

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF FLORIDA  
Fort Lauderdale Division

In re:

KEVIN C GLEASON

Case No.16-10001-JKO

Debtor-in-possession /

Chapter 11

**KEVIN C GLEASON'S FIRST AMENDED DISCLOSURE STATEMENT  
RELATED TO HIS FIRST AMENDED PLAN**

**I. INTRODUCTION**

This is the disclosure statement (hereinafter the "Disclosure Statement") in the chapter 11 case of Kevin C Gleason (hereinafter Mr. Gleason or the "Debtor"<sup>1</sup>). This Disclosure Statement contains information about the Debtor and describes his Plan of Liquidation, dated August 22, 2016 (hereinafter the "Plan"). A full copy of the Plan is attached to this Disclosure Statement as Exhibit A. 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.

The proposed distributions under the Plan are summarized on Exhibit B attached hereto. On Exhibit B you can find your claim by number, class, and alphabetically by referring to the three different tables included therein. General unsecured creditors are in Class 12, and will receive a *pro rata* distribution from a fund of \$20,000 from the sale of the Debtor's homestead property. The projected distribution is 49.7% based upon assumptions detailed on Exhibit B. Distributions may be lower than projected if unanticipated claims are filed on or before the extended claims bar date of September 19, 2016.

**A. Purpose of This Document**

This Disclosure Statement describes:

1. The Debtor and significant events during the bankruptcy case;

---

<sup>1</sup> References to the "Debtor-in-possession" in the Plan are intentional and distinguish Mr. Gleason's dual concurrent roles as the Debtor and the Debtor-in-possession.

2. How the Plan proposes to treat claims of the type you hold (i.e., what you will receive on your claim if the plan is confirmed);
3. Who can vote on or object to the Plan;
4. What factors the Bankruptcy Court (hereinafter the "Court") will consider when deciding whether to confirm the Plan;
5. Why the Debtor believes the Plan is feasible, and how the treatment of your claim under the Plan compares to what you would receive on your claim in liquidation, and;
6. The effect of confirmation of the Plan.

Be sure to read the Plan as well as this Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

**B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing**

The Court has not yet confirmed the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

*1. Time and Place of the Hearing to Confirm the Plan.*

The hearing at which the Court will determine whether to confirm the Plan will take place on the date, time, and location indicated on an Order which accompanies this Disclosure Statement (hereinafter "Order Setting Hearing").

*2. Deadline For Voting to Accept or Reject the Plan.*

If you are entitled to vote to accept or reject the plan, you can complete the enclosed Ballot and return the Ballot to: Clerk of Bankruptcy Court, 299 E. Broward Blvd., Room 112, Ft. Lauderdale, FL 33301 on or before the deadline stated on the Ballot. See section IV.A. below for a discussion of voting eligibility requirements.

Your Ballot must be *received* by the date on the Ballot or it will not be counted.

3. *Deadline For Objecting to Confirmation of the Plan.*

Objections to confirmation of the Plan must be filed with the Court and served upon the Debtor at the address listed at the end of this Disclosure Statement by the date indicated on the Order Setting Hearing.

4. *Identity of Person to Contact for More Information.*

If you want additional information about the Plan, you should contact the Debtor at the contact information listed at the end of this Disclosure Statement.

**C. Disclaimer**

The Court has approved this Disclosure Statement as containing adequate information to enable parties affected by the Plan to make an informed judgment about its terms. The Court has not yet determined whether the Plan meets the legal requirements for confirmation, and the fact that the Court has approved this Disclosure Statement does not constitute an endorsement of the Plan by the Court, or a recommendation that it be accepted. Objections to confirmation of the Plan may be filed until the date listed on the Order Setting Hearing.

**II. BACKGROUND**

*A. Description and History of the Debtor*

The Debtor is an attorney who was admitted to practice in 1982 in the Commonwealth of Pennsylvania, and in 1983 in Florida and New Jersey. The Debtor is no longer an active member of the bars in Pennsylvania and New Jersey.

The Debtor started his career as a law clerk for two Bankruptcy Judges in Newark, New Jersey, after which he accepted a position with a small firm in New Jersey practicing mostly bankruptcy law. He next joined a large firm in Miami before being recruited to be an attorney/advisor to the Assistant United States Trustee in Miami. After serving out his contract with the Assistant United States Trustee, the Debtor joined a start-up firm in Boca Raton. When the Debtor's first child was on the way, the Debtor

joined a firm in Fort Lauderdale to be closer to his home in Hollywood. The Debtor formed his own firm in 1996 which became progressively more successful and profitable for 12 years, until negative publicity significantly impacted the referral base, which continued to decline through 2009.

Due to improvident language in a filed court paper, the Debtor was suspended from practice for 60 days in late 2011, after which his wife pledged to the Court to closely monitor and supervise the Debtor's practice of law. The Debtor is now an associate in the firm of Florida Bankruptcy Group, LLC and primarily practices in the area of bankruptcy. The Debtor owns a ½ undivided interest of 1% as a tenant-by-entireties with his wife, who controls the remaining 99% of the firm.

In the 1990s and early 2000s, the Debtor and his wife invested in residential real estate, mostly improving and "flipping" properties in east Hollywood, Florida. The 1312 Property (defined below) was purchased just before a crash in the real estate market, and was not possible to "flip." The details of the remaining properties are noted below in connection with the treatment of the alleged or acknowledged secured creditors thereon.

#### *B. Insiders of the Debtor*

The Debtor's only insider creditor (as defined in §101(31) of the United States Bankruptcy Code (hereinafter the "Code")) is Patricia E. Gleason, his spouse, who is also the control person of Florida Bankruptcy Group, LLC.

#### *C. Events Leading to Chapter 11 Filing*

This case was filed just after midnight on January 1, 2016, due to the service of a second foreclosure complaint<sup>2</sup> on December 22, 2015, relating to the 1312 Property, which is described below.

---

<sup>2</sup> The foreclosure case of *Deutsche Bank National Trust Company, as Trustee for Harbor View Mortgage Loan Trust 2004 8 Mortgage Loan Pass through Certificates, Series 2004 8 v. Kevin C Gleason, et al.* Case No. CACE 2015-021920 was filed in the Circuit Court of the 17<sup>th</sup> Judicial Circuit in and for Broward County, Florida on December 11, 2015 and is referred to herein as the "2015 Foreclosure Case."

The total of undisputed, disputed, and unliquidated debts sought to be dealt with through the Plan approaches \$2,000,000, including non-recourse debt. Most of the disputed and unliquidated debts are related to investments in real estate prior to the crash in the South Florida real estate market. Upon resolution of this case, the Debtor will have no investment-related debts. The Debtor's available unsecured credit is only \$1500, which will not likely cause him to seek relief in bankruptcy in the future.

*D. Significant Events During the Bankruptcy Case*

The petition initiating this case was filed on January 1, 2016. All required papers have been timely filed, some with extensions of time granted by the Court.

The United States Trustee moved to dismiss this case, or convert this case to a case under Chapter 7 due to insurance issues, which were resolved resulting in the withdrawal of the motion.

Adequate protection payments have been established for the lienors on the Debtor's homestead and financed automobile.

The "exclusive period" for the Debtor to file a plan and disclosure statement was extended to June 6, 2016, on which date the Debtor filed his first Disclosure Statement and Plan.

The Debtor has sought and obtained permission from the Court to engage: a CPA; a forensic mortgage expert; and an attorney specializing in foreclosure defense. None of those professionals have been requested to perform services as of this date, but they may be called upon prior to, or following confirmation of the Plan. The Debtor has deferred engagement of a bankruptcy attorney pending the perceived need to do so. Paul Orshan, a bankruptcy attorney with an office in Miami has agreed to step in if need be.

The first version of the Disclosure Statement was not approved by the Court, notwithstanding that all objectors had agreed to permit an amendment to meet their objections. This Disclosure Statement is the second attempt at obtaining approval to

solicit acceptances of a Plan. Other than the disapproval of the first Disclosure Statement, there have been no other negative developments in the case.

*E. Projected Recovery of Avoidable Transfers*

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions. The Debtor has reviewed his records for the two-year period beginning on January 1, 2014, and has not found any fraudulent transfers, or preferences which exceed the threshold amount required for recovery. Barclays Bank Delaware received payments within the 90 days pre-petition in the sum of \$1000 on a compromised claim. The threshold amount for recovery of a preference in a non-consumer case was \$6225 as of January 1, 2016.

*F. Claims Objections*

Objections to claims, if any, will be filed on or before the deadline established in the Order Setting Hearing. 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. Objections to claims of general unsecured creditors will be completed before confirmation of the Plan. As of the publication of this Disclosure Statement, there are no general unsecured claims to which the Debtor anticipates objecting. After passage of the extended claims bar date for late-added creditors (September 19, 2016) another evaluation of objectionable claims will be conducted. The Court is being requested to retain jurisdiction to hear any objections to claims of allegedly secured creditors after confirmation of the Plan.

*G. Current and Historical Financial Conditions*

The identity and fair market value of the bankruptcy estate's assets are listed on the liquidation analysis attached hereto as Exhibit C. The source of the valuation is the Debtor. The basis of valuations are the Debtor's opinion, except as otherwise noted on Exhibit C.

The most recent post-petition operating report filed since the commencement of the Debtor's bankruptcy case is set forth in Exhibit D.

Since the Plan does not contemplate future payments to unsecured creditors from the income of the Debtor, no financial forecasts are included herein.

11 U.S.C. § 1129(a)(15) provides,

In a case in which the debtor is an individual and in which the holder of an allowed unsecured claim objects to the confirmation of the plan—

(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 5-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.

In plain language, the Code provides that an individual debtor, such as the Debtor herein, must either provide to pay his unsecured creditors in full, or devote 5 years of income toward paying those unsecured creditors. The Debtor proposes to pay approximately 49.7% distribution to unsecured creditors by selling (or obtaining additional financing on) his exempt homestead, which would otherwise be unavailable to pay unsecured creditors due to the protections afforded the homestead of a Florida resident under the Constitution of Florida, Section X, Article 4. The Debtor is approaching 60 years of age, and is not willing to work until age 65 to pay creditors. If the Plan is not confirmed, it is unlikely the Debtor's income will increase in the future because the Debtor will be unable to afford to embark on new ventures with the burden of debt sought to be relieved through this process.

The attached monthly report (Exhibit D) summarizes the Debtor's income and expenses for over ½ a year, and there is almost nothing left at the end of the month even though the Debtor has no health insurance, no significant retirement savings, and no

significant non-exempt, non-immune assets.

### **III. SUMMARY OF THE PLAN AND TREATMENT OF CLAIMS**

#### **A. What is the Purpose of the Plan?**

As required by the Code, the Plan places claims in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims 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 the Code. As such, the Debtor has not placed the following claims in any class: Administrative Expenses, which are costs or expenses of administering the Debtor's chapter 11 case which are allowed under §507(a)(2) of the Code; and Priority Tax Claims, which are unsecured income, employment, and other taxes described by §507(a)(8) of the Code. Unless the holder of such a §507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief.

#### **C. Classes of Claims**

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

Classes 1, 2, 3, and 4 consist of the allowed secured claims of the **Tax Collectors of Broward and Okeechobee Counties**<sup>3</sup>. These claims will be paid 100%, plus interest,

---

<sup>3</sup> Claims for unpaid real property taxes have been filed by or on behalf of: Ilene Klasfeld; INA Group, LLC; and Joseph Edward Gazza. These claims will be objected to because those claims are included in the claim filed on behalf of Okeechobee County. The claimants' right to vote will be preserved notwithstanding any objections.



upon the events detailed in the Plan.

