see* **Exhibit B**, which are classified and treated as Class 12 in the Plan.

Post-apocalypse, the Debtors downsized and focused through Seico Construction on general contractor services to hospitals, schools, and commercial properties. Thankfully, the Debtors managed to earn their living, but their combined disposable income (*See* **Exhibit B**) is infinitesimally small compared to the \$37.5 million of Allowed Unsecured Debt directly resulting from the real estate crash. The total payout to Class 12 Allowed Unsecured Creditors, \$1,227 a month or \$73,620 over the Plan, compares favorably with payouts in other individual Chapter 11 cases, it presents a modest 0.2% percent payment on Allowed Unsecured Claims.

Since the Debtors jointly filed for Chapter 11 protection on October 22, 2014, they have continued to operate their business. They have maintained insurance on their properties. They have also stabilized income and have established stable revenues to provide assurance they will be able to make their Plan payments as scheduled. On November 23, 2015, the Debtors filed an adversary complaint against Banif and One Cat Cube, the holders of a First and Second Mortgage on certain properties, to resolve disputes regarding the enforceability of mortgage, preservation of avoided mortgages for the benefit of the estate, and the doctrine of marshaling.

Ultimately the Debtors were able to enter into the Amended Settlement Agreement (“ASA”) attached as **Exhibit F**. Under the ASA between Banif and the Debtors and the Seijas LLCs, subject to Court approval, Banif agreed to release its first mortgages against the 134th Street Property upon receipt of \$300,000 and the 184th Street Property upon receipt of \$450,000 and Debtors agreed to deliver deeds to four parcels of undeveloped land owned by the Seijas LLCs (defined in the ASA as the “Osceola Properties”). The parties shall exchange mutual general releases and voluntarily dismiss the adversary proceeding upon the Effective Date. Also Banif agreed to cause One Cat Cube to release its mortgage on the 134th and 184th Street Properties. The complete treatment afforded Banif’s Class 8 Claim is set forth in the ASA which is **Exhibit F** to the Disclosure Statement.

The \$450,000 to be paid to Banif for release of the 184th Street Property is to come at the closing of the Real Estate Purchase and Sale Contract between VP Residences, LLC and Debtor Victor Seijas (defined in the Plan as the “PSC”). A copy of the PSC is **Exhibit G**. VP Residences LLC is an independent third party with no affiliation or relationship with the Debtors or Seico Construction. The Debtor shall be concurrently herewith filing a motion to approve the sale. The \$300,000 to Banif shall be funded through a mortgage from SVMZ LLC, a Florida limited liability company that is controlled by Zoe Milagros

Seijas, Debtor Victor Seijas' mother. The Debtor will also be filing a motion to approve the financing. The net result of the ASA is positive to the Debtors and creditors in Banif's debt of \$7,034,975 (Banif proof of claim 12-2 as amended), without considering the million plus owed One Cat Cube, greatly exceeds the aggregate combined values of the properties subject to Banif's lien. See **Exhibit I** for analysis of value of Debtors' and Seijas LLC properties.

The remaining significant secured creditor is Bank of America, N.A. which filed two proofs of claim ("POC") - claim no. 8 for \$4,817,408.12 and claim no. 9 for \$15,315,112.49. Both claims are evidenced by properly recorded copies of certified judgments and appear to be valid judicial liens on any unencumbered real property of the Debtors in Miami-Dade County. Ocean Bank had recorded final judgments earlier in time, these Final Judgments were satisfied, but Ocean Bank has yet to file proper satisfactions. The Debtors shall file objections to Ocean Bank's claim. BOA's **claim no. 8 was record earliest** in time on August 2, 2010, and has priority over claim no. 9, recorded June 7, 2011. BOA's judicial lien is subject to a limited objection and motion to determine amount of Allowed Secured Claim entitled to treatment as provided in Class 11, which essentially provides that BOA is secured to the extent of the value in 137th Court warehouse unit is the only unencumbered real property subject to BOA's judicial lien plus a modest amount of non-exempt personal property of the Debtors.

During the bankruptcy cases, the Debtors have used funds held by LLC entities in the following approximate amounts: medical bills \$10,000; personal and real property taxes \$16,500; appraisals of various properties \$7,500; insurance premiums of properties \$3,500; gas and miscellaneous operating expenses \$10,000.

A. Projected Recovery of Avoidable Transfers. The Debtor has investigated the existence of preference, fraudulent conveyance, or other avoidance actions. The Debtor is aware of a possible fraudulent transfer action against Ocean Bank and at a minimum has objected to its claim. The Debtors will determine whether to pursue affirmative relief against Ocean Bank at the hearing on approval of the Disclosure Statement.

B. Claims Objections. The Debtors have filed various objections to claims and to determine that no collateral exist to secure certain judgments. These will be filed and noticed concurrently with the Disclosure Statement so no creditor will be unfairly surprised by an objection to claim after confirmation. If your claim is objected to you will need to file a motion to estimate your claim for voting purposes if there is a basis for do so. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan. There are pending objections to various final judgment holders disputing their status as lien creditors.

C. Current and Historical Financial Conditions. The projection of the Debtors' disposable income and expenses are set forth in **Exhibit C**. The projections are based upon the actual operating results of the Debtors during the their Chapter 11 case.

The results of the MORs during the bankruptcy are **Exhibit J** and Profit and Loss Seico Construction 2014 and 2015 are **Exhibit K**.

III. SUMMARY OF THE PLAN AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. What is the Purpose of the Plan of Reorganization? As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. Unclassified Claims. Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan Proponent has *not* placed the following claims in any class:

1. Administrative Expenses. Administrative expenses are costs or expenses of administering the Debtors' Chapter 11 case, which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtors in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the Effective Date of the Plan, unless a particular claimant agrees to a different treatment. The Debtors are current on US Trustee quarterly fees and believe the only administrative creditor is counsel for the Debtors that holds an estimated claim for fees and costs of \$17,500 beyond the initial retainer. The Debtors propose to pay this claim by making quarterly payments of \$300/month commencing on the Effective Date continuing on the first day of each calendar quarter for the five year life of the Plan. The Debtors' counsel consents to this treatment.

2. Priority Tax Claims. Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. The Debtors do not owe any priority claims.

3. United States Trustee Fees. US Trustee fees required to be paid by 28 U.S.C. §1930(a)(6) will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter of the Code. All U.S. Trustee Fees owing as of the Effective Date shall be paid on or before such date and all payments coming due after confirmation before closing of the case will be paid as they come due.

