

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION**

In re:

CLAUDETTE BREVITT-SCHOOP

Chapter 11 Case
Case No.: 15-21177-RBR

Debtor.

**DISCLOSURE STATEMENT DATED JUNE 2, 2016 PURSUANT TO SECTION
1125 OF THE BANKRUPTCY CODE TO ACCOMPANY PLAN OF
REORGANIZATION DATED JUNE 2, 2016 FOR CLAUDETTE BREVITT-SCHOOP**

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT FOR ME IN SOLICITING ACCEPTANCES OF THE PLAN AND SHOULD NOT BE CONSTRUED AS CONSTITUTING A SOLICITATION OF ACCEPTANCES OF THE PLAN UNTIL SUCH TIME AS IT HAS BEEN SO APPROVED AND DISTRIBUTED TO ALL HOLDERS OF CLAIMS AGAINST AND INTERESTS IN THE DEBTOR. ANY SUCH APPROVAL WILL NOT CONSTITUTE A DETERMINATION OF THE FAIRNESS OR MERITS OF THE PLAN. RATHER, SUCH APPROVAL WILL MEAN THAT THE BANKRUPTCY COURT HAS FOUND THAT THE DISCLOSURE STATEMENT CONTAINS ADEQUATE INFORMATION TO PERMIT THE HOLDERS OF CLAIMS AGAINST THE DEBTOR TO MAKE A REASONABLY INFORMED DECISION IN EXERCISING THEIR RIGHT TO VOTE UPON THE PLAN. NO PERSON MAY GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DISCLOSURE STATEMENT, REGARDING THE PLAN OR THE SOLICITATION OF ITS ACCEPTANCE.

Debtor, Claudette Brevitt-Schoop, filed a Voluntary Petition under Chapter 13 of Title 11 of the United States Code (the "Bankruptcy Code") on June 20, 2015. The case was subsequently converted to a case under Chapter 11 on November 19, 2015 and Debtor files this Disclosure Statement (the "Disclosure Statement") relating

to the Plan or Reorganization of Claudette Brevitt-Schoop dated June 2, 2016 ("Plan") a copy of which is filed contemporaneously with the Court. Unless otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed to them in the Plan.

The purpose of this Disclosure Statement is to provide creditors and interest holders with adequate information about the Debtor and the Plan to enable such creditors and interest holders to make an informed judgment regarding the acceptance or rejection of, or objection to, the Plan. This Disclosure Statement discusses, among other things, voting instructions, recovery information, classification of Claims and Interests, the Debtor's history, businesses, properties, results of operations and a summary and analysis of the Plan.

Pursuant to the Bankruptcy Code, holders of Claims listed in Classes 1 and 2 of the Plan of Reorganization are entitled to vote on the Plan. Except as described below, the Plan may be confirmed only if accepted by each Voting Class. Any Voting Class that fails to accept the Plan will be deemed to have rejected the Plan. Section 1129(b) of the Bankruptcy Code permits confirmation of the Plan notwithstanding rejection by one or more Classes if the Court finds that the Plan does not discriminate unfairly and is "fair and equitable" with respect to the rejecting Class or Classes ("Cramdown"). SUBJECT TO THE TERMS OF THE PLAN, THE DEBTOR NOW INTEND TO SEEK TO HAVE THE PLAN CONFIRMED PURSUANT TO THE CRAMDOWN PROVISIONS OF SECTION 1125(B) OF THE BANKRUPTCY CODE IF ANY VOTING CLASS REJECTS OR IS DEEMED TO REJECT THE PLAN.

All claimants are advised and encouraged to read this Disclosure Statement and the Plan in their entirety before voting to accept or reject the Plan. Plan

summaries and statements made in this Disclosure Statement are qualified in their entirety by reference to the Plan, other exhibits thereto and other documents referenced herein as being filed with the Bankruptcy Court prior to or concurrent with the filing of this Disclosure Statement. Subsequent to the date hereof, there can be no assurances made that (i) the information and representations contained herein remain materially accurate; or (ii) this Disclosure Statement contains all material information.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND NOT IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAW. THE DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN OR THE FAIRNESS OR THE MERITS OF THE PLAN. ANY REPRESENTATIONS TO THE CONTRARY IS UNLAWFUL. THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT EXCEPT AS EXPRESSLY INDICATED HEREIN. PERSONS OR ENTITIES TRADING IN OR OTHERWISE PURCHASING, SELLING OR TRANSFERRING CLAIMS OR SECURITIES OF THE DEBTOR SHOULD EVALUATE THE PLAN IN LIGHT OF THE PURPOSE FOR WHICH IT WAS PREPARED. THIS DOCUMENT HAS BEEN COMPILED FROM INFORMATION OBTAINED BY THE DEBTOR FROM NUMEROUS SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF THE DEBTOR'S KNOWLEDGE, INFORMATION AND BELIEF. HOWEVER, NOTHING CONTAINED HEREIN SHALL OR SHALL BE