Class 5 consists of the interests of the **Estate of Alan Fleishman**, his heir(s), assign(s), devisee(s), and any other successor(s)-in-interest in the real property referred to herein as the 16469 Property. The Estate of Alan Fleishman holds a ½ interest in the 16469 Property as a tenant-in-common. In 2008, the firm of Kevin Gleason, P.A. took a ½ interest in the 16469 Property as a fee for representing an individual debtor in a Chapter 7 case. Rather than taking the real property into the corporation, the real property was taken in the names of the Debtor and his non-debtor spouse, as tenants-by-entireties. The transfer of that client's ½ interest in the 16469 Property caused the interest to transform from joint with right of survivorship to tenants-in-common with Alan Fleischman. Mr. Fleischman died in 2008 but no probate estate was opened. Due to the inability to transfer title in the absence of a probate proceeding, it has been impossible to market the 16469 Property. The surviving spouse of Mr. Fleischman was noted on the records of the Okeechobee County Tax Assessor as the person to receive notices related to the 16469 Property. Mrs. Fleischman neither paid the accruing *ad valorem* taxes, nor informed the Debtor of the amounts. As a result, tax certificates were issued, one of which has accrued interest at 18% since 2009. The Plan provides for: the Debtor's non-debtor spouse to transfer her ½ undivided interest as tenant-by-entirety to the Debtor-in-possession as property of the bankruptcy estate by consent; and the Estate of Alan Fleischman to transfer its ½ interest as tenant-in-common to the Debtor-in-possession as property of the bankruptcy estate. The transfer of the Estate of Alan Fleischman's interest will either be by quit-claim deed executed voluntarily by Mrs. Fleischman, or by an adversary proceeding. After the Effective Date of the Plan, the 16469 Property will be transferred to the 1312 Trust<sup>4</sup>, which shall pay the accrued taxes

---

<sup>4</sup> A copy of the proposed 1312 Trust is attached as Exhibit 1 to the Plan, but may be amended before confirmation.

on the 16469 Property from funds contributed by the Debtor.

The accrued taxes are approximately equal to ½ of the value of the 16469 Property. Consequently, the Estate of Alan Fleischman will receive no monetary compensation for the transfer of its interest in the 16469 Property. Upon the transfer of the 16469 Property into the bankruptcy estate and upon confirmation of the Plan, the Estate of Alan Fleischman will be released of any claims by the Debtor and his non-debtor spouse, and the Debtor and his non-debtor spouse will be released of any claims of the Estate of Alan Fleischman.

No claim has been filed on behalf of the Estate of Alan Fleischman. This class is impaired and NOT entitled to vote on the Plan.

Class 6 consists of claims of **Nationstar Mortgage, LLC or Deutsche Bank National Trust Company, as Trustee for the Benefit of the Harborview 2004-8 Trust Fund**<sup>5</sup> related to whichever of them is able to establish an interest in a mortgage recorded on real property referred to herein as the 1312 Property.

In 2004, the Debtor and his non-debtor spouse acquired the 1312 Property, which consists of three lots in the North Lake section of Hollywood, Florida. The purchase price was \$750,000. The improvements to the 1312 Property include a residential structure believed to have been originally constructed as a rooming house circa 1927. At least two additions were constructed resulting in a single-family home, purchased in 1965 by the owner immediately previous to the Debtor and his non-debtor spouse. The original construction was a wood-framed, stucco, two-story structure. Most of the additions were of the same construction. The only concrete block portions of the existing structure are a single column on the southwest corner, and a Florida room which faces east.

---

<sup>5</sup> Referred to herein as “Deutsche Bank Trust”.

When the Debtor and his non-debtor spouse purchased the 1312 Property, a non-destructive home inspection was completed. After closing, it was discovered that the Dade County Pine wooden frames had so deteriorated that the architect referred to the house as “structural stucco.” In other words, it was a miracle that the house did not fall down. The Debtor and his non-debtor spouse hired experts on rehabilitation of historic homes, including a general contractor and an engineer, who recommended the construction of interior braces to prevent the house from collapsing. The team eventually concluded that the main house on the property could not be rehabilitated because the interior floor is below the exterior grade, and the entire structure would have to be raised to conform with Federal Emergency Management Agency standards to avoid flooding.

Any prospects for renovations to the main house were crushed in 2006, after which time the Debtor and his non-debtor spouse have tried to maintain the property to avoid problems with code enforcement. Notwithstanding all efforts, the 1312 Property continued to deteriorate. Another engineer was engaged to write a formal report, a copy of which is available upon request. The Debtor requested permission of Deutsche Bank Trust to demolish the main house, which permission was denied. A copy of the exchange of letters is available upon request.

The Debtor challenged the tax assessed value of the 1312 Property for the years 2012 and 2013 through counsel. In both of those years the challenge was unsuccessful. In 2014, the Debtor, acting *pro se*, again challenged the assessed value of the 1312 Property, and successfully reduced the assessed value, after a contested evidentiary hearing before a magistrate, who reduced the assessed value from \$555,240 to \$308,340. The magistrate significantly discounted the value of the 1312 Property due to its location within a “historic district” and the uncertainty and expense of demolishing a property within such a district. A copy of the Decision of the Value Adjustment Board is attached

as Exhibit E hereto. The decrease in value resulted in a refund of real property taxes paid, and the refund went to Deutsche Bank Trust, or its then-agent.

No offers to purchase the 1312 Property have been received since 2011, when an offer for the purchase price of \$ 170,000 was conditionally accepted on behalf of Deutsche Bank Trust, which acceptance expired before PNC Bank<sup>6</sup> finally accepted the offer.

At the request of the previous owner, the Hollywood Commission granted a variance on the 1312 Property to permit two rental units. It is the Debtor's opinion that in the foreclosure process, the variance may be extinguished. The Debtor's non-debtor spouse has maintained an occupational license as landlord since 2004 to preserve the variance. On the east side of the property is a concrete-block, three-car garage, with an attached chauffeur's quarters. The previous owner converted the garage to a two-bedroom apartment and an efficiency. Upon acquisition of the 1312 Property, the Debtor demolished the interior of the garage structure and proceeded, through licensed professionals, to repair the roof and install new plumbing and some interior structures (all with proper permits and inspections). No replacement electrical work was done. As of now, the structure has bare concrete block walls, no operational plumbing, and no operational electrical service beyond a 15-amp service for construction power.

Hurricane Wilma took down the former chauffeur's bedroom (lately the efficiency), which has not been repaired.

Due to poor drainage and the lack of repairs on the adjacent property, the garage structure has sunk into the muck on the east side. The Debtor and his non-debtor spouse paid to have pin pilings inserted beneath the structure on the east side to prevent further deterioration. The interior improvements were made in such a manner as to level out the

---

<sup>6</sup> PNC Bank released its second mortgage on the 1312 Property on May 2, 2014, see OR Book 50779 and page 1012.

interior.

A formerly homeless man, Stanley Svetich, has occupied the 1312 Property for security and maintenance, since 2005. Stanley manages to subsist with just a garden hose connection and minimal electrical service.

Improvements to the 1312 Property include a rather large in-ground pool, which has structurally failed and is now kept as dry as possible to avoid mosquito-breeding.

Since acquiring the 1312 Property in 2004, it has been a classic case of “The Money Pit.”<sup>7</sup> The Debtor has taken great pains to preserve and protect the property. The Debtor has dealt with, and paid for, repairs and improvements (like putting lipstick on a pig) to the 1312 Property to avoid Code Enforcement liens.

The last payment on the first mortgage on 1312 Polk Street was made in September, 2009.

Deutsche Bank Trust declared “the full amount payable under the Note and Mortgage to be due” and filed foreclosure on the 1312 Property by Verified Complaint in the Seventeenth Judicial Circuit in and for Broward County, Florida on June 14, 2010, which case was assigned Case No. CACE 10024783 (hereinafter “2010 Foreclosure Case”).

On July 8, 2010, a Motion to Dismiss was filed, in which the Debtor and his non-debtor spouse asserted that the papers attached to the Verified Complaint did not establish that Deutsche Bank Trust had standing to bring the 2010 Foreclosure Case. On May 2, 2012, almost two years after commencement of the 2010 Foreclosure Case, Deutsche Bank Trust filed a Motion for Leave to File Verified Amended Complaint, in which Deutsche Bank Trust alleged that “The Complaint requires clarification relative to the Plaintiff’s standing to bring this foreclosure action.” Just 7 days later, the Motion for

---

<sup>7</sup> The Money Pit is a comedy (unless you have lived it) from 1986, starring Tom Hanks and Shelly Long, described as “A young couple struggles to repair a hopelessly dilapidated house.” <http://www.imdb.com/title/tt0091541/>.

Leave was granted. Deutsche Bank Trust took another two months to file its Verified Amended Complaint on July 8, 2012. On August 2, 2012, a Motion to Dismiss the Verified Amended Complaint was filed based upon Deutsche Bank Trust's second failure to properly demonstrate its standing. The hearing on the Motion to Dismiss the Verified Amended Complaint was held on October 3, 2012, at which hearing the Verified Amended Complaint was dismissed, with leave to amend within 45 days, which imposed a deadline of November 17, 2012. Ignoring the deadline, Deutsche Bank Trust never filed a second amended complaint. When the Circuit Court set the matter for trial almost two years later, on July 14, 2014, Deutsche Bank Trust purported to take a voluntary dismissal of the 2010 Foreclosure Case, which was acknowledged by the Circuit Court's Order of July 14, 2014, four years and one month after the commencement of the 2010 Foreclosure Case.

Five years, five months, and twenty-eight days after initially accelerating the Note and Mortgage, on December 11, 2015, Deutsche Bank Trust again initiated a foreclosure on the 1312 Property, which case was assigned Case No. CACE 15021920 (hereinafter "2015 Foreclosure Case"), which was served upon the Debtor on December 23, 2015, and which event was the critical cause of the filing of this case. The 2015 Foreclosure Case alleged a default date of November 1, 2009, one month later than the 2010 Foreclosure Case as opposed to the previously-designated default date of October 1, 2009 in the 2010 Foreclosure Case.

The Supreme Court of Florida heard oral argument in a case referred to as "*Bartram*"<sup>8</sup> on November 4, 2015. Depending upon the holding in that case, it is possible that the 2015 Foreclosure Case was filed beyond the statute of limitations. Regardless of the holding in the *Bartram* case, the Debtor has a theory that the 2015

---

<sup>8</sup> *Bartram v. U.S. Bank N.A.* Case Number: SC14-1265 (Fla Supreme Court).

Foreclosure Case was filed beyond the statute of limitations based upon the fact that the Debtor's non-debtor spouse, who was a co-obligor on the promissory note, filed a personal chapter 7 in the Southern District of Florida on August 10, 2010, and received her discharge on July 1, 2011, which relates back to the petition date in a Chapter 7 case.

The Bankruptcy Code includes a permanent injunction against any act to collect a debt after a discharge in bankruptcy. The discharge prohibits acceleration of the note and mortgage as to the Debtor's non-debtor spouse. Since the mortgage and note could not be accelerated under federal law, it is reasonable to begin the statute of limitations calculation from the filing date of the Chapter 7 of the Debtor's non-debtor spouse, which placed the outer limit for Deutsche Bank Trust to commence foreclosure at August 9, 2015.

Under a possible holding of the Supreme Court of Florida, the second foreclosure was approximately 6 months too late. Under the Debtor's federal theory of limitations, the second foreclosure was approximately 4 months too late.

The Plan provides for: the Debtor's non-debtor spouse to transfer her ½ undivided interest as tenant-by-entirety to the Debtor-in-possession as property of the bankruptcy estate and the Debtor and Debtor-in-possession to transfer the bankruptcy estate's interest in the 1312 Property to a trust. The Bankruptcy Court will be requested to retain jurisdiction: to entertain the federal law issues in the pending foreclosure case; to extend the time to remove the pending foreclosure case to federal court for a sufficient time to hopefully have an opinion in the *Bartram* case regarding the statute of limitations; to consider objections to the claim of Nationstar Mortgage, LLC; and to value the 1312 Property as of the date of confirmation of the Plan so that if the Debtor or the 1312 Trust invest additional resources into the 1312 Property to increase its value, the "delta" between the value as of confirmation and the gross sale price of the 1312 property will be for the benefit of the 1312 Trust. If the Florida Supreme Court rules that the statute of

limitations does not preclude the 2015 Foreclosure Case, the Debtor may remove the 2015 Foreclosure Case to federal court for determination of the *bona fides* of the Debtor's theory on federal preclusion of the statute of limitations.