C. Classes of Claims and Interest; Treatment of Classes; Impairment of Classes. The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

"Class 1" consists of the Allowed Secured Claim of Miami-Dade County Finance

Department Tax Collection Division in amount of \$9,559.92 for 2014 real estate taxes for 10221 SW 134 Street, account number 30-5017-005-0190, based on proof of claim no. 1.

Plan Treatment Class 1: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 18% per annum for the five-year life of the Plan. The estimated quarterly payment equals \$728.28. If the Debtor sells or refinances the property before completion of Plan payments, the Debtor shall pay in the then outstanding Class 1 claim.

Class 1 is impaired under the Plan.

"**Class 2**" consists of the Allowed Secured Claim of Miami-Dade County Finance Department Tax Collection Division in amount of \$1,680.56 for 2014 real estate taxes for 14395 SW 139 Court, account number 30-5922-057-0010 based on proof of claim no. 1.

Plan Treatment Class 2: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 18% per annum for the five-year life of the Plan. The estimates the quarterly payment equals \$128.04. If the Debtor sells or refinances the property before completion of Plan payments, the Debtor shall pay in the then outstanding Class 2 claim.

Class 2 is impaired under the Plan.

"**Class 3**" consists of the Allowed Secured Claim of Miami-Dade County Finance Department Tax Collection Division in amount of \$8,696.49 for 2014 real estate taxes for 13975 SW 184 Street, account number 30-5934-001-0421 based on proof of claim no. 1.

Plan Treatment Class 3: At closing of the PSC, the Class 3 claim shall be paid in full with interest from the sale proceeds.

Class 3 is unimpaired under the Plan.

"**Class 4**" consists of the Allowed Secured Claim of US Bank as custodian for Tower C/O Green Tax Funding 2, POB 645040, Cincinnati, Ohio in amount of \$10,716.37 for 2012 real estate taxes for 10221 SW 134 Street, account number 30-5017-005-0190, based upon proof of claim no. 6.

Plan Treatment Class 4: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 18% per annum for the five-year life of the Plan. The estimated quarterly payment equals \$816.39. If the Debtor sells or refinances the property before completion of Plan payments, the Debtor shall pay in the then outstanding Class 4 claim.

Class 4 is impaired under the Plan.

"**Class 5**" consists of the Allowed Secured Claim of US Bank as custodian for Tower C/O Green Tax Funding 4, POB 645040, Cincinnati, Ohio 45264, in amount of \$10,844.17 for 2013 real estate taxes for 10221 SW 134 Street based upon proof of claim no. 7.

Plan Treatment Class 5: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 18% per annum for the five-year life of the Plan. The estimated the quarterly payment equals \$741.99. If the Debtor sells or refinances the property before completion of Plan payments, the Debtor shall pay in the then outstanding Class 5 claim.

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Class 5 is impaired under the Plan.

"**Class 6**" consists of the Allowed Secured Claim of Ivan Castaneda, Ocean Bank 780 NW 42 Avenue, Ste. 411, Miami, FL 33126 in amount of \$12,476.93 for 2012 real estate taxes for 13975 SW 184 Street, account number 30-5934-001-0421.

Plan Treatment Class 6: At closing of the PSC, the Class 6 claim shall be paid in full with interest from the sale proceeds.

Class 6 is unimpaired under the Plan.

"**Class 7**" consists of the Allowed Secured Claim of Silvo Santana, Ocean Bank 780 NW 42 Avenue, Ste. 411, Miami, FL 33126 in amount of \$12,165.61 for 2013 real estate taxes for 13975 SW 184 Street, account number 30-5934-001-0421.

Plan Treatment Class 7: At closing of the PSC, the Class 7 claim shall be paid in full with interest from the sale proceeds.

Class 7 is unimpaired under the Plan.

"**Class 8**" consists of **the undersecured amended proof of claim 12-2 in the amount of \$7,034,975 filed by Banif**. Banif is secured by a first mortgage and second mortgage on 10221 SW 134th Street and 13975 SW 184th Street properties, and the Osceola Properties owned by Seijas LLCs. **Total estimated value of all seven properties is \$3,481,612.** The Plan only administers the 10221 SW 134 Street and 13975 SW 184th properties.

The first note and mortgage (the "First Note" and/or "First Mortgage") from the Debtors, among others, to One Cat Cube, recorded Miami-Dade Book 26043 Page 192, was assigned as collateral by One Cat Cube to Banif, which assignment recorded Book 26091 Page 631. The second note and mortgage (the "Second Note" and/or "Second Mortgage") from the Debtors, among others, to Euro Bank recorded Miami-Dade Book 26043 Page 251, was assigned by EuroBank to Banif, which assignment was recorded Miami-Dade Book 26254 Page 527. Pursuant to the Second Note and Second Mortgage,

Banif has a single lien on the 134th and 184th Street Properties and the Osceola Properties. Banif is significantly undersecured with respect to value of the properties subject to its mortgage.

Plan Treatment Class 8: The Debtors and the Seijas LLCs have entered into the ASA with Banif, subject to Court approval. Under the ASA, (i) the Debtors caused the Seijas LLCs to deliver deeds to the Osceola Properties to Banif and confessions of judgments on behalf of the defendants in the pending foreclosure action styled *Banif v 328 LLC et al.*, case no. 14-31694-CA (the “Osceola Action”); (ii) Banif agreed to release its mortgage on the 134th Street Property for payment of \$300,000 and its mortgage on the 184th Street Property for payment of \$450,000; and (iii) the parties shall exchange mutual general releases and voluntarily dismiss the adversary proceeding upon the Effective Date. Also under the ASA, Banif shall cause One Cat Cube to release its mortgage on the 134th and 184th Street Properties. The complete treatment afforded Banif’s Class 8 Claim is set forth in the ASA which is **Exhibit F** to the Disclosure Statement.

Class 8 is impaired under the Plan.

“**Class 9**” consists of the claim of One Cat Cube. As set forth in Class 8 above, the First Note and First Mortgage, recorded Miami-Dade Book 26043 Page 192, against both the 134th Street and 184th Street Properties, were collaterally assigned by One Cat Cube to Banif, which assignment was recorded Book 26091 Page 631.

Plan Treatment Class 9: One Cat Cube has not filed a proof of claim, and the Debtors’ filed an adversary proceeding, 15-01695-RAM, to determine enforceability of One Cat Cube’s First Mortgage under the applicable statute of limitations for mortgages. Pursuant to the ASA, Banif is obligated to obtain a release of One Cat Cube’s First Mortgage against the 134th and 184th Properties, and the parties have agreed on the Effective Date to exchange mutual general releases and voluntary dismissal of the lawsuit. The complete treatment afforded One Cat Cube’s Class 9 Claim is set forth in the ASA which is **Exhibit F** to the Disclosure Statement.