DEEMED TO BE AN ADMISSION OR DECLARATION AGAINST INTERESTS BY THE DEBTOR FOR THE PURPOSES OF ANY EXISTING OR FUTURE LITIGATION, NOR (EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN) SHALL ANYTHING HEREIN BE ATTRIBUTABLE TO THE COMMITTEE OR ADVISORS. AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT SHALL NOT BE CONSTRUED AS AN ADMISSION OR STIPULATION, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS.

After carefully reviewing this Disclosure Statement, including any and all Exhibits and/or Appendices hereto, each Holder of a Claim in a Voting Class should vote on the enclosed Ballot and return the Ballot in the envelope provided. If you have a Claim in more than one Voting Class, you should obtain a separate Ballot for each Claim and vote each Claim separately.

TO BE COUNTED, YOUR BALLOT MUST BE COMPLETELY FILLED IN, SIGNED, AND RECEIVED BY 4:30 P.M. EASTERN STANDARD TIME ON
2016.

Subject to the next sentence, please vote and return your Ballot (s) to:

Clerk of the U.S. Bankruptcy Court
299 E. Broward Boulevard, Room 112
Fort Lauderdale, FL 33301

with a copy to:

Orville McKenzie, Esq.
20401 N.W. 2nd Avenue, Suite 220
Miami, Florida 33169

**FAILURE TO FOLLOW INSTRUCTIONS
MAY RESULT IN VOTE NOT BEING COUNTED**

DO NOT RETURN ANY EVIDENCE OF INDEBTEDNESS OF THE DEBTOR WITH
YOUR BALLOT

If you have any questions about the procedures for voting, or if you did not receive a Ballot, received a damaged Ballot or have lost your ballot, please call Orville McKenzie at 305-653-6959.

The Court has scheduled the Confirmation hearing on _____ 2016 before the Honorable Raymond B. Ray, Bankruptcy Judge, United State Bankruptcy Court, 299 East Broward Boulevard, Courtroom 308, Fort Lauderdale, Florida. The Court has directed that objections, if any, to confirmation of the Plan be served and filed on or before _____ 2016. The Confirmation Hearing may be adjourned from time to time by the court without further notice except for the announcement of the adjournment date made at the Confirmation Hearing or at any subsequent adjourned Confirmation Hearing.

**I. GENERAL INFORMATION
A. INTRODUCTION**

Debtor is an attorney at law. Debtor's primary area of practice is residential and commercial real estate law.

Debtor is also a real estate investor who through her industry acquired several investment properties.

Through her employment the Debtor generated sufficient income wherein she decided to invest her discretionary income in the booming real estate market in the early 2000s. The booming real estate market gave the illusion of safety and

sustained growth and caused Debtor to commit significant resources to this endeavor.

The market collapsed, and majority of the real estate holdings were lost due to foreclosure. The collapse of the real estate market also lead to a reduction of income because there was a significant decline in real estate closings.

B. FACTORS PRECIPITATING FILING OF CHAPTER 11 CASE

Debtor used the rental income from the investment properties to service the respective mortgages on her investment properties. Initially the rental income was sufficient to service the mortgages without contribution from Debtor. The Debtor assumed that any out of pocket cash outlay would be offset by the appreciating value of the real properties. To the contrary, the property values began to depreciate and the mortgage interest rates securing the properties began to adjust upwards making the properties unaffordable, and unsustainable. Eventually the real estate market implosion led to a global financial crisis warranting government intervention to support the financial system. The collapse of the real estate market has so negatively impacted the Debtor that she felt the only choice was to file this Chapter 11 case to reorganize her debts.

C. SELECTED HISTORICAL FNANCIAL INFORMATION

Debtor will use her income from employment to fund the payments to the general unsecured creditors. Attached hereto are the Debtor's financial projections for years 2016, 2017 and 2018.

Debtor's monthly income stream is and expected to continue as follows:

i.)	Income from Employment	\$2,600.00
ii.)	1191 N.E. 200 th St. - - Rental Income	<u>\$1,700.00</u>
	Total Monthly Income	\$4,300.00

II. DEVELOPMENTS SINCE FILING OF CHAPTER 11 CASE

There has been no material development since the filing of the instant Chapter 11 case.

III. PLAN OF REORGANIZATION A. OVERVIEW OF THE PLAN

Pursuant to 11 U.S.C. §1141(d)(5) Debtor will not receive a discharge until completion of all payments under the plan. If Debtor completes all plan payments, Debtor's debts shall be discharged.