The Plan provides a deadline for Deutsche Bank Trust/Nationstar to complete foreclosure, with the possibility to seek an extension, for cause. The reason why this deadline is fair is because Deutsche Bank/Nationstar, through incompetence or lack of standing, has been unable to complete a foreclosure case in the 7 years since the last payments were made on the mortgage. The delay has prejudiced the Debtor's opportunity for a "fresh start" even though the Debtor tried to work with Deutsche Bank/Nationstar, but was frustrated at every turn. When the Debtor proposed to fund the demolition of the derelict property, Deutsche Bank/Nationstar declined its permission. When the Debtor attempted to determine the true amounts due to Deutsche Bank/Nationstar, the requests were ignored. Deutsche Bank/Nationstar have asserted unreasonable charges, and failed or refused to explain same. The one-year period to complete a pending foreclosure, or dismiss the pending foreclosure if Deutsche Bank Trust is not the owner and holder of the note and the refile of a competently and properly prepared foreclosure complaint is reasonable in view of the significantly decreased foreclosure load of the Circuit Courts of Broward County. The delays have impacted the Debtor, but will have an even greater impact on the Debtor's spouse, whose credit score exceeds 700, and who would be qualified for conventional financing, but will lose that qualification if a foreclosure judgment appears on her credit report. At age 60, the Debtor's credit report will continue to show this bankruptcy case until the Debtor is 70. Deutsche Bank/Nationstar has already taken 7 years to complete a fairly straightforward foreclosure. Giving Deutsche Bank/Nationstar a deadline is the only imaginable method to keep them on track so that they cannot delay another 7 years during which the Debtor is required to baby-sit the 1312 Property for the benefit of



Deutsche Bank/Nationstar.

This class is impaired. If the Claimant in this Class holds an allowed claim, it shall be entitled to vote on the Plan. If the claim of Nationstar Mortgage, LLC is not allowed, then Deutsche Bank Trust will not be entitled to vote on the plan because it did not file a claim.

**Class 7** consists of claims of **Deutsche Bank Trust Company Americas, as Trustee for Residential Accredit Loans, Inc., Mortgage Asset-Backed Pass-Through Certificates, Series 2006-QS7, aka Deutsche Bank Trust Company Americas as Trustee for RALI 2006QS7,**<sup>9</sup> related to its alleged interest in a mortgage allegedly encumbering the real property referred to herein as the 4121 Property.

The 4121 Property was acquired by the Debtor and his non-debtor spouse in 2004 to be used as an office for Kevin Gleason, P.A, an entity through which the Debtor operated his legal practice through 2010. The improvements to the 4121 Property include a three-bedroom, two-bathroom, single-family home, with a pool. The property has significantly deteriorated. The property is infested with termites and needs a new roof. There are improvements which were made by prior owners without permits. When permits were sought to install hurricane panels (as Wilma was bearing down on South Florida in 2005), the permit applications were initially declined due to a prior owner enclosing a carport without permits. That situation has hampered the ability to obtain permits on any properties owned by the Debtor and his non-debtor spouse. This class is impaired. The claimant in this Class shall receive no payment under the Plan, but shall retain whatever *in rem* rights it has against the 4121 Property, except as provided in the Plan. The Claimant in this Class shall not be entitled to vote on the Plan, having failed to file a claim.

---

<sup>9</sup> Referred to herein as defined above as “Deutsche Bank Americas”.

Deutsche Bank Americas has not had any better results in foreclosure court than Deutsche Bank Trust. No payments have been made on the mortgage on the 4121 Property since October of 2010. Deutsche Bank Americas filed a foreclosure case on October 4, 2011. A motion for summary judgment was denied on October 8, 2013. When Deutsche Bank Americas was unable to explain to the foreclosure Judge why the attachments to its original complaint were different from the attachments to its proposed amended complaint, Deutsche Bank Americas elected to take a voluntary dismissal of the foreclosure case on January 21, 2014.

The explanation regarding the potential statute of limitations issues in the section above regarding Deutsche Bank Trust is equally applicable to Deutsche Bank Americas and will not be repeated here.

**Class 8** consists of **James G. Kincaid and Suzanne Adkison Kincaid** (hereinafter the “Kincaids”) related to their interest in a non-recourse mortgage encumbering the real property referred to herein as the 1442 Property. This class is impaired. The Kincaids’ mortgage will be paid down upon sale of the 1442 Property, and their security interest will be protected in substitute collateral in a sum 20% greater than the remaining mortgage balance. Thereafter, the Debtor shall reinvest in another residence and use the reserved funds for such purpose. The Kincaids shall continue to receive monthly mortgage payments based upon the adjusted balance due, and for the remaining term of the mortgage.

The 1442 Property was initially a rental, into which the Debtor moved with his family in August of 2009. The Debtor’s non-Debtor spouse had the listing as a real estate broker on the 1442 Property, but the previous owners had already acquired a property in Ohio into which they decided to move upon their retirement from occupations in South Florida. The Debtor was familiar with the Kincaids because he resided next door from 1985 through 2003, and into 2004, nearly 19 years. With the real

estate market in 2009 being depressed, and with the Debtor having no other place to house his family, the Debtor negotiated for the purchase of the 1442 Property with owner-financing. Primarily utilizing funds received from his mother's estate, the Debtor was able to post a 10% deposit on a purchase price of \$450,000. The Kincaids agreed to hold a non-recourse mortgage in the original principal amount of \$405,000 at an interest rate of 6% per annum, for a period of 15 years. The mortgage "balloons" on January 5, 2025. Monthly mortgage payments have been timely paid since closing in January 2010. The 1442 Property is now, and has been, the Debtor's homestead from and after the closing.

If the Kincaids object to the treatment provided for in the Plan, the Debtor may be forced to rent the 1442 Property to afford to continue to pay the mortgage and real property taxes. In the event that the Plan will not be funded through the sale of the 1442 Property, the Debtor will seek a loan in the sum of \$30,000 to fund payments to unsecured creditors and the 1312 Trust to fund distributions as provided for under the Plan. Any such loan will likely be secured by a second mortgage on the 1442 Property. The Debtor will either file an amended plan or modified plan, depending upon if or when the Kincaids object to their treatment under the Plan.

While the Debtor believes that the proposed treatment of the Kincaids' mortgage is fair and equitable, the Kincaids are friends of the Debtor who have their own issues and challenges, and the Debtor will not take any actions which harm the interests of the Kincaids, and the Debtor will not force the Kincaids into any financial arrangement to which they do not agree. Their trust in and kindness to the Debtor and his family will not be met with any less kindness to the Kincaids.

The plan treatment is "fair and equitable" under the Bankruptcy Code because, the Plan provides that: the Kincaids shall retain the liens securing their entire claim, whether the 1442 Property is retained by the Debtor or sold; and that the Kincaids shall

receive on account of their claim deferred cash payments totaling at least the allowed amount of their claim, of a value, as of the Effective Date of the Plan, of at least the value of the Kincaids' interest in the estate's interest in the 1442 Property. The foregoing treatment is consistent with the requirements of 11 U.S.C. § 1129(b)(2).

The Claimant in this Class shall not be entitled to vote on the Plan, having failed to file a claim.

The Debtor anticipates hiring his wife as the real estate broker to market and sell the 1442 Property. Mrs. Gleason had the listing with the Kincaids in 2009 and knows the property better than any other real estate professional. It will not be required for Mrs. Gleason to be approved by the Court pursuant to 11 U.S.C. § 327(a) because she is not being employed by the bankruptcy estate or Debtor-in-possession to sell property of the estate. Rather, the Debtor (not acting as Debtor-in-possession) will sell his homestead, post-confirmation, which real property has already been eliminated from the bankruptcy estate by virtue of being claimed as exempt and there having been no objections to that claim of exemption. Mrs. Gleason is an experienced real estate broker, and has agreed to take her commission against her claim. This represents a substantial savings for the Debtor over hiring a non-insider real estate professional.

**Class 9** consists of the claim of Toyota Southeast Finance related to the purchase of a certain Toyota Prius. The claim in this Class is impaired only by the discharge of the Debtor. Payments will be made on this obligation until paid in full, or in the event of default, the vehicle may be repossessed. The Claimant in this Class shall be entitled to vote on the Plan.

In the late summer or early fall of 2015, Florida Bankruptcy Group, LLC, the Debtor's employer, determined that it was in the best interests of the company to acquire an automobile for the use of its employees. Toward that end, the Debtor conducted extensive research and recommended the purchase of a Toyota Prius II. In late

November, 2015, Patricia E. Gleason, who is the sole officer and shareholder of Patricia E. Gleason, P.A., the managing member of Florida Bankruptcy Group, LLC, directed the Debtor to acquire a Toyota Prius in the name of and for the benefit of the company. The Debtor negotiated terms for the purchase of a remaining model-year 2015 Prius, and went to the dealer to close the transaction. Upon being informed that the transaction could not be completed as a purchase by the entity, the dealer recommended that the Debtor's credit be checked and the purchase be structured individually. Mrs. Gleason consented to the suggested arrangement, and much to the surprise of Mr. Gleason, he qualified for a no-money-down purchase of the Toyota Prius II, which was acquired on December 9, 2015, before the Debtor had any notion that the 2015 Foreclosure Case would soon be filed. It must be emphasized that the purchase of the Toyota Prius II was in no way done in contemplation of the filing of this bankruptcy case.

As agreed with Florida Bankruptcy Group, LLC, all payments on the Toyota Prius II and all costs related to operation of that vehicle are paid directly by the company.

**Class 10** consists of the interests of **Patricia E Gleason** in real estate owned with the Debtor as tenants-by-entireties<sup>10</sup> and the inchoate interest of PEG in real property titled exclusively in the name of the Debtor-in-possession.

Under Florida law, a wife holds an inchoate interest in the homestead of her spouse. This means that a married man cannot convey his ownership of his homestead property without the joinder of his wife.

When the Debtor was unable to pay the mortgage on the 1442 Property, and the related expenses, Mrs. Gleason paid those items from her separate income. Mrs. Gleason has filed a claim for reimbursement of the amounts she advanced, without interest. To the extent possible, Mrs. Gleason's claim will be paid from the proceeds of the sale of

---

<sup>10</sup> The following properties are owned by the Debtor-in-possession and his wife tenants-by-entireties: 1312 Property; 4121 Property; and the 16469 Property.

the 1442 Property, and if not paid from that property, from the proceeds of the sale of the 1312 Property, the 4121 Property, or the 16469 Property. Mrs. Gleason's real estate brokerage, Seabreeze Realty, will be the listing broker for the sale of the 1442 Property, the 1312 Property, or the 4121 Property. The listing agreements for the foregoing properties will be on the customary terms for such transactions. To the extent that Seabreeze Realty is entitled to receive any commission from the sale of any of the foregoing properties, Mrs. Gleason shall be credited that amount toward her claim.

The claim in this Class is impaired. The Claimant in this Class shall be entitled to vote on the Plan.

**Class 11** consists of **Revolving Credit Accounts electing to continue granting credit to the Debtor<sup>11</sup> (hereinafter "Credit Cards")**. Any Credit Cards which elect to be treated in Class 11 shall reinstate all credit privileges under terms specified in the Plan and agreed to by the Debtor. Claimants in this class are impaired and are entitled to vote on the Plan.

Just prior to the commencement of this case, the Debtor inadvertently defaulted on payments to Discover Card, a credit account which he had since 1982. The Debtor was contacted by representatives of Discover Card to discuss a reduction in interest rates in exchange for a resumption of payments. Before he was served with the 2015 Foreclosure Case complaint, the Debtor intended to enter into an agreement with Discover Card to cure and reinstate the account with the reduced interest rate offered. If Discover Card is willing to enter into the previously-proposed arrangement, the Debtor is willing to resume payments if Discover Card agrees not to cancel the card or reduce the former credit line for at least 5 years, so long as the Debtor is not in default in payments.

The Debtor's Citicard had a zero balance as of December 31, 2015, and was not

---

<sup>11</sup> The following claimants may elect to be treated in Class 11: Discover Card (Last 4 digits of account number 2529); Citicard (Last 4 digits of account number 4449)(if a claim is filed timely).

therefore, listed as a creditor in this case. A small purchase was made on the CitiCard after January 1, 2016, after which CitiCard for whatever reason canceled privileges unilaterally, and without notice. If CitiCard files a claim and is willing to restore the credit privileges, it shall be paid in accordance with the credit agreement.