Class 9 is impaired under the Plan.

“**Class 10**” consists of the secured claim of Southaire Condominium Association in the amount of \$3,500.00 for delinquent maintenance and assessments relating to the warehouse Unit 101 at 14395 SW 139 Court. This is a priority statutory lien on the property.

Plan Treatment Class 10: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 3.75% per annum during the five-year Plan. The estimated quarterly payment equal \$163.08.

Class 10 is impaired under the Plan.

"Class 11" consists of the Allowed Secured Claim of BOA. BOA filed two proofs of claim ("POC") - claim no. 8 for \$4,817,408.12 and claim no. 9 for \$15,315,112.49. Both claims are evidenced by properly recorded copies of certified judgments and appear to be valid judicial liens on any unencumbered real property of the Debtors in Miami-Dade County. Ocean Bank had recorded final judgments earlier in time, these Final Judgments were satisfied, but Ocean Bank has yet to file proper satisfactions. The Debtors shall file objections to Ocean Bank's claim based upon the fact the claim is fully satisfied and the lien should be released accordingly. BOA's claim no. 8 was record earliest in time on August 2, 2010, and has priority over claim no. 9, recorded June 7, 2011. BOA recorded a judicial lien certificate to perfect its lien against the Debtors' personal property. The Debtors have filed a motion to value the lien of BOA against the personal property of the Debtors. The Debtors dispute that their interest in the Seico Corporation Inc. stock is subject to BOA's lien. The Debtors shall file objections to Ocean Bank's claim. BOA's claim no. 8 was record earliest in time on August 2, 2010, and has priority over claim no. 9, recorded June 7, 2011.

The Debtors concurrently herewith filed a limited objection to BOA's Class 11 claims to bifurcate said claim into secured and unsecured claims. First, the lien of BOA shall be stripped off completely from the 134th Street Property as this homestead property is protected from the attachment of a judicial lien. Second, both 134th Street and the 184th Street Properties are fully encumbered by Banif's consensual Second Mortgage (compared the value of Banif's collateral to Banif's debt as set forth in Class 8 above). In short, the 137th Court warehouse unit is the only unencumbered real property subject to BOA's judicial lien. The value of the warehouse, net of applicable exemptions, is \$98,779. The net value of the Debtors' personal property subject to BOA's lien is \$10,000. ~~The value of the warehouse, net of applicable exemptions, is \$108,779.~~ Accordingly, the Debtors shall seek an Order bifurcating BOA's proof of claim no. 8 into a secured claim in the amount of \$108,779, entitled to the treatment set forth below for Class 11 Allowed Secured Claims. See Exhibit L - analysis of BOA's secured and unsecured claims in the amount of POCs no. 8 of \$4,708,629 (less secured claim) and the full amount of BOA's POC no. 9 of \$15,315,112. This remaining unsecured claim shall be deemed unsecured claim and entitled to the treatment afforded Allowed Unsecured Claims in Class 12 set forth below.

Plan Treatment Class 11: Commencing on the first day of the calendar month following the Effective Date, the Debtors shall commence equal monthly payments of interest and principal in the amount of \$1,991.08 during the five-year Plan, representing 3.75% simple interest rate and a five year amortization. The Debtors shall pay directly the real estate taxes estimated at \$1,200 per year and the monthly condominium fees of \$250.

Class 11 is impaired under the Plan.

"Class 12" consists of holders of Allowed Unsecured Claims, including under-secured, wholly unsecured claims, or claims stripped off of the Debtors' properties. Estimated Allowed Unsecured Claims are **\$37,429,082.45**. See **Exhibit B** to Disclosure

Statement, Analysis of Claims. The Debtors commit their disposable income to payment of holders of Class 12 claims over the five-year Plan. Total disposable income to be paid to the Class 12 creditors over the five-year Plan is \$73,620. See **Exhibit C** to the Disclosure Statement, Projected Disposable Income. This is more than the estimated \$66,500 to be received in a hypothetical Chapter 7 liquidation after payment of the Chapter 7 Trustee and administrative expenses. See **Exhibit D** to the Disclosure Statement, Liquidation Analysis.

This will result in an estimated 00.20% distribution on each Class 12 Allowed Unsecured Claim claim. This distribution assumes that the Debtor prevails on its motion to value the lien of BOA regarding Seico Construction Corp stock owned by the Debtors. If BOA was to prevail and be afforded the lien on the stock, then the distribution available to unsecured creditors would be substantially reduced in that the Debtor would have to devote a substantial portion of their income to maintain ownership of the entity that affords them income to make the distribution to unsecured creditors.

Class 12 is impaired under the Plan. The Debtor will not seek to allow the unsecured votes of Banif or OCC for purposes of determining acceptance of Class 12.

“**Class 13**” consists of the Debtors’ equity interest, if any, in his real and personal property. The Debtor has committed to funding the Plan with their net disposable income over the five year life of the Plan and the total payments funded exceed the liquidation value of the Debtors’ non-exempt assets. The Debtors shall retain their interest in their real and personal property in exchange for committing their disposable income to creditors during the Plan term.

“Class 13” is deemed unimpaired.

D. Means of Implementing the Plan. The Plan payments will be made from the Debtors’ disposable income as calculated from the Debtors’ projected income and expenses. The details of the projected income, expenses and disposable income are set forth in **Exhibit C**.

E. Risk Factors. All plans have risks. The basic assumption underlying the Plan is that the Debtors will continue to earn sufficient income from Seico Construction to fund their Plan payments to both secured and unsecured creditors. The Debtors income has been stable from 2014 through now. The Debtors expect neither a large increase nor decrease in income over the Plan. But ultimately whether the Debtors are able to make the Plan payments is the risk inherent in the Plan.

F. Executory Contracts and Unexpired Leases. The Debtors are not aware of any existing executory contracts or unexpired leases. Accordingly, any such contracts and leases shall be deemed rejected under the Plan upon entry of the Confirmation Order and any party who believes they are party to such with the Debtors should file a proof of claim for rejection damages.

G. Tax Consequences of Plan. All creditors and equity interest holders concerned with how the plan may affect their tax liability should consult with their own accountants, attorneys, and/or advisors. The write off and down of the creditors' claims against the Debtors as a result of the Plan will result in a taxable consequence if not previously declared. Creditors should consult with a tax professional to determine said treatment.

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in § 1129, and they are not the only requirements for confirmation.

A. Who May Vote or Object. Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met. Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired. In this case, the Plan Proponent believes that classes are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. The Plan Proponent believes that classes are unimpaired and that holders of claims in each of these classes, therefore, do not have the right to vote to accept or reject the Plan.