1. Pursuant to 11 U.S.C. § 1141(d)(5)(A), the Debtor shall be discharged from all pre-Confirmation debts except as is provided in the Plan, pursuant to the procedures set forth herein, upon completion all payments required under the Plan to Class 2 creditors. Upon the satisfaction of all payments required under the Plan to Class 2 creditors, the Reorganized Debtor shall file a Final Report of Estate and Motion for Final Decree Closing Case on the Court approved local form.

2. Notwithstanding the above, the Debtor may request that the Court close this bankruptcy proceeding prior to the entry of an Order of Discharge, pursuant to the following procedures:

- a. The Debtor may file a Motion to Temporarily Close Bankruptcy Case Prior to Entry of Order of Discharge (the “Motion to Close”) after the following events have occurred: (i) payment of the Initial Payment (defined in the Plan) to Class 2 creditors; (ii) payment of all outstanding quarterly United States Trustee Fees as of the date of the Order approving the Motion to Temporarily Close; and (iii) the filing of all outstanding federal income tax returns. The Motion to Close shall certify that each of the above conditions have been met.

- b. The Motion to Close (and Notice of Hearing thereto) shall be served to all creditors and interested parties. The Court may grant the Motion to Close, pursuant to 11 U.S.C. § 350(a), if each of the above conditions have been met.

- c. During the time that this bankruptcy case is temporarily closed, the provisions of the confirmation order shall remain in effect with respect to the treatment of creditor claims that existed as of the bankruptcy petition date, that being June 20, 2015, as long as the Debtor continues to be in compliance with the Plan and the Court’s Order Confirming Debtor’s Plan of Reorganization and Setting Bar Date for Lease and Executor Contract Rejection Claims (the “Confirmation Order”), and as long as the Debtor timely makes all of the payments to Class 2 creditors, as contemplated under the Plan.

- d. Upon the satisfaction of all payments required under the Plan to Class 2 creditors, the Debtor may file a motion to reopen this bankruptcy proceeding, pursuant to 11 U.S.C. § 350(b). Any Clerk of Court fees associated with filing of the motion to reopen shall be waived. The motion to reopen shall be verified and served upon all creditors and parties in interest and shall demonstrate that the Debtor has made all of the payments contemplated under the Plan to Class 2 creditors.

- e. Upon the re-opening of this bankruptcy proceeding, the Debtor shall promptly file a Final Report of Estate and Motion for Final Decree Closing Case on the Court-approved local form, which shall certify that all payments required under the Plan to Class 2 creditors have been made. The Court may then grant the Debtor a discharge, pursuant to 11 U.S.C. § 1141(d)(5).

Reservation of Rights Under Sections 1141(d)(5) and 350(a). The Debtor reserves the right, after confirmation, to seek the closing of this bankruptcy proceeding prior to the entry of an Order of Discharge, upon the payment of the initial payment under this Plan, payment of all outstanding quarterly United States Trustees Fees, and the filing of any outstanding federal income tax returns. Such a request may be granted only upon notice and hearing, with notice to all creditors and interested parties. If such request is granted, then upon the satisfaction of all payments required to be paid pursuant to the Plan to Class 2, the Debtor may file a motion to reopen this bankruptcy proceeding, pursuant to 11 U.S.C. § 350(b), and the Court may then grant the Debtor a discharge, pursuant to 11 U.S.C. §

1141(d)(5). This paragraph only preserves the Debtor's right to seek the relief described above and does not conclusively grant such relief. Creditors' and interested parties' rights to object to such relief shall similarly be preserved until such time as it is requested by the Debtor after confirmation.

The following briefly summaries the classification and treatment of Claims under the Plan.

Group 1 Administrative Expense Claims

100% Payment:

Composition: All Claims allowed by the Court pursuant to 11U.S.C. Section 503 and 507(a)(1). The Debtor estimates that there will be no Administrative Expense Claim. No party has made a claim for Administrative Expenses.

Treatment: Each holder of an Allowed Administrative claim shall be paid 100% of its Allowed Claim upon the Effective Date of Confirmation of the Plan of Reorganization or as otherwise agreed between the holder of the administrative claim and the Debtors. All Fee Requests shall be filed no later than 30 days after the Confirmation Date or such other date as established by the Court.

Unimpaired: Administrative Expense Claims are **Unimpaired** under the Plan.

Group 2 Priority Claims:

2-A Priority Non-Tax Claims

100% Payment: Each Holder of an Allowed Priority Non-tax Claim shall be paid 100% of its Allowed Claim. The Debtor estimates of Priority Non-tax Claims at zero (\$0.00).