**Class 12** Unsecured Creditors shall receive a *pro rata* dividend from \$20,000 in funds set aside from the sale of the Debtor's homestead, the 1442 Property. The distribution will be by mail and will be made within 10 days of the closing on the sale of the 1442 Property, but no later than 90 days after the Effective Date. An additional distribution to claimants in this Class shall be made if the 1312 Trust liquidates property within 5 years of the Effective Date. If the 1442 Property is not under contract within 90 days of the Effective Date, the Debtor will borrow \$30,000 to fund the payments to Class 12 and fund the 1312 Trust.

**Class 13** consists of the interests of the individual Debtor in property of the estate. Upon confirmation of the Plan, the following property shall vest in Mr. Gleason (and not as Debtor-in-possession), free and clear of all liens, claims or interests (except the lien of Toyota Southeast Finance and the mortgage of the Kincaids): the 1442 Property; all individually-owned personal property listed on his Schedules<sup>12</sup>, and any personal property acquired by the Debtor-in-possession on or after January 1, 2016 through the date of the entry of an order confirming this Plan. All property titled in the name of either SPF Water Systems, Inc. or Kevin Gleason, P.A., shall be transferred to the Debtor individually, and not as the Debtor-in-possession. All personal property listed in the Schedules as owned jointly with Patricia E Gleason shall remain jointly owned with Patricia E. Gleason. Upon confirmation of the Plan, the 1312 Property, 4121 Property, and the 16469 Property shall vest in the Debtor-in-possession, free and clear of any

---

<sup>12</sup> and any amendments thereto.

claim or interest of his spouse, and free and clear of any claims or interests except as provided to claimants in Classes 1, 2, 3, 4, 6, and 7.

#### **D. Means of Implementing the Plan**

##### *1. Source of Payments*

Payments and distributions under the Plan will be funded by the sale of the Debtor's homestead, 1442 Property. If the sale does not close before 90 days after the Effective Date, Mr. Gleason will borrow \$30,000 to fund the Plan. In view of the fact that Mr. Gleason anticipates a sale price of the 1442 Property at or above \$595,000, and in view of the amount of the first mortgage, being less than \$370,000, there is sufficient equity for Mr. Gleason to easily place a second mortgage using a high-interest rate "hard-money" lender.

##### *2. Post confirmation Management*

On the Effective Date, the Debtor-in-possession shall convey the bankruptcy estate's interest in the 1312 Property, 4121 Property, and 16469 Property to a trust. Until the Effective Date, the foregoing properties shall remain as property of the bankruptcy estate. Attorney Wayne Kramer has agreed to serve as the trustee of the post-confirmation trust, without fees and without bond. CPA John A. Coniglio has agreed to serve as the Disbursing Agent under the Plan, without fees and without bond. The trust is attached to the Plan as Exhibit 1.

#### **E. Risk Factors**

The proposed Plan has the following risks: 1) the real property may not sell for an amount sufficient to pay claims; 2) the Kincaids may object to the transfer of their security interest to substitute collateral; and 3) the trust may be unsuccessful in monetizing its interests in the 1312 Property and/or the 4121 Property.

The South Florida real estate market would have to crash in the near term for the Debtor to be unable to sell his homestead. The property is valued at or in excess of



\$595,000, and carries a mortgage balance less than \$370,000. Even at a “bargain basement” price, there will be more than sufficient funds to pay \$20,000 to unsecured creditors, and \$10,000 to fund the trust.

If the Kincaids object to the treatment provided for them under the Plan, the alternative is to rent the homestead for the duration of the mortgage, and place a second mortgage on the 1442 Property to pay \$30,000 as required by the Plan.

If the 1312 Trust is unable to liquidate property, that does not affect the initial payment to unsecured creditors under the Plan. The sale of those properties is speculative and dependent upon either defeating the mortgage foreclosures, or achieving some equitable settlement with the mortgagees.

#### **F. Executory Contracts and Unexpired Leases**

The Debtor does not have executory contracts or unexpired leases.

#### **G. Tax Consequences of the Plan**

Creditors concerned with how the plan may affect their tax liability should consult with their own accountants, attorneys, and/or advisors.

### **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 at least as much as the creditor would receive in a chapter 7 liquidation case, unless the creditor 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 has a right to vote for or against the Plan only if that creditor has a claim that is both (1) allowed or allowed for voting purposes and (2) impaired.

1. *What Is an Allowed Claim?*

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

The deadline for filing a proof of claim in this case was May 2, 2016 for most creditors. The deadline for "Government Units" was June 29, 2016. An extended deadline of September 19, 2016 is available for creditors who were listed, or whose status was changed, after May 2, 2016. The deadline for the Debtor to file objections to claims has been set in the Order Setting Hearing.

2. *What Is an Impaired Claim?*

As noted above, the holder of an allowed claim 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 are not entitled to vote:

- a. holders of claims that have been disallowed by an order of the Court;
- b. holders of other claims that are not "allowed claims" (as discussed above),

- unless they have been “allowed” for voting purposes;
- c. holders of claims in unimpaired classes;
  - d. holders of claims entitled to priority pursuant to §507(a)(2), (a)(3), and (a)(8) of the Code;
  - e. holders of claims in classes that do not receive or retain any value under the Plan; and
  - f. administrative expenses.

**Even If You Are Not Entitled to Vote on the Plan, You May Have a Right to Object to the Confirmation of the Plan.**

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. No such creditors are apparent in this case.

**B. Votes Necessary to Confirm the Plan**

If 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 in Section [B.2.].

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.

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 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. You should consult your own attorney if a “cramdown” confirmation will affect your claim, 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 would receive in a chapter 7 liquidation. A liquidation analysis is attached to this Disclosure Statement as Exhibit C. The liquidation analysis demonstrates that the Plan provides a distribution to unsecured creditors approximately 5 times as much as would be paid in a hypothetical 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 Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan. The Plan proposes liquidation by the sale or transfer of all assets of the bankruptcy estate.

The Debtor believes that the Debtor will have a contract for sale of his homestead property within 3 months of the confirmation of the plan.

## **V. EFFECT OF CONFIRMATION OF PLAN**

**A. NO DISCHARGE OF DEBTOR.** Debtor will not be discharged from any debt until or unless he complies with the requirements of the plan, including tendering \$30,000 for the payment of general unsecured creditors and fund the 1312 Trust.

### **B. Modification of Plan**

The Debtor 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. The Debtor may also seek to modify the Plan at any time after confirmation only if (1) the Plan has not been substantially consummated and (2) the Court authorizes the proposed modifications after notice and a hearing.

### **C. Final Decree**

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Debtor, 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.

Respectfully submitted,  
Dated: August 22, 2016

By: Kevin C Gleason

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF FLORIDA  
Fort Lauderdale Division

In re:

KEVIN C GLEASON

Case No.16-10001-JKO

Debtor-in-possession /

Chapter 11

**KEVIN C GLEASON'S FIRST AMENDED PLAN**

**ARTICLE I SUMMARY**

This Plan of Liquidation (the “Plan”) under chapter 11 of the Bankruptcy Code (the “Code”) proposes to pay priority and unsecured creditors of Kevin C Gleason (the “Debtor”<sup>1</sup>) from the sale of assets or loans. The treatment of secured and purportedly secured creditors depends upon the property encumbered or allegedly encumbered by a lien.

This Plan provides for 8 classes of secured claims (both acknowledged or contested); 2 classes of unsecured claims; 2 classes for co-owners of property; and a class for the Debtor’s interest in property of the estate. Unsecured creditors holding allowed claims will receive distributions from the sale of the Debtor’s homestead. A chart is attached to the Disclosure Statement as Exhibit B which lists each creditor and the amount which each creditor may receive based upon assumptions stated therein. This Plan also provides for the payment of administrative and priority claims.

All creditors should refer to the remainder of this Plan for information regarding the precise treatment of their claim. The Disclosure Statement accompanying this Plan provides more detailed information regarding this Plan and the rights of creditors. **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.)**

**EXHIBIT A**

---

<sup>1</sup> References to the “Debtor-in-possession” herein are intentional and distinguish Mr. Gleason’s concurrent roles as the Debtor and the Debtor-in-possession.

## **ARTICLE II CLASSIFICATION OF CLAIMS AND INTERESTS**

Class 1 consists of the Allowed Secured Claim of Broward County Tax Collector for *ad valorem* and non *ad valorem* taxes for the year 2016 related to the 1442 Property (defined below). The claim is secured by a first-priority statutory lien on the Debtor's interest in the 1442 Property pursuant to §197.122 of the Florida Statutes. The lien securing the claim in Class 1 shall be retained after the Effective Date of the Plan until all taxes due are paid in full. The claim in Class 1 shall be paid in full by a lump-sum payment to be tendered no later than March 31, 2017. This Class is not impaired and is not permitted to vote on the Plan.

Class 2 consists of the Allowed Secured Claim of Broward County Tax Collector for *ad valorem* and non *ad valorem* taxes related to the 1312 Property (defined below). The claim is secured by a first-priority statutory lien on the Debtor-in-possession's interest in the 1312 Property pursuant to §197.122 of the Florida Statutes. The liens securing the claim in Class 2 shall be retained after the Effective Date of the Plan until all taxes due are paid in full. Upon resolution of the 2015 Foreclosure Case<sup>2</sup>, the claim in Class 2 shall be satisfied as follows: 1) if Nationstar Mortgage, LLC or Deutsche Bank Trust<sup>3</sup> is unsuccessful in completing its foreclosure of the 1312 Property, this claim shall be paid in full within 30 days of a final judgment against Nationstar Mortgage, LLC or Deutsche Bank Trust becoming final and non-appealable; or 2) the Broward County Tax Collector shall, upon a foreclosure judgment in favor of Nationstar Mortgage, LLC/Deutsche Bank Trust becoming final and non-appealable, be granted relief to

---

<sup>2</sup> The foreclosure case of Deutsche Bank National Trust Company, as Trustee for Harbor View Mortgage Loan Trust 2004-8 Mortgage Loan Pass-through Certificates, Series 2004-8 v. Kevin C Gleason, *et al.* Case No. CACE 2015-021920 filed in the Circuit Court of the 17<sup>th</sup> Judicial Circuit in and for Broward County, Florida on December 11, 2015, will be referred to herein as the "2015 Foreclosure Case."

<sup>3</sup> Deutsche Bank National Trust Company, as Trustee for Harbor View Mortgage Loan Trust 2004-8 Mortgage Loan Pass-through Certificates, Series 2004-8 will be referred to as "Deutsche Bank Trust", which includes the interests, if any of Nationstar Mortgage, LLC, or the representative(s) or successor(s)-in-interest of either of them.

exercise its rights under Florida law. The claim in Class 2 shall accrue interest in accordance with §511(a) of the Bankruptcy Code and §197.172 of the Florida Statutes.

**Upon confirmation of the Plan the Broward County Tax Collector shall be enjoined from taking any actions to collect its claims so long as the Debtor is not in default under the Plan.** The Broward County Tax Collector will not be required to petition for the payment of *ad valorem and non ad valorem* taxes for the 2016 tax year, and subsequent years, and such post-petition taxes may be collected in the ordinary course pursuant to Florida law. This Class is impaired but no allowed claim is related to this Class, so the claimant is not permitted to vote on the Plan.

Class 3 consists of the Allowed Secured Claim of Broward County Tax Collector for *ad valorem and non ad valorem* taxes related to the 4121 Property (defined below). The claim is secured by a first-priority statutory lien on the Debtor-in-possession's interest in the 4121 Property pursuant to §197.122 of the Florida Statutes. The liens securing the claim in Class 3 shall be retained after the Effective Date of the Plan until all taxes due are paid in full. Upon resolution of the alleged rights of the claimant in Class 7, the claim in Class 3 shall be satisfied as follows: 1) if Deutsche Bank Americas<sup>4</sup> is unsuccessful in foreclosing on the 4121 Property, this claim shall be paid in full within 30 days of the judgment becoming final and non-appealable; 2) if Deutsche Bank Americas is successful in foreclosing on the 4121 Property, the Broward County Tax Collector shall, upon a foreclosure judgment in favor of Deutsche Bank Americas becoming final and non-appealable, be granted relief to exercise its rights under Florida law. The claim in Class 3 shall accrue interest in accordance with §511(a) of the Bankruptcy Code and §197.172 of the Florida Statutes. **Upon confirmation of the Plan**

---

<sup>4</sup> Deutsche Bank Trust Company Americas as Trustee for RALI 2006QS7 was the Plaintiff in Case No. 11-023591 (11), which was pending in the Circuit Court of the 17<sup>th</sup> Judicial Circuit in and for Broward County, Florida, until it was terminated on January 21, 2014. Deutsche Bank Trust Company Americas shall be referred to as "Deutsche Bank Americas" herein which includes its representative(s) or successor(s)-in-interest.