1. *What Is an Allowed Claim or an Allowed Equity Interest?* Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtors have scheduled the claim on the Debtors' schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

2. *What Is an Impaired Claim or Impaired Equity Interest?* As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is *impaired* under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

3. *Who is Not Entitled to Vote.* The holders of the following five types of claims and equity interests are *not* entitled to vote:

- holders of claims and equity interests that have been disallowed by an order of the Court;
- holders of other claims or equity interests that are not “allowed claims” or “allowed equity interests” (as discussed above), unless they have been “allowed” for voting purposes.
- holders of claims or equity interests in unimpaired classes;
- holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and
- holders of claims or equity interests in classes that do not receive or retain any value under the Plan.

Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan and to the Adequacy of the Disclosure Statement.

4. *Who Can Vote in More Than One Class.* A Creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

B. Votes Necessary to Confirm the Plan. If an impaired classes exist, the Court cannot confirm the Plan unless (1) at least one impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by cram down on non-accepting classes, as discussed later.

1. *Votes Necessary for a Class to Accept the Plan.* A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan. A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

2. *Treatment of Non-accepting Classes.* Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the non-accepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds non-accepting classes is commonly referred to as a cram down plan. The Code allows the Plan to bind non-accepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of the Code, does not discriminate unfairly, and is fair and equitable toward each impaired class that has not voted to accept the Plan.

Pursuant to 11 U.S.C § 1129(a)(15), a holder of an allowed unsecured claim may object to the confirmation of the plan and the Court may not confirm the Plan, unless the Plan provides distribution equal to the

(A) the value, as of the effective date of the plan, of the property to be distributed under the plan on account of such claim is not less than the amount of such claim; or

(B) the value of the property to be distributed under the plan is not less than the projected disposable income of the debtor (as defined in section 1325(b)(2)) to be received during the 6-year period beginning on the date that the first payment is due under the plan, or during the period for which the plan provides payments, whichever is longer. The Debtors believes that proposed payments under the Plan equal their disposable income over the 6-year life of the Plan.

You should consult your own attorney if a cram down confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.

C. Liquidation Analysis. To confirm the Plan, the Court must find that all creditors who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. The Debtors has set forth the non-exempt assets and their liquidation values on Exhibit D. The Debtor estimates after payment of approximately thirty percent (30%) to the Trustee and professionals for liquidating the non-exempt assets that there would be available \$66,500 for distribution to unsecured creditors. The monthly Plan payments of \$1,227 to Class 12 claims total \$73,620 over 60 months of the Plan, which is more than creditors would likely receive in a Chapter 7 liquidation. The estimated distribution of 0.20% to Class 12 creditors holding claims totaling \$39 million exceeds the amount that such creditors would likely receive were this case converted to a Chapter 7.

D. Feasibility. The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successor to the Debtors, unless such liquidation or reorganization is proposed in the Plan. The Debtors' projections are based on actual revenues during the course of their Chapter 11 case.

V. EFFECT OF CONFIRMATION OF PLAN

A. Discharge Of Debtor. Confirmation of the Plan does not discharge any debt provided for in the Plan until the court grants a discharge on completion of all payments under the Plan, or as otherwise provided in § 1141(d)(5) of the Code. Debtor will not be discharged from any debt excepted from discharge under § 523 of the Code, except as provided in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure.

B. Modification of Plan. The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or re-voting on the Plan. Upon request of the Debtors, the United States trustee, or the holder of an allowed unsecured claim, the Plan may be modified at any time after confirmation of the Plan but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan.

C. Final Decree. Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

VI. OTHER PLAN PROVISIONS

The Bankruptcy Court shall retain jurisdiction over the Chapter 11 case for the purposes of determining any and all objections to the allowances of claims; determining any and all applications for compensation for professional and similar fees; determining any and all applications, adversary proceedings, and contested or litigated matters before the Bankruptcy Court or pending on the Confirmation Date; resolution of any tax issues through negotiation and approval of the Bankruptcy Court or by the filing of adversary complaints if deemed necessary; and construing and enforcing the provisions of the Plan relating to the payments and distributions to be made by the Debtor on or after the Confirmation Date.

The Debtor shall pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. Section 1930(a)(6) within ten (10) days of the entry of the confirmation order for pre-confirmation periods and simultaneously provide to the United States Trustee an appropriate affidavit indicating the cash disbursements for the relevant period; and the reorganized debtor shall further pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) based upon all disbursements of the reorganized debtor for post-confirmation periods within the time period set forth in 28 U.S.C. §1930(a)(6), until the earlier of the closing of this case by the issuance of a Final Decree by the Court, or upon the entry of an Order by this Court dismissing this case or converting this case to another chapter under the United States Bankruptcy Code, and the party responsible for paying the post-confirmation United States Trustee fees shall provide to the United States Trustee upon the payment of each post-confirmation payment an appropriate affidavit indicating all the cash disbursements for the relevant period.

The Plan also provides that upon entry of the Confirmation Order and after the Effective Date, the Debtors may file an ex parte motion to close this case. Upon payment of payments of the Debtors required under the Plan, the Debtors shall file a motion to

reopen the case for the purpose of the Court to enter a discharge under 11 U.S.C. §1141(d).

Respectfully submitted this July 19, 2016.

By:

/s/ Victor Seijas
Victor Seijas

/s/ Cecilia Seijas
Cecilia Seijas

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FBN: 996475

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

In re:

VICTOR SEIJAS and
CECILIA SEIJAS,
Debtors.

CASE NO: 14-33499-RAM

CHAPTER 11

DEBTORS' AMENDED PLAN OF REORGANIZATION

Victor Seijas and Cecilia Seijas, the Debtors and Debtors-in-possession, propose their Amended Plan of Reorganization (the "Plan"), pursuant to 11 U.S.C. § 1121 of the United States Bankruptcy Code.

INTRODUCTION

Reference is made to the Disclosure Statement (the "Disclosure Statement") accompanying this Plan for a discussion of, among other things, the major events of this Chapter 11 Case, treatment of Claims against and interests in the Debtors, preservation of litigation claims, risk factors, liquidation analysis, tax implications, alternatives to the Plan, a summary and analysis of this Plan, and certain related matters.

All Holders of Claims against the Debtors entitled to vote on the Plan are encouraged to read the Plan and the Disclosure Statement in their entirety before voting to accept or reject the Plan. Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)

Subject to certain restrictions and requirements set forth in 11 U.S.C. § 1127, Bankruptcy Rule 3018, and in this Plan, the Debtors reserve the right to alter, amend, modify, revoke, or withdraw this Plan prior to the Effective Date (as defined below).