Treatment: Each Holder of an Allowed Priority Non-Tax Claim shall receive, in full satisfaction of such Claim, an amount of cash equal to 100% of the amount of

such claim within 15 days of the Effective Date, or within 15 days of the allowance of such Claim, by a Final Order, whichever is later, or as soon as practicable thereafter unless such Holder agrees to a different treatment of its Claim.

Priority non-tax claims are **unimpaired**.

2-B Priority Tax Claims

Pursuant to 11 U.S.C. §507(a)(8) governmental income taxes are chronologically given eighth priority in claim preferences. This claim preference is allowed only to the extent that:

- i) The tax on income is for a taxable year ending on or before the date of the filing of the petition;
- ii) The tax return is due after three years before the petition date; and
- iii) The tax is assessed within 240 days before the date of the filing of the petition (exclusive of the time an offer in compromise is pending plus 30 days, or a stay is pending, plus 90 days).
- iv) The tax not assessed before but assessable post-petition.

Each Holder of an Allowed Priority Tax Claim (Internal Revenue Service) shall be paid 100% of its Allowed Priority Claim. All Claims allowed by the court pursuant to 11 U.S.C. Section 507(a) (8). The Debtor estimates the amount of Priority Tax Claims at \$9,377.85.

Treatment: Each Holder of an Allowed Priority Tax Claim shall receive, in full satisfaction of such claim, at the option and sole discretion of the Debtor, either: (1) an amount in cash equal to the Allowed Amount of such claim (or any portion thereof), payable as soon as practicable after the Effective Date; or (ii) equal cash payments, paid in equal monthly payments over a period not to exceed five (5) years from the Order for Relief plus simple interest on any outstanding balance from the

effective Date at the deficiency rate as determined under I.R.C. Section 6621(c) (3), as amended, for underpayments other than large corporate underpayments, as defined therein, or on such other terms as the Holder of the priority Tax Claims may agree. Priority Tax Claims are **unimpaired**.

SECURED CLAIMS - CLASS 1 -

Class 1A Secured Claim of Bank of America, N.A., – 1191 N.E. 200th Street, Miami, Florida 33179- First Mortgage

The Debtor gave Bank of America, N.A., a mortgage to secure the payment of the promissory note executed by Debtor. The mortgage is in first priority position on the real property located at 1191 N.E. 200th Street, Miami, Florida 33179, the Debtor's investment property.

Bank of America, N.A., filed a claim in the amount of \$442,647.13. See Claim 7-1. Debtor filed a Motion to Value and Determined Secured Status of Lien on Real Property, DE 17. The parties reached an agreement that the value of the property is \$182,000.00. Bank of America's claim is secured to the extent of \$182,000.00.

Treatment: Bank of America's claim is secured to the extent of \$182,000.00 and unsecured to the extent of \$260,647.13. Beginning with the first payment due July 1, 2016, Debtor shall pay principal and interest payments for one hundred eighty [180] months amortized at an interest rate of 5.25% for a monthly payment of \$1,463.06 per month. The loan shall remain escrowed for taxes and insurance. Debtor shall pay in full all post-petition escrow advances on or before the Effective Date. The cram down portion of \$260,647.13 shall be added to Class 2 General Unsecured Claims of any confirmed Chapter 11 Plan and Bank of America shall be entitled to recover its proportionate share therefrom. With respect to a class of

unsecured claims, the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property, except the Debtor may retain property included in the estate under section 1115. This claim is **partially impaired**.

**Class 1A Secured Claim of Toyota Motor Credit Corporation- - 2008
Lexus RX 350- Car Note**

Creditor holds a security interest in Debtor's 2008 Lexus RX 350 motor vehicle. Creditor filed a proof of claim in the amount of \$6,214.54. See Claim 3-1. Creditor is fully secured.

Treatment: Toyota Motor Credit Corporation's claim is fully secured, and as such Debtor will continue to make all car payments due and owing under the promissory note. With respect to a class of unsecured claims, the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property, except the Debtor may retain property included in the estate under section 1115. This claim is **unimpaired** and as a result, Toyota Motor Credit Corporation cannot vote to reject or accept the plan.

GENERAL UNSECURED CLAIMS- CLASS 2 -

The general unsecured claims of the Debtor who have filed Proof of Claims are as follows:

Bank of America, N.A	\$260,647.13
Real Time Resolutions, Inc.	\$70,664.16
Wells Fargo Bank, N.A.	\$32,975.10
U.S. Department of Education	\$96,936.29
Ashley Funding Services, LLC	\$452.84
	=====
Total	\$461,677.52

The amount proposed to be paid to the unsecured claims is \$2,000.00.