**the Broward County Tax Collector shall be enjoined from taking any actions to collect its claims so long as the Debtor is not in default under the Plan.** The Broward County Tax Collector will not be required to petition for the payment of *ad valorem and non ad valorem* taxes for the 2016 tax year, and subsequent years, and such post-petition taxes may be collected in the ordinary course pursuant to Florida law. This Class is impaired and permitted to vote on the Plan.

Class 4 consists of the Allowed Secured Claim of Okeechobee County Tax Collector and various holders of tax certificates<sup>5</sup> for *ad valorem and non ad valorem* taxes for 2016 and prior years related to the 16469 Property (defined below). These claims are secured by statutory liens on the 16469 Property pursuant to §197.122 of the Florida Statutes. The liens securing the claims in Class 4 shall be retained after the Effective Date of the Plan until all taxes due are paid in full. Within 90 days of the transfer of the 16469 Property into the 1312 Trust<sup>6</sup>, in fee simple, the claims in Class 4 shall be paid in full. The claims in Class 4 shall accrue interest in accordance with §511(a) of the Bankruptcy Code and §197.172 of the Florida Statutes. Notwithstanding any language to the contrary in the Debtor's Plan, the Okeechobee County Tax Collector will not be required to petition for the payment of *ad valorem and non ad valorem* taxes for the 2016 tax year, and subsequent years, and such post-petition taxes shall be paid and collected in the ordinary course pursuant to Florida law. The claims in Class 4 are impaired and are entitled to vote on the Plan.

Class 5 consists of the interests of the **Estate of Alan Fleishman**, his heirs, assigns, devisees, and any other successor in interest in the real property commonly known as 16469 NW 288<sup>th</sup> Street, Okeechobee, Okeechobee County Florida, and

---

<sup>5</sup> The following creditors are also included in Class 4: Ilene Klasfeld; INA Group, LLC; and Joseph Edward Gazza.

<sup>6</sup> The 1312 Trust is attached hereto as Exhibit 1, but may be amended prior to confirmation.

described as

The West ½ of the East ½ of the South ½ of the South ½ of Tract 30, Section 14, Township 34 South, Range 33 East, according to the Plat thereof, as recorded in Plat Book 4, Pages 3A through 3D, of the Public Records of Okeechobee County, Florida.

Parcel Identification Number: 1-14-34-33-0A00-00030-000.

(Referred to herein as the “16469 Property”)

The Estate of Alan Fleishman holds a ½ interest in the 16469 Property as a tenant-in-common. As soon as practicable on or after the Effective date, fee simple title to the 16469 Property shall vest in the 1312 Trust by consent or final judgment in an adversary proceeding. Upon transfer of the 16469 Property into the 1312 Trust, the Estate of Alan Fleishman and his heirs, devisees and successors in interest, if any, shall be absolved of any liability to the Debtor and his non-debtor spouse related to the 16469 Property, and the Debtor and his non-debtor spouse shall be absolved of any liability to the Estate of Alan Fleishman and his heirs, devisees and successors in interest, if any. The Claimant in this Class has not filed a claim and is impaired but shall not be entitled to vote on the Plan.

Class 6 consists of claims of **Nationstar Mortgage, LLC** or **Deutsche Bank National Trust Company, as Trustee for the Benefit of the Harborview 2004-8 Trust Fund** related to whichever of them is able to establish an interest in a mortgage recorded in Official Records Book 37888 at Page 584 allegedly encumbering the real property commonly known as 1312 Polk Street, Hollywood, Broward County, Florida 33019, and described as:

LOTS 17, 18, 19 AND THE EAST 4.00 FEET OF THE SOUTH 50.00 FEET OF LOT 20, BLOCK 10, HOLLYWOOD LAKES SECTION, A SUBDIVISION ACCORDING TO THE PLAT OR MAP THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 32 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA. FOLIO# 514214-01-1930.

(herein referred to as the "1312 Property"), jointly owned by the Debtor-in-possession and his non-debtor spouse. This class is impaired. The ultimate claimant in this Class shall receive no payment under the Plan, but shall retain whatever *in rem* rights either or both of them may have against the 1312 Property, except as provided herein. Upon entry of an order confirming this Plan, the claimant in this Class may pursue whatever *in rem* rights it has against the 1312 Property in any court of competent jurisdiction. The transfer of the 1312 Property as provided in Article VII below in no way impairs whatever *in rem* rights are held by the ultimate claimant in this Class in the 1312 Property, but neither the Debtor, his spouse, nor any successor owner of the 1312 Property shall be precluded from asserting any defenses or affirmative defenses, including, but not limited to, the statute of limitations or laches in the 2015 Foreclosure Case.

If the ultimate claimant in this Class does not complete foreclosure proceedings on or before the 365<sup>th</sup> day after the entry of an order confirming this Plan, its claims shall be deemed satisfied and its liens shall be extinguished and satisfied of record, by order of the Bankruptcy Court in recordable form to be filed in the public records of Broward County. The ultimate claimant in this Class may seek an extension of the 365-day limit herein for good cause shown before the expiration of the 365-day period.

**Upon Transfer of the 1312 Property into the 1312 Trust, Nationstar Mortgage, LLC or Deutsche Bank Trust, or the agent(s) and successor(s) in interest of either, shall be enjoined from prosecuting a foreclosure case until or unless it amends the complaint to drop Kevin C Gleason and Patricia E Gleason as parties or initiates a new complaint naming only the 1312 Trust in lieu of naming Kevin C Gleason or Patricia E Gleason as defendants.**

Nationstar Mortgage, LLC filed a claim as a fully secured creditor. If Nationstar Mortgage, LLC holds an allowed claim as of the deadline for filing ballots, it shall be

entitled to vote on the Plan. If the claim of Nationstar Mortgage, LLC is disallowed, Deutsche Bank Trust shall not be entitled to vote, there having been no claim filed on its behalf.

Class 7 consists of claims of **Deutsche Bank Trust Company Americas, as Trustee for Residential Accredit Loans, Inc., Mortgage Asset-Backed Pass-Through Certificates, Series 2006-QS7, aka Deutsche Bank Trust Company Americas as Trustee for RALI 2006QS7**, related to its alleged interest in a mortgage recorded in Official Records Book 41399, at Page 1340, allegedly encumbering the real property commonly known as 4121 N. 31<sup>st</sup> Avenue, Hollywood, Broward County, Florida 33021, and described as:

THE SOUTH 105 FEET OF THE NORTH 555 FEET OF THE EAST 130 FEET OF THE WEST ½ OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 5, TOWNSHIP 51 SOUTH, RANGE 42 EAST, SAID LANDS SITUATE, LYING AND BEING IN BROWARD COUNTY, FLORIDA Property ID # 514205-00-0040

(herein referred to as the "4121 Property"), jointly owned by the Debtor-in-possession and his spouse. This class is impaired. The claimant in this Class shall receive no payment under the Plan, but shall retain whatever *in rem* rights it has against the 4121 Property, except as provided herein. Upon entry of an order confirming this Plan, the claimant in this Class may pursue whatever *in rem* rights it has against the 4121 Property in any court of competent jurisdiction. The transfer of the 4121 Property as provided in Article VII below in no way impairs whatever *in rem* rights are held by Deutsche Bank Americas in the 4121 Property but neither the Debtor, his spouse, nor any successor owner of the 4121 Property shall be precluded from asserting any defenses or affirmative defenses, including, but not limited to, the statute of limitations or laches in response to the 4121 Foreclosure.

If the claimant in this Class does not complete foreclosure proceedings on or

before the 365<sup>th</sup> day after entry of the order confirming this Plan, its claims shall be deemed satisfied and its liens shall be extinguished and satisfied of record, by order of the Bankruptcy Court in recordable form to be filed in the public records of Broward County. Deutsche Bank Americas may seek an extension of the 365-day limit herein for good cause shown before the expiration of the 365-day period.

**Upon transfer of the 4121 Property into the 1312 Trust, Deutsche Bank Americas, its agents or successors in interest, shall be enjoined from prosecuting a foreclosure case in which either Kevin C Gleason or Patricia E Gleason are named as Defendants.**

Deutsche Bank Americas has not filed a claim. The Claimant in this Class shall NOT be entitled to vote on the Plan.

Class 8 consists of **James G. Kincaid and Suzanne Adkison Kincaid** (hereinafter the "Kincaids"), related to their interest in a non-recourse mortgage recorded in Official Records Book 47016, at Page 512, encumbering real property commonly known as 1442 Polk Street, Hollywood, Broward County, Florida 33020, and described as:

LOTS 25 AND 26, BLOCK 94, OF HOLLYWOOD, ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 1, PAGE 21, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA. Property ID # 5142 15 02 7620.

(the "1442 Property"), which is solely owned by the Debtor, but subject to the inchoate interests of his non-debtor spouse, Patricia E Gleason. This class is impaired.

The 1442 Property will be sold by listing it with Seabreeze Realty, LLC<sup>7</sup>. From the proceeds of sale, the non-recourse note shall be paid down such that the principal balance is \$200,000, and the sum of \$240,000 shall be placed into an interest-bearing

---

<sup>7</sup> Seabreeze Realty, LLC is the brokerage owned and operated by Patricia E. Gleason, the Debtor's spouse. See the Disclosure Statement for more information.

account secured to the benefit of the Kincaids until the acquisition of a replacement property on which the Kincaids shall hold a 1<sup>st</sup> mortgage with no less than an 80% loan-to-value ratio<sup>8</sup>, and otherwise the terms of the existing mortgage, including the requirement for continuing monthly payments,<sup>9</sup> shall remain unchanged. The Claimant in this Class has not filed a claim and shall NOT entitled to vote on the Plan.

If the Kincaids object to the treatment provided herein, the 1442 Property may be rented. The payment to unsecured creditors will be made from a portion of the proceeds of a loan in the sum of \$30,000, secured by a second mortgage on the 1442 Property. The rental income may be used to repay the second mortgage loan. The Debtor reserves the right to find alternate sources of funding for the Plan without filing a modification or amendment to the Plan.

Class 9 consists of secured Claim #8 of the Creditor, World Omni Financial Corp. (aka Southeast Toyota Finance), in the original principal amount of the \$21,119.94, related to the purchase of a certain Toyota Prius, which claim is impaired. This claimant shall continue to be paid at the contract interest rate of 6.65% and the contractual monthly payments of \$357.51 until the claim is paid in full according to the original terms. The claim in this class is impaired. **Upon confirmation of the Plan, World Omni Financial Corp, and any successor(s)-in-interest, shall be enjoined from taking any actions to collect its claim unless payments are not made in accordance with the terms of the original agreement.** Notwithstanding discharge of the *in personam* liability, World Omni Financial Corp. shall continue to report the status of payments to whichever credit bureaus to which it is a subscriber/participant. The

---

<sup>8</sup> The loan-to-value ratio shall be computed to include any improvements or repairs for which professional estimates are obtained prior to closing, and which improvements or repairs are completed as soon as practicable after closing.

<sup>9</sup> The mortgage provides for recalculation of the monthly payment when payments are made toward principal in multiples of \$10,000.

claimant in this Class is entitled to vote on the Plan.

Class 10 consists of the claim of **Patricia E Gleason** (hereinafter “Mrs. Gleason”) and interests in real estate owned with the Debtor as tenants-by-entireties<sup>10</sup> and the inchoate interest of Mrs. Gleason in real property titled exclusively in the name of the Debtor. The claim in this Class is impaired. Mrs. Gleason’s claim shall be paid from the net proceeds of the sale of the Debtor’s homestead, and if not fully paid from such proceeds, shall be paid from the net proceeds of the sale of any real property transferred into the 1312 Trust<sup>11</sup>. The Claimant in this Class is entitled to vote on the Plan.