ARTICLE I - DEFINITIONS

As used in this Plan, the following terms shall have the respective meanings specified below, unless the context otherwise requires:

1.1. "134th Street Property" means to the Debtors' home located at 10221 SW 134 Street, Miami, FL 33176.

1.2 "139th Court Property" means the warehouse condominium unit 101 owned by the Debtors located at 14395 SW 139 Court, Miami, FL 33186.

1.3. "184th Street Property" means the 3.3 acre undeveloped parcel located at 13975 SW 184 Street, Miami, FL 33177.

1.4. "Administrative Creditor" means any creditor entitled to payment of an administrative expense claim.

1.5. "Administrative Expense Claim" means any cost or expense of administration of the Chapter 11 case allowed by under Section 503(b) of the Bankruptcy Code, including, without limitation, any actual and necessary expenses of preserving the Debtor's estate; any actual and necessary expenses of operating the business of the Debtor, including loans or other advances to the Debtor in possession, and all allowances of compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under Section 330 of the Bankruptcy Code; and any fees or charges assessed against the Debtor's estate under Chapter 123 of Title 28, United States Code.

1.6. "Allowed Claim" means any claim against the Debtor, proof of which was filed on or before the claims bar date, or which has been or hereafter is listed by the Debtor as liquidated in amount and not disputed or contingent and, in either case, a claim as to which no objection to the allowance thereof has been interposed within the applicable period of limitation fixed by the Bankruptcy Code or the Bankruptcy Rules, or as to which any objection has been determined by a Final Order. Unless otherwise specified herein, "Allowed Claim" shall not include interest on the principal amount of such claim from and after the petition date.

1.7. "ASA" means the Amended Settlement Agreement between the Debtors, Banif, 328, LLC, a Florida limited liability company ("328LLC"), Mercy Drive Development, LLC, a Florida limited liability company ("MDD"), Mercy Drive Development II, LLC, a Florida limited liability company ("MDDII"), Osceola Holdings, LLC, a Florida limited liability company ("Osceola"), Zeus Inmobiliaria Corp. ("Zeus"), and Precious Homes As Lakes-By-The-Bay, LLC ("Precious" collectively with other above named LLCs the "Seijas LLCs"), subject to Court approval, under which Banif shall release its first mortgages against the 134th Street Property upon receipt of \$300,000 and the 184th Street Property upon receipt of \$450,000 and Debtors delivering deeds to four parcels of undeveloped land owned by the Seijas LLCs (defined in the ASA as the "Osceola Properties").

1.7. "Banif" means Banif Finance (USA) Corp.

1.8. "Bankruptcy Code" means the United States Bankruptcy Code, as amended, and as set forth in Section 101, et seq., of Title 11, United States Code.

1.9. "Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of Florida, having jurisdiction over this Chapter 11 case.

1.10. "Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure, as

amended, as applicable to cases pending before the Bankruptcy Court.

1.11 "BOA" means Bank of America, N.A.

1.12. "Claim" means any right to payment from the Debtor, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, or any right to an equitable remedy for breach of performance if such breach gives rise to a right of payment from the Debtor, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

1.13. "Confirmation Date" means the date upon which the Bankruptcy Court, District Court or other appellate court shall enter an Order confirming this Plan in accordance with the provisions of Chapter 11 of the Bankruptcy Code, or if the operation of such Order is stayed, the date upon which such stay expires or is vacated.

1.14. "Confirmation Order" means the Order of the Bankruptcy Court, District Court, or other appellate Court confirming this Plan.

1.15. "Contested Claim" means any claim as to which the Debtor, or any other party in interest has interposed an objection in accordance with the Bankruptcy Code and the Bankruptcy Rules, which objection has not been withdrawn or determined by a Final Order.

1.16. Not Used.

1.17. "Creditor" means any person that is the holder of a claim against the Debtor, that arose on or before the Petition Date, or a claim against the Debtor's estate of any kind, specified in 11 U.S.C. §§ S02(g), S02(h) or S02(i).

1.18. "Debtor" or "Debtors" means Victor and Cecilia Seijas.

1.19. "District Court" means the United States District Court for the Southern District of Florida.

1.20. "Effective Date" means the date that is not later than the third business day following entry of the Confirmation Order.

1.21. "Final Order" means an order or a judgment which has not been reversed, stayed, modified, or amended and as to which the time to appeal or seek review or rehearing has expired and as to which no appeal or petition for review or rehearing is pending.

1.22. Not used.

1.23. Not used

1.24. "Impaired Claim" means any class of creditors whose claims are impaired by payments as proposed in this plan, in accordance with 11 U.S.C. § 1124.

1.25. "Interest" means any equity or membership interest in the Debtor.

1.26 "One Cat Cube" means One Cat Cube LLC.

1.27. "Person" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, an estate, a trust, any unincorporated organization, or a government or any political subdivision thereof or entity.

1.28. "Petition Date" means October 22, 2014, the date on which an Order for Relief was entered by the Court.

1.29. "Priority Claims" means any claim, other than an administrative expense or a tax claim, to the extent entitled to priority in payment under 11 U.S.C. § 507(a).

1.30. "Priority Creditor" means any creditor that is the holder of a priority claim.

1.31. "Priority Non-Tax Claim" means any claim to the extent entitled to priority in payment under 11 U.S.C. §§ 507(a)(3), (4), (5), (6), or (7).

1.32. "Priority Tax Claim" means any claim to the extent entitled to priority in payment under 11 U.S.C. § 507(a)(8).

1.32. "Plan Payment Date" means the first day of the first month following the Effective Date.

1.32. "Rejected Contract" means any unexpired lease or executory contract not assumed in the Plan.

1.33 "PSC" means the Real Estate Purchase and Sale Contract between the VP Residences, LLC "VPRL" and Debtor Victor Seijas subject to approval by the Court under which VPRL shall purchase from the Debtor the 184th Street Property free and clear of all liens, claims, and encumbrances for \$450,000.

1.34. "Tax Creditor" means any creditor that holds a tax claim.

1.35. "Unimpaired Class" means any class of creditors whose claims are not impaired under this Plan in accordance with 11 U.S.C. § 1124.

1.36. "Unsecured Claim" means claims other than administrative expense claims, secured claims, priority claims, and tax claims.

1.37. "Unsecured Creditor" means any creditor that is the holder of an unsecured claim.

**ARTICLE II -TREATMENT OF NON-CLASSIFIED CLAIMS -
ADMINISTRATIVE EXPENSE CLAIMS, U.S. TRUSTEES FEES, AND
PRIORITY TAX CLAIMS**

Pursuant to § 1123(a)(1), administrative expense claims under § 507(a)(2) and priority tax claims under § 507(a)(8) are not classified.