Pursuant to 11 U.S.C. §1129(a)(15) a creditor can object to the confirmation of the Plan because 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 5-year period. Debtor has disposable income to pay unsecured claims and Debtor has elected to pay \$2,000.00 which is not a substantial distribution of these claims.

The Debtor will pay the general unsecured creditors the total sum of \$2,000.00 without interest in equal monthly payments of \$200.00 which will be disbursed to the general unsecured creditor pro-rata until they are paid in accordance with this Plan. The Debtor estimate it will take 10 months until these claims are paid in accordance with this Plan. Payments will begin 30 days from the Effective Date of the Plan of Reorganization. If Debtor completes all plan payments, Debtor's debts shall be discharged. This class is **impaired**.

UNITED STATES TRUSTEE FEES

Notwithstanding any other provisions of the Plan to the contrary, the Debtor shall pay the United States Trustee the appropriate fee required pursuant to 28 U.S.C. §1930(a)(6) within ten (10) days of the entry of the order confirming the Plan

for pre-confirmation periods, and Debtor shall file pre-confirmation monthly operating reports, indicating the income and disbursements for the applicable period(s). Debtor, as Reorganized Debtor, shall further pay the United States Trustee the appropriate fee required pursuant to 28 U.S.C. §1930(a)(6), based upon all post-confirmation periods within the time period set forth in 28 U.S.C. §1930(a)(6) and all post-confirmation disbursements made by Reorganized Debtor, until the earlier of the closing of this case by the issuance of a Final Decree by the Bankruptcy Court, or upon the entry of an Order by the Bankruptcy Court dismissing this case or converting this case to another chapter under the Bankruptcy Code. Reorganized Debtor shall provide to the United States Trustee upon the payment of each post-confirmation payment, and concurrently filed with the Court, Post-Confirmation Quarterly Operating Reports indicating all the cash disbursements for the relevant period, including, among other things, all payments made under the Plan and all payments made in the Ordinary Course of Business.

IV. MEANS FOR EXECUTION OF THE PLAN

Retention of Property: The Debtor shall retain all of her Properties, other than that Property disposed of during the Chapter 11 case and/or disposed of pursuant to this Plan.

Satisfaction of Claims: All Claims of creditors shall be satisfied solely in accordance with the Plan. On and after the Effective Date, the assets of the Debtor shall be free and clear of all claims of creditors except as specifically provided for in the Plan or the Confirmation Order.

Executory Contracts and Unexpired Leases. As of the Effective Date, and effective as of the Petition Date, the Debtor will reject any and all executory contracts and unexpired leases of every kind and nature, except those which: (a) prior to the Confirmation Date shall have been assumed; (b) at the Confirmation Date are the subject of pending motions to assume; or are listed on Schedule 4.1 of the Plan, as it may be amended prior to the Confirmation Date. Any person or entity possessing a claim by virtue of such rejection shall hold an Unsecured Claim for any damages sustained by reason of such rejection and shall file a proof of claim for any such damages within the earlier of (i) 30 days following the Confirmation Date, or (ii) 30 days following such rejection, or forever be barred from asserting any Claim resulting from such rejection. Any executory contract or unexpired lease that has been (a) assumed by any Debtors prior to the Confirmation Date, (b) the subject of a pending motion to assume at the Confirmation Date and subsequently assumed, or (c) listed on Schedule 4.1 of the Plan, as it may be amended prior to the Confirmation Date, shall as of the Effective Date (or at the time of assumption if after the Effective Date) be deemed a contract or lease with the Reorganized Debtors. There are no executory contracts or unexpired leases that will be rejected upon confirmation. There are no executory contracts or unexpired leases that will be assumed upon confirmation.

V. OPERATIONS OF THE REORGANIZED DERTOR AFTER CONFIRMATION

The Debtor will continue to personally manage her ongoing operations.

VI. CONFIRMATION PROCEDURES
A. VOTING REQUIREMENTS AND PROCEDURES

Voting Requirements: Only Holders of Claims against the Debtor are entitled to vote on the Plan.

The Bankruptcy Code defines acceptance of a Plan by an impaired class of claims or interests as acceptance by holders of at least 2/3 in dollar amount, and more than 1/2 in number, of the claims of that class which actually cast ballots.

In the event a class rejects the Plan, it is possible that the Plan will not be confirmed and the Court may dismiss this case. In the event any class of the Debtor rejects the Plan, the Debtor may nonetheless seek to confirm the Plan over such rejecting class' vote on the Plan.