Class 11 consists of **Revolving Credit Accounts electing to continue granting credit to the Debtor**<sup>12</sup> (hereinafter “Credit Cards”). Any Credit Cards which elect to be treated in Class 11 shall reinstate all credit privileges which existed as of the Petition Date (January 1, 2016) and shall agree that so long as the Debtor complies with all requirements of the respective credit agreements, his credit privileges shall not be reduced or impaired for a minimum period of 5 years after the Effective Date. Claims of Claimants electing to be treated in Class 11 shall be paid in accordance with the respective credit agreement, but the reinstatement interest rate shall be subject to negotiations. If the Debtor does not agree with proposed reinstatement interest rate of a claimant in this Class, such Claimant’s claim shall be treated in Class 12. Claimants in this class which have allowed claims are impaired and are entitled to vote on the Plan.

Class 12 Unsecured Creditors shall receive a *pro rata* dividend from the funds

---

<sup>10</sup> The following properties are owned by the Debtor-in-possession and Mrs. Gleason as tenants-by-entireties: 1312 Property; 4121 Property; and the 16469 Property.

<sup>11</sup> Any balance unpaid to this claimant, which is paid from the proceeds of the sale of the 1312 Property or the 4121 Property shall be paid at closing, as an item on the closing statement, and shall not be included in the calculation of net proceeds. In other words, the unsecured claimants in Class 12 will be paid after the claim of Mrs. Gleason if sufficient proceeds are generated from the sale of any assets by the 1312 Trust.

<sup>12</sup> Only the following entities may elect to be treated in Class 11 if they hold an allowed claim: Discover Card (Last 4 digits of account number 2529); Citicard (Last 4 digits of account number 4449). Citicard has not yet filed a claim.



paid by the Debtor to the Disbursing Agent (\$20,000). The distribution will be by mail and will be made within 10 days of the sale of the 1442 Property. If the Kincaids do not agree to the terms proposed as treatment of Class 8 above, the Debtor may place a second mortgage on the 1442 Property within 90 days after confirmation of the Plan<sup>13</sup>, from which distributions will be made within 10 days of the closing on such loan. An additional distribution to claimants in this Class, up to 100% of the claims, shall be made as provided in Article VII below if the 1312 Trust liquidates property within 5 years of the Effective Date and if the proceeds of any such sale(s) are sufficient to make an additional distribution after paying the claim in Class 10 in full.

Claimants holding allowed claims in this Class are impaired and entitled to vote.

Class 13 includes the interests of the individual Debtor in property of the estate. Upon making the initial distributions to claimants in Class 12, the following property shall vest in Mr. Gleason (and not as Debtor-in-possession), free and clear of all liens, claims or interests (except the lien of Toyota Southeast Finance and the mortgage of the Kincaids): the 1442 Property; all individually-owned personal property listed on his Schedules<sup>14</sup>, and any property acquired by the Debtor-in-possession on or after January 1, 2016 through the date of the entry of an order confirming this Plan. All property titled in the name of either SPF Water Systems, Inc. or Kevin Gleason, P.A., shall be transferred to the Debtor individually, and not as the Debtor-in-possession after the initial distributions to claimants in Class 12. All personal property listed in the Schedules as owned jointly with Patricia E Gleason shall remain jointly owned with Patricia E. Gleason. On the Effective Date, the 1312 Property, 4121 Property, and the 16469 Property shall vest in the Debtor-in-possession, free and clear of any claim or

---

<sup>13</sup> The Debtor reserves the right to find a different source for the initial payments to Class 12 without amending or modifying the Plan.

<sup>14</sup> and any amendments thereto.



interest of his spouse, and free and clear of any claims or interests except as provided to claimants in Classes 1, 2, 3, 4, 6, and 7, which properties shall be contemporaneously transferred into the 1312 Trust.

**ARTICLE III ADMINISTRATIVE EXPENSE CLAIMS,  
U.S. TRUSTEES FEES, AND PRIORITY TAX CLAIMS**

Unclassified Claims. Under section §1123(a)(1), administrative expense claims, and priority tax claims are not in classes.

Administrative Expense Claims. Each holder of an administrative expense claim allowed under § 503 of the Code will be paid in full on or before the Effective Date of this Plan (as defined in Article VIII), in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor-in-possession.

Priority Tax Claims. Each holder of a priority tax claim will be paid in full on the Effective Date of this Plan (as defined in Article VIII), in cash.

United States Trustee Fees. All fees required to be paid by 28 U.S.C. §1930(a)(6) (hereinafter “U.S. Trustee Fees”) will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter of the Code. Any U.S. Trustee Fees owed on or before the Effective Date of this Plan will be paid on or before the Effective Date.

**ARTICLE V ALLOWANCE AND DISALLOWANCE OF CLAIMS**

Disputed Claim. A disputed claim is a claim to which an objection has been lodged and that has not been allowed or disallowed by a final non-appealable order.

Delay of Distribution on a Disputed Claim. No distribution will be made on account of a disputed claim until such claim is allowed by a final non-appealable order.

Settlement of Disputed Claims. The reorganized Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

**ARTICLE VI EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

The Debtor is not a party to any executory contracts or unexpired leases.

**ARTICLE VII MEANS FOR IMPLEMENTATION OF THE PLAN**

The Plan will be funded from the proceeds of the sale of the Debtor's homestead (the 1442 Property). Upon approval of the Disclosure Statement, the 1442 Property shall be listed with Seabreeze Realty under normal terms. From the proceeds of sale claimants in Class 12 shall receive a distribution from the sum of \$20,000; and possibly up to 100% payment through an additional five percent (5%) of the net proceeds of the sale<sup>15</sup> of the 1312 Property, the 4121 Property, or the 16469 Property. Upon sale of the 1442 Property the Disbursing Agent shall receive from the proceeds of sale, and as a line-item on the closing statement, the sum of \$20,000, which the Disbursing Agent will then disburse in accordance with the terms of the Plan.

On the Effective Date of the Plan, the following assets shall be transferred into the 1312 Trust:

1. the 16469 Property<sup>16</sup>;
2. the 1312 Property; and
3. the 4121 Property.

The Debtor's spouse consents to the transfer of all real property owned as tenants-by-entireties to the Debtor-in-possession as property of the bankruptcy estate, and shall, at least 10 days before the confirmation hearing, execute and deliver deeds to effectuate all transfers, such deeds to be held in escrow by the Debtor-in-possession to be released from escrow contemporaneously with the transfer of the foregoing-listed properties from

---

<sup>15</sup> if sold within 5 years of the Effective Date. This additional distribution is completely speculative and is dependent upon factors not within the control of the Debtor, including the ruling of the Supreme Court of Florida in the pending *Bartram* case explained in the Disclosure Statement, and market conditions at the time of sale of the properties.

<sup>16</sup> The 16469 Property will be transferred into the 1312 Trust as soon as practicable on or after the Effective Date.

the Debtor-in-possession to the 1312 Trust.

The Debtor's spouse consents to the sale of the 1442 Property free and clear of her inchoate dower interest, and shall, at least 10 days before the confirmation hearing, execute and deliver a limited power of attorney in favor of the Debtor to effectuate a conveyance and sale of the 1442 Property.

### **ARTICLE VIII GENERAL PROVISIONS**

**Definitions and Rules of Construction.** 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, and they are supplemented by the following definitions:

**Effective Date of Plan.** The Effective Date of this Plan is the 19<sup>th</sup> day after entry of an order confirming this Plan. If, however, a stay of the confirmation order is obtained, the Effective Date will be the fifth business day after the date on which the stay of the confirmation order expires or is otherwise terminated.

**Substantial Consummation** The Plan shall not be substantially consummated until the distributions have been mailed to all allowed unsecured claimants in Class 12.

**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.

**Binding Effect.** The rights and obligations of any person or 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.

**Captions.** The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.

**Controlling Effect.** 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, except as otherwise provided in this Plan.

Cramdown. Debtor reserves the right to seek confirmation of the Plan notwithstanding the rejection or non-acceptance of the Plan by one or more classes of creditors, pursuant to §1129(b) of the Bankruptcy Code.

### **ARTICLE IX DISCHARGE**

Discharge. Confirmation of this Plan does not discharge any debt provided for in this Plan until the court grants a discharge on distribution of the sum of \$20,000 in accordance with the terms of this Plan, or as otherwise provided in § 1141(d)(5) of the Code.

### **ARTICLE X OTHER PROVISIONS**

Default. If any payment required under this Plan is not timely made, or if the Debtor fails to perform any obligation required under the Plan for more than 10 days after the time specified in this Plan, any adversely affected creditor may serve upon the Debtor a written notice of default. The Debtor is in material default under this Plan if the Debtor fails within 15 days of such notice of default, either: (I) to cure such material default, or: (ii) to seek from the Bankruptcy Court an extension of time to cure the material default or a determination that no default has occurred. The Bankruptcy Court shall be requested to set a status conference within 90 days after the Effective Date, and every 45 days thereafter until substantial consummation of the Plan.

If the Bankruptcy Court determines that there are material defaults under the Plan the case shall be dismissed.

Retention of Jurisdiction. The Bankruptcy Court shall be requested to retain jurisdiction until all Plan payments have been made to claimants in Class 12 and the Debtor's discharge is issued. Notwithstanding the closing of this case, before or after issuance of discharge, the Bankruptcy Court shall retain jurisdiction to reopen the case without payment of a filing fee to issue any orders which may be required pursuant to Title 11 of

the United States Code, Section 1142(b), and to:

- A. allow Claims and hear objections thereto;
- B. approve the payment of Administrative Expenses (if any);
- C. complete any adversary proceeding or contested matters pending;
- D. determine and resolve defaults under the Plan until the case is closed before entry of discharge;
- E. make such other orders as are necessary and appropriate to carry out the provisions of the Plan;
- F. correct any defect, cure any omission, or reconcile any inconsistency in the Plan or Order of Confirmation as may be necessary to carry out the purposes and intent of the Plan;
- G. adjudicate all Claims to any lien on any property of the Debtor or proceeds thereof, whether transferred into the 1312 Trust, or not;
- H. determine the amount of any secured claim, whether the property has been transferred into the 1312 Trust, or not;
- I. Determine the amount payable to claimants in Classes 6 and/or 7 upon proposed sale of the 4121 Property and/or the 1312 Property after confirmation of the Plan, including the value of either of those properties as of the confirmation date;
- J. recover or order the transfer of any assets or properties of the Debtor to the extent necessary for consummation of the Plan;
- K. deem satisfied and extinguish the liens of the creditors in Classes 6 and 7 by entry of an order of the Bankruptcy Court in recordable form to be filed in the public records of Broward County; and
- L. retain jurisdiction over any foreclosure proceedings involving the real properties described herein as the 1312 Property and the 4121 Property to the extent of any federal questions, and the deadline for filing a removal action is extended for 10

days more than the period of time allotted for the claimants in Classes 6 and 7 to complete their foreclosures as to the 1312 Property and the 4121 Property.

After relinquishment of jurisdiction by the Bankruptcy Court, the provisions of the Plan may be enforced by any court of competent jurisdiction including the Circuit Court of the 17<sup>th</sup> Judicial Circuit, in and for Broward County, Florida.

Notices. Any notice required to be provided to the Debtor under the Plan shall be in writing and sent by certified mail, return receipt requested, postage prepaid, addressed to: Kevin C Gleason, 4121 N 31<sup>st</sup> Ave, Hollywood, Fl 33021-2011. If to a creditor, at the address listed on the creditor's proof of claim filed with the Court or on Debtor's submitted schedules if no claim has been filed. Any party may change the address to which notices are to be sent to it by giving notice to each other party in the manner set forth herein, and notices shall be deemed received on the 4<sup>th</sup> business day after mailing.

Unclaimed Funds. Any check for any payment due hereunder which shall remain uncashed after sixty days from the date of mailing same to the record address of the Claimant shall be deemed forfeited, payment stopped and such funds shall thereupon revert to the Debtor. The failure to timely negotiate a check tendered in payment for a claim hereunder, or the returned mail with no forwarding address constitutes a waiver of any future payments to such creditor under the Plan and forfeiture of any payments due such creditor, such forfeited payments to remain property of the Debtor.

Debtor-in-Possession Account. After the Effective Date, the Debtor-in-possession may discontinue the designation of the Chase account as a Debtor-in-possession account.

Retiree Benefits. The Debtor has no outstanding Claims, or anticipated future Claims for retiree benefits within the meaning of 11 U.S.C. Sec. 1114(a).