2.1 "*Allowed Administrative Expense Claims*" under § 503(b) of the Code shall be paid in full on the Effective Date of this Plan, in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtors.

The Debtors estimate that Allowed Administrative Expense Claims shall be \$17,500 consisting of fees and costs of counsel for the Debtors beyond the initial retainer (this is estimate only, actual amounts may be more or less, and subject to Court approval).

2.2 "*Allowed Priority Tax Claims*" under § 1129(a)(9)(C) shall receive, at the sole discretion of the Debtors, and in full satisfaction, settlement, release, and discharge of and in exchange for such Allowed Priority Tax Claim, (A) an amount equal to the unpaid amount of such Allowed Priority Tax Claim in Cash on the later of (i) the Effective Date, (ii) the date that such Claim becomes an Allowed Priority Tax Claim by a Final Order, or (iii) a date agreed to by the Claimholder and the Debtors; (B) as provided in § 1129(a)(9)(C) of the Bankruptcy Code, cash payments made in equal monthly installments beginning on the Effective Date, with the final installment payable not later than the sixtieth (60th) month following the Petition Date, together with interest (payable in arrears) on the unpaid portion thereof at 18% from the Effective Date through the date of payment thereof; or (C) such other treatment as to which the Debtors and such Claimholder shall have agreed in writing or the Bankruptcy Court has ordered or may order; provided, however, that the Debtors reserve the right to pay any Allowed Priority Tax Claim, or any remaining balance of any Allowed Priority Tax Claim, in full at any time on or after the Effective Date without premium or penalty; and, provided further, that no holder of an Allowed Priority Tax Claim shall be entitled to any payments on account of any pre Effective Date interest accrued on or penalty arising before or after the Petition Date with respect to or in connection with such Allowed Priority Tax Claim.

The Debtors does not owe any federal income taxes or other allowed priority tax claims.

2.3 "*United States Trustee Fees*" required to be paid by 28 U.S.C. §1930(a)(6) will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter of the Code. All U.S. Trustee Fees owing as of the Effective Date shall be paid on or before such date and all payments coming due after confirmation before closing of

the case will be paid as they come due. The Debtors shall pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. Section 1930(a)(6) within ten (10) days of the entry of the confirmation order for pre-confirmation periods and simultaneously provide to the United States Trustee an appropriate affidavit indicating the cash disbursements for the relevant period; and the reorganized debtors shall further pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) based upon all disbursements of the Reorganized Debtors for post-confirmation periods within the time period set forth in 28 U.S.C. § 1930(a)(6), until the earlier of the closing of this case by the issuance of a Final Decree by the Court, or upon the entry of an Order by this Court dismissing this case or converting this case to another chapter under the United States Bankruptcy Code, and the party responsible for paying the post-confirmation United States Trustee fees shall provide to the United States Trustee upon the payment of each post-confirmation payment an appropriate affidavit indicating all the cash disbursements for the relevant period.

ARTICLE III - CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS AND DESIGNATION AS IMPAIRED OR UNIMPAIRED

3.1 Pursuant to § 1123(a)(1) and (3) of the Bankruptcy Code, all claims and interests (except non-classified §§ 507(a)(2) and (a)(8) priority claims treated in Article II above) are classified and afforded the following treatment under the Plan.

"Class 1" consists of the Allowed Secured Claim of Miami-Dade County Finance Department Tax Collection Division in amount of \$9,559.92 for 2014 real estate taxes for 10221 SW 134 Street, account number 30-5017-005-0190, based on proof of claim no. 1.

Plan Treatment Class 1: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 18% per annum for the five-year life of the Plan. The estimated quarterly payment equals \$728.28. If the Debtor sells or refinances the property before completion of Plan payments, the Debtor shall pay in the then outstanding Class 1 claim.

Class 1 is impaired under the Plan.

"Class 2" consists of the Allowed Secured Claim of Miami-Dade County Finance Department Tax Collection Division in amount of \$1,680.56 for 2014 real estate taxes for 14395 SW 139 Court, account number 30-5922-057-0010 based on proof of claim no. 1.

Plan Treatment Class 2: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 18% per annum for the five-year life of the Plan. The estimates the quarterly payment equals \$128.04. If the Debtor sells or refinances the property before completion of Plan payments, the Debtor shall pay in the then outstanding Class 2 claim.

Class 2 is impaired under the Plan.

"**Class 3**" consists of the Allowed Secured Claim of Miami-Dade County Finance Department Tax Collection Division in amount of \$8,696.49 for 2014 real estate taxes for 13975 SW 184 Street, account number 30-5934-001-0421 based on proof of claim no. 1.

Plan Treatment Class 3: At closing of the PSC, the Class 3 claim shall be paid in full with interest.

Class 3 is unimpaired under the Plan.

"**Class 4**" consists of the Allowed Secured Claim of US Bank as custodian for Tower C/O Green Tax Funding 2, POB 645040, Cincinnati, Ohio in amount of \$10,716.37 for 2012 real estate taxes for 10221 SW 134 Street, account number 30-5017-005-0190, based upon proof of claim no. 6.

Plan Treatment Class 4: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 18% per annum for the five-year life of the Plan. The estimated quarterly payment equals \$816.39. If the Debtor sells or refinances the property before completion of Plan payments, the Debtor shall pay in the then outstanding Class 4 claim.

Class 4 is impaired under the Plan.

"**Class 5**" consists of the Allowed Secured Claim of US Bank as custodian for Tower C/O Green Tax Funding 4, POB 645040, Cincinnati, Ohio 45264, in amount of \$10,844.17 for 2013 real estate taxes for 10221 SW 134 Street based upon proof of claim no. 7.

Plan Treatment Class 5: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 18% per annum for the five-year life of the Plan. The estimated the quarterly payment equals \$741.99. If the Debtor sells or refinances the property before completion of Plan payments, the Debtor shall pay in the then outstanding Class 5 claim.

Class 5 is impaired under the Plan.

"**Class 6**" consists of the Allowed Secured Claim of Ivan Castaneda, Ocean Bank 780 NW 42 Avenue, Ste. 411, Miami, FL 33126 in amount of \$12,476.93 for 2012 real estate taxes for 13975 SW 184 Street, account number 30-5934-001-0421.

Plan Treatment Class 6: At closing of the PSC, the Class ~~6~~ claim shall be paid

in full with interest.

Class 6 is unimpaired under the Plan.