Voting Procedures: Pursuant to various provisions of the Bankruptcy Code only classes of claims against Debtor that are impaired under the terms and provisions of a Plan of Reorganization are entitled to vote to accept or reject a plan. Accordingly, classes of Claims that are not impaired are not entitled to vote on the Plan. Some creditors might hold claims in more than one impaired class and must vote separately for each class. Such creditors will receive a separate ballot for all of their claims in each class (in accordance with the records of the Clerk of the Bankruptcy Court) and should complete and sign each Ballot separately. Votes on the Plan will be counted only with respect to Claims of impaired Classes: (a) that are listed on the Debtor's Schedules of Assets and Liabilities, other than as disputed, contingent, or unliquidated; or (b) for which a proof of claim was filed on or before March 16, 2016 the bar date set by the Bankruptcy Court for the filing of proofs of

claim (except for certain Claims expressly excluded from that bar date or which are allowed by Order of the Court). However, any vote by a Holder of a Claim shall not be counted if such Claim has been disallowed or is the subject of unresolved objection, absent an order of the Court allowing such Claim for voting purposes pursuant to Section 532 of the Bankruptcy Code and Bankruptcy Rule 3018.

Voting on the Plan by each Holder of a Claim or Interest in an impaired Class is important. After carefully reviewing the Plan and this Disclosure Statement, please indicate your vote on each enclosed Ballot and return it in the preaddressed stamped envelope provided for this purpose.

TO BE COUNTED, YOUR BALLOT MUST BE COMPLETELY FILLED IN, SIGNED, AND RECEIVED BY 4:30 P.M. EASTERN STANDARD TIME ON _____, 2016.

If your Ballot is not signed and returned as described, it will not be counted. If your Ballot is damaged or lost, or if you do not receive a Ballot, you may request a replacement by addressing a written request to the Debtor's Attorney. Please follow the directions contained on the enclosed Ballot carefully.

B. VOTE REQUIRED FOR ACCEPTANCE; CONFIRMATION

The Bankruptcy Code defines acceptance of a Plan by an impaired class of claims as acceptance by holders of at least 2/3 in dollar amount, and more than 1/2 in number, of the claims of that class which actually cast ballots (other than any holders who are found by the Bankruptcy Court to have cast their ballots in bad faith).

In addition to this voting requirement, Section 1129 of the Bankruptcy Code requires that a Plan be accepted by each holder of a claim or interest in an impaired

class or that the Plan otherwise be found by the Court to be in the best interests of each holder of a claim or interest in an impaired class. See "Best Interests Test" below.

If one class of impaired claims or interests accepts the Plan, the court may confirm the Plan under the "cramdown" provisions of Section 1129(b) of the Bankruptcy Code, which permits the confirmation of a Plan over the dissenting votes of creditors or equity interest holders that have voted, as a class, to reject the Plan, provided that certain standards are met. See "Cramdown" below.

In the event any Voting Class voted against the Plan, the terms of the Plan may be modified by the Debtor, as necessary to effect a "cramdown" on such dissenting class or classes by reallocating value from all classes junior to the objecting class or classes to any impaired senior classes until such impaired senior classes are paid in accordance with the absolute priority rule of Section 1129(b) of the Bankruptcy Code. Any such modifications or amendments shall be filed with the Bankruptcy Court and served on all parties in interest entitled to receive notice of the hearing on the confirmation of the affected Plan at least ten days prior to such hearing. Subject to the conditions set forth in the Plan, a determination by the Bankruptcy Court that the Plan is not confirmable pursuant to Section 1129 of the Bankruptcy Code will not limit or affect the Debtor's ability to modify the Plan to satisfy the provisions of Section 1129 of the Bankruptcy Code.

C. BEST INTEREST TEST

Notwithstanding acceptance of the Plan by each impaired class, in order to confirm the Plan the Bankruptcy Court must determine that the Plan is in the best

interests of each Holder of a claim or interest that has not accepted the Plan. Accordingly, if an Impaired Class does not unanimously accept the plan, the "best interests" test of Section 1129(a) (7) of the Bankruptcy Code requires that the Court find that the Plan provides to each holder of a claim or interest in such impaired class a recovery on account of the holder's claim or interest that has a value at least equal to the value of the distribution that each holder would receive if the debtors were liquidated under Chapter 7 of the Bankruptcy Code. The Debtor believes that the general unsecured creditors would not be paid in full in a Chapter 7 liquidation and have provided for like payment to these creditors.

D. FAIR AND EQUITABLE TEST; CRAMDOWN

Any Voting Class that fails to accept the Plan will be deemed to have rejected the Plan. Notwithstanding such rejection, the Bankruptcy Court may confirm the Plan and the Plan will be binding upon all Classes, including the Classes rejecting the Plan, if the Debtor demonstrates to the Bankruptcy Court that at least one impaired class of Claims has accepted the Plan and that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to each Non-accepting class. A Plan does not discriminate unfairly if the legal rights of a dissenting class are treated in a manner consistent with the treatment of other classes whose legal rights are similar to those of the dissenting class and if no class receives more than it is entitled to for its claims or interest.