Domestic Support Obligations. The Debtor is not required by a judicial or administrative order, or by statute, to pay a domestic support obligation.

Future Cooperation. If any claimant, or its successor in interest, fails and refuses to

execute any document necessary to implement the terms of the Plan (including, but not limited to a release of lien or release of mortgage), such claimant shall be liable for attorney's fees and costs incurred in obtaining such document or a substitute therefor.

Special Tax Provisions. The issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer under the Plan may not be taxed under any law imposing a stamp tax or similar tax. There shall be no tax under any law imposing a stamp tax or similar tax due on: the recording of any documents related to the transfers of the real or personal property to or from the Debtor; or related to financing obtained by the first transferee of any property from the Debtor as provided under the Plan.

Specifically, but without limitation, there shall be no tax under any law imposing a stamp tax or similar tax due on the recording of any documents related to the transfers of the following real property:

- (i) the 1442 Property, including the transfer from the Debtor's spouse to the Debtor, from the Debtor to any third-party purchaser of the 1442 Property, and on the Debtor's first subsequently-purchased property using the proceeds of the sale of the 1442 Property and the retained portion of the Kincaid mortgage, such replacement property being situated in Broward County, Palm Beach County, or Martin County, Florida;
- (ii) the 1312 Property, including the transfer from the Debtor's spouse to the Debtor, from the Debtor to the 1312 Trust, and from the 1312 Trust to any third-party purchaser of the 1312 Property, including any mortgages placed by such third-party purchaser;
- (iii) the 4121 Property, including the transfer from the Debtor's spouse to the Debtor, from the Debtor to the 1312 Trust, and from the 1312 Trust to any third-party purchaser of the 4121 Property, including any mortgages placed by such third-party purchaser;

- (iv) or the 16469 Property, including the transfer from the Estate of Alan Fleischman to the Debtor-in-possession, the transfer from the Debtor's spouse to the Debtor-in-possession, from the Debtor-in-possession to the 1312 Trust, and from the 1312 Trust to any third-party purchaser of the 16469 Property, including any mortgages placed by such third-party purchaser.

Disbursing Agent. The disbursing agent under the Plan shall be John A. Coniglio, CPA.

Initial Trustee of 1312 Trust The initial trustee of the 1312 Trust shall be attorney Wayne Kramer, who shall be appointed as a representative of the estate pursuant to 11 U.S.C. §1123(b)(3)(B).

Respectfully submitted,

By: s/Kevin C Gleason

Dated: August 22, 2016



### **1312 TRUST AGREEMENT**

This 1312 TRUST AGREEMENT (the "Agreement") is made and entered into, as of \_\_\_\_\_, 2016, by and among Kevin C Gleason, Debtor-in-Possession (the "Debtor"), and Wayne Kramer (the "Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Plan (as hereinafter defined).

#### **RECITALS**

WHEREAS, on January 1, 2016, the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Florida (the "Bankruptcy Court") assigned Bankruptcy Case No. 16-10001-JKO; and

WHEREAS, on August 22, 2016, the Debtor filed the Debtor's First Amended Plan (as amended or modified from time to time, the "Plan"); and

WHEREAS, by order dated \_\_\_\_\_, 2016, the Bankruptcy Court confirmed the Plan; and

WHEREAS, under the terms of the Plan, certain described property of the bankruptcy estate as of the date on which the Order confirming the Plan was entered is provided to be transferred to and held by the Trust created by this Agreement so that, among other things:

- (i) the Trust Assets (defined below) can be treated as specifically provided herein; and
- (ii) Distributions can be made to the beneficiaries of the Trust or to meet the claims of obliges and contingent liabilities, all in accordance with the Plan; and

WHEREAS, this Trust is established under and pursuant to the Plan which provides for the appointment of the Trustee to administer the Trust for the benefit of creditors of the Debtor, and to provide administrative services relating to the implementation of the Plan; and

WHEREAS, the Trustee has agreed to serve as such upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in accordance with the Plan and in consideration of the promises and of the mutual covenants and agreements contained herein, the parties hereto agree as follow :

#### **DECLARATION OF TRUST**

The Debtor and Debtor-in-possession hereby absolutely assign to the Trustee, and to his successors-in-trust and its successors and assigns, all right, title and interest of the Debtor or the Debtor's estate in and to the Trust Assets;

TO HAVE AND TO HOLD unto the Trust and its successors in trust and its successors and

### **EXHIBIT 1**

assigns forever;

IN TRUST NEVERTHELESS upon the terms and subject to the conditions set forth herein and for the benefit of the holders of Allowed Claims, as and to the extent provided in the Plan, and for the performance of and compliance with the terms hereof and of the Plan;

PROVIDED, HOWEVER, that upon termination of the Trust in accordance with Article V hereof, this Agreement shall cease, terminate and be of no further force and effect; and

IT IS HEREBY FURTHER COVENANTED AND DECLARED that the Trust Assets are to be held and applied by the Trustee upon the further covenants and terms and subject to the conditions herein set forth.

## **1 NAME; PURPOSE; TRUST ASSETS**

1.1 Name of Trust. The trust created by this Agreement shall be known as the "1312 Trust" or sometimes herein as the "Trust."

1.2 Transfer of Trust Assets. In accordance with the provisions of the Plan, on or as soon as practicable after the Effective Date, the Debtor and his non-debtor spouse (as necessary) and the Debtor-in-possession shall be deemed to transfer, assign and convey to the beneficiaries of the Trust, the assets listed on Schedule B hereto, including but not limited to all, rights, claims, defenses and causes of action of the Debtor (either individually or as the holder of a ½ undivided interest as tenant-by-entirety) which are in any way related to the assets listed on Schedule B hereto (collectively, the "Trust Assets"), followed by an actual, documented transfer by any necessary parties to the Trust, to be held by the Trustee in trust for the beneficiaries of the Trust as and to the extent provided in the Plan (such holders collectively, the "Trust Beneficiaries"), on the terms and subject to the conditions set forth herein and in the Plan. For the avoidance of doubt, the defenses to present and future foreclosure proceedings related to any of the Trust Assets are and have been expressly preserved and transferred for the benefit of this Trust, and may be asserted by the Trustee in the stead of the transferees of property into this Trust.

1.3 Purposes. The purposes of the Trust are to hold and effectuate an orderly disposition of the Trust Assets and to distribute or pay over the Trust Assets or proceeds thereof in accordance with this Agreement and the Plan, with no objective or authority to engage in any trade or business, except that the Trustee may, in his sole discretion, elect to rent part or all of the real properties included in the Trust Assets, on terms within his sole discretion.

1.4 Acceptance by the Trustee. The Trustee is willing and hereby accepts the appointment to serve as

Trustee pursuant to this Agreement and the Plan and agrees to observe and perform all duties and obligations imposed upon the Trustee by this Agreement and the Plan, including, without limitation, to accept, hold and administer the Trust Assets and otherwise to carry out the purpose of the Trust in accordance with the terms and subject to the conditions set forth herein.

1.5 Further Assurances. The Debtor and Debtor-in-possession and any successors in interest will, on request of the Trustee, execute and deliver such further documents and perform such further acts as may be reasonably necessary or proper to transfer to the Trustee any portion of the Trust Assets or to vest in the Trust the powers or property hereby conveyed. The Debtor and Debtor-in-possession, for himself and his predecessors and successors, disclaim any right to any reversionary interest in any of the Trust Assets, but nothing herein will limit the right and power of the Trustee to abandon any Trust Asset to the Debtor in the event the Trustee determines it is in the best interests of the Trust and its beneficiaries to do so.

1.5.1 The Trustee shall report to the beneficiaries of this Trust on at least an annual basis, as to the status of all material litigation, and all other material matters affecting the Trust.

## 2 **RIGHTS, POWERS AND DUTIES OF TRUSTEE**

2.1 General. As of the Effective Date, the Trustee shall take constructive possession and charge of the Trust Assets and, subject to the provisions hereof and in the Plan, shall have full right, power and discretion to manage the affairs of the Trust. Except as otherwise provided herein and in the Plan, the Trustee shall have the right and power to enter into any covenant or agreements binding the Trust and in furtherance of the purpose hereof and of the Plan and to execute, acknowledge and deliver any and all instruments that are necessary or deemed by the Trustee to be consistent with and advisable in connection with the performance of his or her duties hereunder. On and after the Effective Date of the Plan, the Trustee shall have the power and responsibility to do all acts contemplated by the Plan to be done by the Trustee and all other acts that may be necessary or appropriate in connection with the disposition of the Trust Assets and the distribution of the proceeds thereof, as contemplated by the Plan, including:

2.1.1 To exercise all power and authority that may be or could have been exercised, commence all proceedings that may be or could have been commenced and take all actions that may be or could have been taken by the Debtor and/or his non-debtor spouse or the Debtor-in-possession with like effect as if authorized, exercised and taken by unanimous action of persons as such actions related to any Trust

Assets;

2.1.2 To open and maintain bank and other deposit accounts, escrows and other accounts, calculate and implement Distributions to holders of Allowed General Unsecured Claims as provided for or contemplated by the Plan and take other action consistent with the Plan and the implementation thereof, including the establishment, re-evaluation, adjustment and maintenance of appropriate reserves, in the name of the Debtor or the Trustee, even in the event of the death or disability of the Debtor;

2.1.3 To make a good faith valuation of the assets of the Trust, as soon as possible after the Effective Date (which action may be delegated to the Debtor);

2.1.4 Subject to the applicable provisions of the Plan, to make continuing efforts to maintain and defend all Trust Assets pursuant to the Plan;

2.1.5 To engage professionals, employees and consultants by the Trust and to pay, from the Trust Assets, the charges incurred by the Trust on or after the Effective Date for services of professionals, disbursements, expenses or related support services relating to implementation of the Plan, without application to the Court;

2.1.6 To cause on behalf of the Trust, the Debtor, and his estate all necessary tax returns and all other appropriate or necessary documents related to municipal, State, Federal or other tax law to be prepared or filed timely;

2.1.7 To invest Cash in accordance with section 345 of the Bankruptcy Code or as otherwise permitted after consultation with the Trust Advisory Committee;

2.1.8 To enter into any agreement or execute any document required by or consistent with the Plan and perform all of the obligations of the Debtor or the Trustee thereunder;

2.1.9 To abandon in any commercially reasonable manner, including abandonment or donation to a charitable organization which is a "501(c)(3)" charity under IRS regulations, any assets that the Trustee concludes are of no benefit to creditors of the Debtor;

2.1.10 To participate in or initiate, any contested matter or proceeding before the Court or any other court of appropriate jurisdiction, including removal of any matter filed in the Circuit Court of Broward County to the Bankruptcy Court, participate as a party or otherwise in any administrative, arbitral or other non-judicial proceeding, litigate or settle any Cause of Action on behalf of the Trust and pursue to settlement or judgment such actions;

2.1.11 To approve the settlement of any Cause of Action;

- 2.1.12 To use Trust Assets to purchase or create and carry all appropriate insurance policies, bonds or other means of assurance and protection of the Trust Assets and pay all insurance premiums and other costs he deems necessary or advisable to insure the acts and omissions of the Trustee;
- 2.1.13 To implement and/or enforce all provision of the Plan;
- 2.1.14 To maintain appropriate books and records (including financial books and records) to govern the liquidation and distribution of the Trust Assets;
- 2.1.15 To collect and liquidate Trust Assets pursuant to the Plan;
- 2.1.16 To pay fees incurred pursuant to 28 U.S.C. § 1930(a)(6) and to file with the Court and serve on the U.S. Trustee quarterly post-confirmation financial reports for the Debtor until such time as such reports are no longer required, or the Court orders otherwise, a final decree is entered closing this Case, or the Case is converted or dismissed;
- 2.1.17 To provide the beneficiaries of the Trust, within thirty (30) days after the end of the first full year following the Effective Date, a report setting forth (i) the receipt and disposition by the Trustee of property of the Trust estate during such period, including the amounts, recipients and dates of any Distribution; (ii) all known material Trust Assets remaining to be disposed of; (iii) the status of all Causes of Action; (iv) an itemization of all expenses the Trustee anticipates will become due and payable within the subsequent year; and (v) the Trustee's forecast of cash receipts and expenses for the subsequent year;
- 2.1.18 To make (i) distributions to the obligees and to the Trust Beneficiaries as provided in the Plan; and
- 2.1.19 To do all other act or things consistent with the provisions of the Plan that the Trustee deems reasonably necessary or desirable with respect to implementing the Plan.