"**Class 7**" consists of the Allowed Secured Claim of Silvo Santana, Ocean Bank 780 NW 42 Avenue, Ste. 411, Miami, FL 33126 in amount of \$12,165.61 for 2013 real estate taxes for 13975 SW 184 Street, account number 30-5934-001-0421.

Plan Treatment Class 7: At closing of the PSC, the Class 7 claim shall be paid in full with interest.

Class 7 is unimpaired under the Plan.

"**Class 8**" consists of **the undersecured amended proof of claim 12-2 in the amount of \$7,034,975 filed by Banif**. Banif is secured by a first mortgage and second mortgage on 10221 SW 134th Street and 13975 SW 184th Street properties, and the Osceola Properties owned by Seijas LLCs. **Total estimated value of all seven properties is \$3,481,612**. The Plan only administers the 10221 SW 134 Street and 13975 SW 184th properties.

The first note and mortgage (the "First Note" and/or "First Mortgage") from the Debtors, among others, to One Cat Cube, recorded Miami-Dade Book 26043 Page 192, was assigned as collateral by One Cat Cube to Banif, which assignment recorded Book 26091 Page 631. The second note and mortgage (the "Second Note" and/or "Second Mortgage") from the Debtors, among others, to Euro Bank recorded Miami-Dade Book 26043 Page 251, was assigned by EuroBank to Banif, which assignment was recorded Miami-Dade Book 26254 Page 527. Pursuant to the Second Note and Second Mortgage, Banif has a single lien on the 134th and 184th Street Properties and the Osceola Properties. Banif is significantly undersecured with respect to value of the properties subject to its mortgage.

Plan Treatment Class 8: The Debtors and the Seijas LLCs have entered into the ASA with Banif, subject to Court approval. Under the ASA, (i) the Debtors caused the Seijas LLCs to deliver deeds to the Osceola Properties to Banif and confessions of judgments on behalf of the defendants in the pending foreclosure action styled *Banif v 328 LLC et al.*, case no. 14-31694-CA (the "Osceola Action"); (ii) Banif agreed to release its mortgage on the 134th Street Property for payment of \$300,000 and its mortgage on the 184th Street Property for payment of \$450,000; and (iii) the parties shall exchange mutual general releases and voluntarily dismiss the adversary proceeding upon the Effective Date. Also under the ASA, Banif shall cause One Cat Cube to release its mortgage on the 134th and 184th Street Properties. The complete treatment afforded Banif's Class 8 Claim is set forth in the ASA which is **Exhibit F** to the Disclosure Statement.

Class 8 is impaired under the Plan.

“**Class 9**” consists of the claim of One Cat Cube. As set forth in Class 8 above, the First Note and First Mortgage, recorded Miami-Dade Book 26043 Page 192, against both the 134th Street and 184th Street Properties, were collaterally assigned by One Cat Cube to Banif, which assignment was recorded Book 26091 Page 631.

Plan Treatment Class 9: One Cat Cube has not filed a proof of claim, and the Debtors’ filed an adversary proceeding, 15-01695-RAM, to determine enforceability of One Cat Cube’s First Mortgage under the applicable statute of limitations for mortgages. Pursuant to the ASA, Banif is obligated to obtain a release of One Cat Cube’s First Mortgage against the 134th and 184th Properties, and the parties have agreed on the Effective Date to exchange mutual general releases and voluntary dismissal of the lawsuit. The complete treatment afforded One Cat Cube’s Class 9 Claim is set forth in the ASA which is **Exhibit F** to the Disclosure Statement.

Class 9 is impaired under the Plan.

“**Class 10**” consists of the secured claim of Southaire Condominium Association in the amount of \$3,500.00 for delinquent maintenance and assessments relating to the warehouse Unit 101 at 14395 SW 139 Court. This is a priority statutory lien on the property.

Plan Treatment Class 10: Commencing on the first day of the calendar quarter following the Effective Date, the Debtors shall make equal quarterly payments of principal and simple interest at 3.75% per annum during the five-year Plan. The estimated quarterly payment equal \$163.08.

Class 10 is impaired under the Plan.

“**Class 11**” consists of the Allowed Secured Claim of BOA. BOA filed two proofs of claim (“POC”) - claim no. 8 for \$4,817,408.12 and claim no. 9 for \$15,315,112.49. Both claims are evidenced by properly recorded copies of certified judgments and appear to be valid judicial liens on any unencumbered real property of the Debtors in Miami-Dade County. Ocean Bank had recorded final judgments earlier in time, these Final Judgments were satisfied, but Ocean Bank has yet to file proper satisfactions. The Debtors shall file objections to Ocean Bank’s claim based upon the fact the claim is fully satisfied and the lien should be released accordingly. BOA’s **claim no. 8 was record earliest** in time on August 2, 2010, and has priority over claim no. 9, recorded June 7, 2011. BOA recorded a judicial lien certificate to perfect its lien against the Debtors’ personal property. The Debtors have filed a motion to value the lien of BOA against the personal property of the Debtors. The Debtors dispute that their interest in the Seico Corporation Inc. stock is subject to BOA’s lien.

The Debtors concurrently herewith filed a limited objection to BOA’s Class 11 claims to bifurcate said claim into secured and unsecured claims. First, the lien of BOA

shall be stripped off completely from the 134th Street Property as this homestead property is protected from the attachment of a judicial lien. Second, both 134th Street and the 184th Street Properties are fully encumbered by Banif's consensual Second Mortgage (compared the value of Banif's collateral to Banif's debt as set forth in Class 8 above). In short, the 137th Court warehouse unit is the only unencumbered real property subject to BOA's judicial lien. **The value of the warehouse, net of applicable exemptions, is \$98,779,108,779.** The net value of the Debtors' personal property subject to BOA's lien is \$10,000. Accordingly, the Debtors shall seek an Order bifurcating BOA's proof of claim no. 8 into a secured claim in the amount of **\$108,779**, entitled to the treatment set forth below for Class 11 Allowed Secured Claims. See Exhibit L – analysis of BOA's secured and unsecured claims in the amount of POCs no. 8 of \$4,708,629 (less secured claim) and the full amount of BOA's POC no. 9 of \$15,315,112. This remaining unsecured claim shall be deemed unsecured claim and entitled to the treatment afforded Allowed Unsecured Claims in Class 12 set forth below.

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Plan Treatment Class 11: Commencing on the first day of the calendar month following the Effective Date, the Debtors shall commence equal monthly payments of interest and principal in the amount of \$1,991.08 during the five-year Plan, representing 3.75% simple interest rate and a five year amortization. The Debtors shall pay directly the real estate taxes estimated at \$1,200 per year and the monthly condominium fees of \$250.