The Bankruptcy Code establishes different "fair and equitable" tests for the secured and unsecured creditors as follows:

Secured Creditors: Either (i) each secured creditor in a non- accepting

impaired class retains the liens securing its secured claim and receives on account of its secured claim deferred cash payments having a present value equal to the amount of its allowed secured claim, (ii) each secured creditor in a non-accepting impaired class realizes the indubitable equivalent of its allowed secured claim, or (iii) the property securing the claim is sold free and clear of liens with such liens to attach to the proceeds and the treatment of such liens on proceeds as provided in clause (i) or (ii) of this subparagraph.

Unsecured Creditors: Either (i) each unsecured creditor in a non-accepting impaired class receives or retains under the plan property having a present value equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive or retain any property under the plan.

THE DEBTOR BELIEVES THAT THE PLAN DOES NOT DISCRIMINATE UNFAIRLY WITH RESPECT TO ANY CLASS AND IS FAIR AND EQUITABLE WITH RESPECT TO EACH IMPAIRED CLASS. THEREFORE, THE DEBTOR INTENDS TO SEEK CONFIRMATION OF THE PLAN EVEN IF LESS THAN THE REQUISITE NUMBER OF FAVORABLE VOTES ARE OBTAINED FROM ANY VOTING CLASS.

E. FEASIBILITY

The Bankruptcy Code requires that the Bankruptcy Court, in order to confirm the Plan, must find that confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization of the Debtor (the "Feasibility Test"). For the Plan to meet the Feasibility Test, the Bankruptcy Court must find that the Reorganized Debtor, subsequent to the Effective Date, will have a

reasonable expectation of generating, through her operations, funds sufficient to satisfy her obligations under the Plan and otherwise.

Assuming consummation of the Plan substantially as described herein, the Debtor believes that the Plan meets the requirements of the Feasibility Test. The Debtor projects that the ongoing employment of Debtor generates sufficient monthly cash flow to fund the Plan of Reorganization. The Debtor also will retain sufficient non-exempt assets which will be sold should the Debtor's cash flow fail to realize the funds necessary to fund the payments to the creditors under the Plan of Reorganization. The Debtor will have sufficient funds to meet her obligations under the Plan and otherwise.

The Debtor cautions that no representations can be made with respect to the accuracy of these projections or the ability to achieve the projected results. The conclusions described herein are subject to numerous assumptions regarding the operations of the Reorganized Debtor. Moreover, unanticipated and uncontrollable events and circumstances may occur after the date of the forecasts which could affect the business of the Reorganized Debtor. Accordingly, although the Debtor believes that these projected results are achievable, actual results achieved during the period covered by the Projections will undoubtedly vary from the Projections, and such variations may be material.

F. EFFECT OF CONFIRMATION

Confirmation of the Plan will make the Plan binding upon the Debtor, creditors, and other parties in interest regardless of whether they have accepted the Plan, and

such creditors will be prohibited from receiving payment from, or seeking recourse against, any assets that are distributed under the Plan, except as expressly provided in the Plan or the Confirmation Order. In addition, confirmation of the plan will enjoin creditors from taking a wide variety of actions on account of a debt, claim, liability, interest, or right that arose prior to the Confirmation Date. As of the Effective Date of the Plan, Confirmation will also operate as a discharge of all Claims against and Interests in the Debtor to the full extent authorized by Section 1141(d) of the Bankruptcy Code.

G. POTENTIAL FEDERAL TAX CONSEQUENCES

The Debtor estimates that there are no negative federal tax consequences to Confirmation of the Plan of Reorganization.

VII. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

If the Plan is not confirmed and consummated, the alternatives include: (i) preparation and presentation of an alternative plan of reorganization; (ii) liquidation of the Debtor under Chapter 7 or Chapter 11 of the Bankruptcy Code; or (iii) dismissal of the Debtor's bankruptcy case.

A. LIQUIDATION UNDER CHAPTER 11

In a liquidation under Chapter 11, the Debtor's assets would be sold in an orderly fashion over a more extended period of time than in a liquidation under Chapter 7. If a trustee were not appointed, since one is not required in a Chapter 11 case, the expenses for professional fees would most likely be lower than in a Chapter

7 case, although committee members and their professional advisors are not compensated in a Chapter 7 case. Notwithstanding the foregoing, the Debtor believes that it is highly unlikely that her assets could be sold in a liquidation under Chapter 11 or Chapter 7 in a manner which maximizes the value of such assets.

B. LIQUIDATION UNDER CHAPTER 7

If no plan can be confirmed, the Debtor's Chapter 11 case may be converted to a case under Chapter 7, in which a trustee would be elected or appointed to liquidate the assets of the Debtor for distribution to its creditors in accordance with the priorities established by the Bankruptcy Code. The Debtor believes that the creditors will realize the full amount of their claims in this chapter 11 case and that a Chapter 7 liquidation represents an alternative clearly inferior to the Plan in all material respects. Debtor has attached and incorporated hereto his Financial Projection. Debtor proposed paying a portion of her disposable income to unsecured creditors.

VIII. RESERVATION OF RIGHTS

Reservation of Rights Under Sections 1141(d)(5) and 350(a). The Debtor reserves the right, after confirmation, to seek the closing of this bankruptcy proceeding prior to the entry of an Order of Discharge, upon the payment of the initial payment under this Plan, payment of all outstanding quarterly United States Trustees Fees, and the filing of any outstanding federal income tax returns. Such a request may be granted only upon notice and hearing, with notice to all creditors and

interested parties. If such request is granted, then upon the satisfaction of all payments required to be paid pursuant to the Plan to Class 2, the Debtor may file a motion to reopen this bankruptcy proceeding, pursuant to 11 U.S.C. § 350(b), and the Court may then grant the Debtor a discharge, pursuant to 11 U.S.C. § 1141(d)(5). This paragraph only preserves the Debtor's right to seek the relief described above and does not conclusively grant such relief. Creditors' and interested parties' rights to object to such relief shall similarly be preserved until such time as it is requested by the Debtor after confirmation.

IX. MISCELLANEOUS

A. CLAIMS PROCESS AND BAR DATES

The Debtor filed her Schedules of Assets and Liabilities on July 6, 2016.

The Debtor preliminarily estimated the aggregate Allowed Amount of all general unsecured Claims at less than \$500,000.00. Additionally, the Debtor is now analyzing and evaluating proofs of claim to develop a basis for objection or settlement as to certain Claims which she intends to dispute. The Plan provides that, unless an earlier date is established by the Court, all Bankruptcy objections to Claims shall be filed with the Court and served on the Holders of the Claims to which a party has an objection by the Later of: (i) 60 days after the Effective Date and (ii) 60 days after a particular proof of claim is filed with the Court. If an objection to any Claim is not timely filed by such bar dates, such Claim will be treated as an Allowed Claim if such Claim has not been disallowed earlier. Any Claim which is allowed under the provisions of this Plan shall be an Allowed Claim and not subject to objections by any

person including the Reorganized Debtor (with certain exceptions) will have the authority to file objections, settle, compromise, withdraw, or litigate to judgment objections to Claims, or Disputed Interests; provided however, that any Committee shall retain the right, with leave of the court on motion with a hearing, to do any of the foregoing upon a demonstration that the Reorganized Debtor has acted unreasonably and otherwise inconsistent with the interests of creditors in respect or acts or omissions relating to the foregoing, and that such acts or omissions have had, or will, if continued, have a material and adverse effect upon such interests.

B. RISK FACTORS TO BE CONSIDERED

The risk factors discussed in this Disclosure Statement assume confirmation and consummation of the Plan, and the transactions contemplated by the Plan, and do not include matters that could prevent confirmation or consummation. Prior to voting on the Plan, each Holder of a Claim should carefully consider the risk factors enumerated as well as all of the information contained in this Disclosure Statement, including the Plan and the other hereto.

Dated: June 2, 2016.

 /s/ Claudette Brevitt-Schoop
Claudette Brevitt-Schoop

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION**

In re:

CLAUDETTE BREVITT-SCHOOP

Chapter 11 Case
Case No.: 15-21177-RBR

Debtor.

_____ /

DEBTOR'S PROJECTED BUDGET

	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>INCOME:</u>			
Opening Balance	10,800	16,925	27,425
Employment Income	18,200	31,200	31,200
Rental Income	<u>11,900</u>	<u>20,400</u>	<u>20,400</u>
Gross Receipts	40,900	68,525	79,025
<u>EXPENSES:</u>			
Mortgage Payment	10,500	18,000	18,000
Food	2,100	3,600	3,600
Clothing	350	600	600
Personal Care	700	1,200	1,200
Utilities	1,750	3,000	3,000
Cell Phone	700	1,200	1,200
Internet	700	1,200	1,200
Transportation	3,150	5,400	5,400
Entertainment	525	900	900
Miscellaneous Expenses	3,500	6,000	6,000
Total Expenses	23,975	41,100	41,100
SURPLUS INCOME	<u>16,925</u>	<u>27,425</u>	<u>37,925</u>