Class 11 is impaired under the Plan.

“Class 12” consists of holders of Allowed Unsecured Claims, including undersecured, wholly unsecured claims, or claims stripped off of the Debtors' properties. Estimated Allowed Unsecured Claims are **\$37,429,082.45**. See **Exhibit B** to Disclosure Statement, Analysis of Claims. The Debtors commit their disposable income to payment of holders of Class 12 claims over the five-year Plan. Total disposable income to be paid to the Class 12 creditors over the five-year Plan is \$73,620. See **Exhibit C** to the Disclosure Statement, Projected Disposable Income. This is more than the estimated \$66,500 to be received in a hypothetical Chapter 7 liquidation after payment of the Chapter 7 Trustee and administrative expenses. See **Exhibit D** to the Disclosure Statement, Liquidation Analysis.

This will result in an estimated 00.20% distribution on each Class 12 Allowed Unsecured Claim claim.

Class 12 is impaired under the Plan.

“Class 13” consists of the Debtors' equity interest, if any, in his real and personal property. The Debtor has committed to funding the Plan with their net disposable income over the five year life of the Plan and the total payments funded exceed the liquidation value of the Debtors' non-exempt assets. The Debtors shall retain their interest in their real and personal property in exchange for committing their disposable

income to creditors during the Plan term.

“Class 13” is deemed unimpaired.

3.2 Pursuant to § 1123(a)(3), the Debtors specifies that all classes 1 through 12 are “*impaired*” within the meaning of § 1124 and entitled to vote on the Plan, except for class 9, One Cat Cube, which is not entitled to vote.

3.3. The above treatment afforded holders of Classes 1 through 12 claims shall be in full satisfaction, release and discharge of said Allowed Claims against the Debtors and the property of the Debtors upon the completion by the Debtors of all payments required under the Plan.

ARTICLE IV - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

The Debtors is not aware of any executory contracts or unexpired leases. Unless otherwise treated immediately above, any other existing executory contract and unexpired lease shall be deemed rejected under the Plan allowing the party to the contract or lease to file a claim for rejection damages.

ARTICLE V - MEANS FOR IMPLEMENTATION OF THE PLAN

5.1 The Plan payments will be made from the Debtors’ disposable income as calculated from the Debtors’ projected income and expenses set forth in **Exhibit C** to the Disclosure Statement.

5.2 Upon the Effective Date, ownership of the property of the joint Chapter 11 estate shall vest in the Debtors subject to the terms and conditions of the Plan.

ARTICLE VI - PROCEDURE FOR RESOLVING CONTESTED CLAIMS

6.1 Unless otherwise ordered by the Bankruptcy Court, the Debtors shall litigate to judgment, settle or withdraw objections to contested claims subsequent to confirmation, if necessary.

6.2 Should any payment become due under the Plan on a contested claim, such payment shall be held in the Debtors’ counsel’s trust account pending the resolution of contested claim. Upon final resolution of the contested claim, the Claimant shall be paid a pro rata distribution of the funds held based on the percentage of the claim allowed, if any.

ARTICLE VII -RETENTION OF JURISDICTION

The Bankruptcy Court shall retain jurisdiction over the Chapter 11 case for the purposes of determining any and all objections to the allowances of claims; determining

any and all applications for compensation for professional and similar fees; determining any and all applications, adversary proceedings, and contested or litigated matters before the Bankruptcy Court or pending on the Confirmation Date; resolution of any tax issues through negotiation and approval of the Bankruptcy Court or by the filing of adversary complaints if deemed necessary; and construing and enforcing the provisions of the Plan relating to the payments and distributions to be made by the Debtors on or after the Confirmation Date. After closing of the case, the Court shall retain jurisdiction to reopen the case and enter a discharge upon completion of all plan payments by the Debtors.

ARTICLE VIII - PROVISION TO INVOKE CRAMDOWN PROVISION IF NECESSARY

If all of the applicable requirements of 11 U.S.C. Section 1129(a), other than paragraph 8, are found to have been met with respect to the Plan, the Debtors may seek confirmation pursuant to 11 U.S.C. § 1129(b). For purposes of seeking confirmation under the cramdown provision of the Code, should that alternative means of confirmation prove to be necessary, the Debtors reserve the right to modify or vary the terms of the claims of the rejected classes, so as to comply with the requirements of 11 U.S.C. § 1129(b).

ARTICLE IX -GENERAL PROVISIONS

9.1 Definitions. The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan.

9.2 Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

9.3 Binding Effect. The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

9.4 Controlling Law. Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of Florida govern this Plan and any agreements, documents, and instruments executed in connection with this Plan.

9.5 Release and Discharge. The rights afforded in this Plan and the payments and distributions to be made hereunder shall be in exchange for and in complete exchange, satisfaction, discharge (subject to 11 U.S.C. §1141(d)(5), and release of all existing claims of any kind, nature or description whatsoever against Debtors or any of its assets or properties; and, except as otherwise provided herein, upon the Effective Date, all existing claims against the Debtors shall be, and be deemed to be, exchanged, satisfied, discharged, and released in full; and all holders of claims shall be precluded from

asserting against the Debtors or their assets or properties or successors in interest, any other or further claim based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Effective Date.

Pursuant to 11 U.S.C. § 1141(d)(5), the Debtors shall not receive a discharge until the Court grants the Debtors a discharge on completion of all payments under the Plan.

9.6 Vesting Assets In Reorganized Debtors. Except as otherwise provided by this Plan, upon the consummation date, title to all assets and properties dealt with by this Plan shall vest in the Debtors, free and clear of all claims except as provided under this Plan and the Confirmation Order and the Confirmation Order shall be a discharge of Debtors' liabilities, except as provided for herein.

9.7 Modification. The Debtors reserve the right to modify the terms of the Plan before or at confirmation to the extent such modifications do not adversely affect treatment of any class of claims or interests. Specifically, the Debtors reserve the right to shorten the life of the Plan or increase the interest rate payable on Allowed Secured Claims to the extent such modifications are deemed necessary by the Court for purposes of determining whether the Plan is fair and equitable. The Debtors also reserve the right to make whatever technical modifications and clarifications may be necessary to effectuate the purpose of the Plan.

9.8 Closing the Bankruptcy Case. Upon entry of the Confirmation Order and after the Effective Date, the Debtors may file an ex parte motion to close this case. Upon payment of payments of the Debtors required under the Plan, the Debtors shall file a motion to reopen the case for the purpose of the Court to enter a discharge under 11 U.S.C. §1141(d).

Respectfully submitted this July 19, 2016.

By:

/s/ Victor Seijas
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/s/ Cecilia Seijas
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