Other than the obligations of the Trustee enumerated or referred to under this Agreement or the Plan, the Trustee shall have no duties or obligations of any kind or nature respecting the implementation and administration of the Plan or this Agreement.

2.2 Costs. On and after the Effective Date, the Trustee shall reserve cash contributed to the Trust by the Debtor to be held in a Trust Account<sup>1</sup> (the "Trust Expenses Reserve"). The Trust Expenses Reserve shall be used to pay amounts due to the Trustee pursuant to Section 2.8 hereof and the fees and expenses

---

<sup>1</sup> The Trustee is authorized to use an existing trust account.

of any counsel, accountant, consultant or other advisor or agent retained by the Trustee pursuant to this Agreement as well as other Trust expenses. In the event that amounts held in the Trust Expenses Reserve, together with any remaining Trust Assets, are insufficient to make payments as provided in this section 2.2, the Trustee shall, unless reserves sufficient for such purpose have otherwise been made available from any other sources, have no obligation to make such payments.

2.3 Distributions. Pursuant to the Plan, the Trustee shall record and account for all proceeds received upon any disposition of Trust Assets (after deduction therefrom of appropriate reserves as provided herein) for distribution in accordance with the provisions of the Plan.

2.4 Limitations on Investment Powers of Trustee. If funds in the Trust exceed the sum of \$10,000, such funds shall be invested in demand and time deposits in banks or other savings institutions, or in other temporary, liquid investments, such as Treasury bills, consistent with the liquidity needs of the Trust as determined by the Trustee in accordance with section 345 of the Bankruptcy Code, unless the Bankruptcy Court otherwise requires. If the funds in the estate are equal to or less than \$10,000, the Trustee may maintain the funds in an IOTA account.

2.5 Limits on Retained Cash. The Trust may not receive or retain Cash or Cash equivalent in excess of an amount reasonably necessary to meet expenses, pay contingent liabilities (including Disputed General Unsecured Claims) and maintain the value of the Trust Assets. Without limiting the foregoing, and subject to the terms of the Plan, the Trustee shall distribute to the Trust Beneficiaries on account of their interests in the Trust, only in accordance with the provision of the Plan.

2.6 Liability of Trustee.

2.6.1 Standard of Care. Except in the case of bad faith, willful misconduct, reckless disregard of duty, criminal conduct, gross negligence, fraud or self-dealing, or in the case of an attorney professional and as required under Rule 4-1.8(h) of the Florida Rules of Professional Conduct, malpractice, the Trustee shall not be liable for any loss or damage by reason of any action taken or omitted by him or her pursuant to the discretion, powers and authority conferred, or in good faith believed by the Trustee to be conferred, on the Trustee by this Agreement or the Plan.

2.6.2 No Liability for Acts of Predecessors. No successor Trustee shall be in any way responsible for the acts or omissions of any Trustee in office prior to the date on which such successor becomes the Trustee, unless a successor Trustee expressly assumes such responsibility.

2.6.3 No Implied Obligations. The Trustee shall not be liable except for the performance of such duties

and obligations as are specifically set forth herein, and no implied covenants or obligations shall be read into this Agreement against the Trustee.

2.6.4 No Liability for Good Faith Error of Judgment. The Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts.

2.6.5 Reliance by Trustee on Documents or Advice of Counsel or Other Persons. Except as otherwise provided herein, the Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order or other paper or document believed by the Trustee to be genuine and to have been signed or presented by the proper party or parties. The Trustee also may engage and consult with legal counsel, accountants and other professionals for the Trust and other agents and advisors and shall not be liable for any action taken or suffered by the Trustee in reliance upon the advice of such counsel, agents or advisors . The Trustee shall have the right at any time to seek instructions from the Bankruptcy Court concerning the administration or disposition of the Trust Assets.

2.6.6 No Personal Obligation for Trust Liabilities. Persons dealing with the Trustee, or seeking to assert Claims against the Debtor, shall look only to the Trust Assets to satisfy any liability incurred by the Trustee to any such Person in carrying out the terms of this Agreement, and that neither the Trustee nor his or her company or organization shall have a personal or individual obligation to satisfy any such liability.

2.7 Selection of Agents. The Trustee may engage the Debtor or other persons, and also may engage or retain brokers (including Patricia E. Gleason and/or Seabreeze Realty, LLC), banks, custodians, investment and financial advisors, attorneys (including the Trustee or his firm), accountants (including existing accountants for the Debtor) and other advisors and agents, in each case without Bankruptcy Court approval. The Trustee may pay the salaries, fees and expenses of such persons from amounts in the Trust Expenses Reserve, or, if such amounts are insufficient therefor, out of the Trust Assets or proceeds thereof.

In addition, the parties acknowledge that Trust Assets may be advanced to satisfy such salaries, fees and expenses. The Trustee shall not be liable for any loss to the Trust or any person interested therein by reason of any mistake or default of any such Person referred to in this Section 2.7 selected by the Trustee in good faith and without either gross negligence or intentional malfeasance.

2.8 Trustee's Compensation, Indemnification and Reimbursement.

2.8.1 As compensation for services in the administration of this Trust, the Trustee shall be compensated as specified on Schedule B attached hereto.

2.8.2 The Trustee shall also be reimbursed for all documented actual, reasonable and necessary out-of-pocket expenses incurred in the performance of his or her duties hereunder.

2.8.3 In addition, the Trustee shall be indemnified by and receive reimbursement from the Trust Assets against and from any and all loss, liability, expense (including attorneys' fees) or damage which the Trustee incurs or sustains, in good faith and without either gross negligence or intentional malfeasance, acting as Trustee under or in connection with this Agreement.

2.8.4 The Trustee is authorized to use Trust Assets to obtain all reasonable insurance coverage for himself, his agents, representatives, employees or independent contractors, including, without limitation, coverage with respect to the liabilities, duties and obligations of the Trustee and his agent, representatives, employees or independent contractors under the Plan and this Agreement.

2.9 Tax Provisions.

2.9.1 Grantor Trust. It is intended that the Trust qualify as a grantor trust for federal income tax purposes, and that the Trust Beneficiaries are treated as grantors. As described more fully in the Plan and the Disclosure Statement, the transfer of the Trust Assets will be treated for federal income tax purposes as a transfer to the Trust Beneficiaries, followed by a deemed transfer from such Trust Beneficiaries to the Trust, provided, however, that the Trust Assets will be subject to any post-Effective Date obligations incurred by the Trust relating to the pursuit of Trust Assets. Accordingly, the Trust Beneficiaries shall be treated for United States federal income tax purposes as the grantors and owners of their respective share of the Trust Assets. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes. Subject to Section 2.9.7, all items of income, gain, loss, deduction and credit will be included in the income of the Trust Beneficiaries as if such items had been recognized directly by the Trust Beneficiaries in the proportions in which they own beneficial interests in the Trust.

2.9.2 Tax Reporting Requirements. The Trustee shall comply with all tax reporting requirements and, in connection therewith, the Trustee may require Trust Beneficiaries to provide certain tax information as a condition to receipt of Distributions, including, without limitation, filing returns for the Trust as a grantor trust pursuant to Treasury Regulation § 1.6714(a).



2.9.3 Filing Tax Returns. Under the guidelines set forth in Revenue Procedure 94-95, 1994-2 C.B. 684 and Treasury Regulation § 1.671-4(a), the Trustee will file returns for the Trust as a grantor trust.

2.9.4 Valuation of Trust Assets. Except to the extent definitive guidance from the Internal Revenue Service or a court of competent jurisdiction (including the issuance of applicable Treasury Regulations or the receipt by the Trustee of a private letter ruling if the Trustee so requests one) indicates that such valuation is not necessary to maintain the treatment of the Trust as a Trust for purpose of the Internal Revenue Code and applicable Treasury Regulations, unless earlier accomplished by order of the bankruptcy court, as soon as reasonably practicable after the Trust Assets are transferred to the Trust, the Trustee shall make a good faith valuation of the Trust Assets (including by delegating such duty to the Debtor who will file a motion to value each Trust Asset). Such valuation shall be made available from time to time to all parties to the Agreement and to all Trust Beneficiaries, to the extent relevant to such parties for tax purposes, and shall be used consistently by such parties for all United States federal income tax purposes.

2.9.5 Tax Returns - Debtor. The Trustee shall have no responsibility to prepare any tax return on behalf of the Debtor, or the bankruptcy estate.

2.9.6 Tax Returns - Disputed Claims Reserve. The Trustee shall timely file all tax returns required to be filed with respect to the Disputed Claim Reserve, if any, on the basis that the Disputed Claim Reserve is a discrete trust pursuant to Section 641 et seq. of the Internal Revenue Code of 1986, as amended. The Trustee shall pay from the Trust Assets any taxes required to be paid with respect to the Disputed Claim Reserve's undistributed income or gain.

2.9.7 Apportionment. Subject to definitive guidance from the Internal Revenue Service or a court of competent jurisdiction to the contrary (including the issuance of applicable Treasury Regulations, the receipt by the Trustee of a private letter ruling if the Trustee so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by the Trustee), allocations of Trust taxable income or loss shall be apportioned among the beneficiaries in accordance with their interests in the Trust. The tax book value of the Trust Assets for purpose of this paragraph shall equal their fair market value on the date the Trust Assets are transferred to the Trust, adjusted in accordance with tax accounting principles prescribed by the Internal Revenue Code the applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncement.

2.9.8 Current Basis. All income of the Trust will be treated as subject to tax on a current basis.

2.9.9 Withholding. The Trustee may withhold from the amount distributable from the Trust at any time to any Trust Beneficiary such sum or sums as may be sufficient to pay any tax or taxes or other charge or charges which have been or may be imposed on such Trust Beneficiary or upon the Trust with respect to the amount distributable or to be distributed under the income tax laws of the United States or of any state or political subdivision or entity by reason of any Distribution provided for by any law, regulation, rule, ruling, directive, or other governmental requirement. Any tax withheld shall be treated as distributed to the Trust Beneficiary for purpose of this Agreement.

2.9.10 Tax Identification Numbers. The Trustee may require any Trust Beneficiary to furnish to the Trustee its Employer or Taxpayer Identification Number as assigned by the Internal Revenue Service or certify to the Trustee's satisfaction that Distributions to the Trust Beneficiary are exempt from backup withholding. The Trustee may condition any Distribution to any Trust Beneficiary upon receipt of such identification number. If after reasonable inquiry, any Trust Beneficiary fails to provide such identification number to the Trustee, the Trustee shall deem such Trust Beneficiary's claim as disallowed and no Distribution shall be made on account of such Trust Beneficiary's claim.

2.9.11 Annual Statements. The Trustee shall annually send to each Trust Beneficiary a separate statement setting forth the Trust Beneficiary's share of items of income, gain, loss, deduction or credit and all such holders shall report such items on their federal income tax returns.

2.9.12 Notices. The Trustee shall distribute such notices to the Trust Beneficiaries as the Trustee determines are necessary or desirable.

2.9.13 Expedited Determination. The Trustee may request an expedited determination of taxes of the Debtor or of the Trust under Bankruptcy Code section 505(b) for all tax returns filed for, or on behalf of, the Debtor and the Trust for all taxable periods through the termination of the Trust.

2.10 Conflicting Claims. If the Trustee becomes aware of any disagreement or conflicting Claims with respect to the Trust Assets, or is in good faith doubt as to any action that should be taken under this Agreement, the Trustee may take any or all of the following actions as reasonably appropriate:

2.10.1 to the extent of such disagreement or conflict, or to the extent deemed by the Trustee necessary or appropriate in light of such disagreement or conflict, withhold or stop all further performance under this Agreement with respect to the matter of such dispute (except, in all cases, the safekeeping of the Trust Assets) until the Trustee is reasonably satisfied that such disagreement or conflicting Claims have been fully resolved; or

2.10.2 file a suit in interpleader or in the nature of interpleader in the Bankruptcy Court (or any other court of competent jurisdiction) and obtain an order requiring all persons involved to litigate in the Bankruptcy Court (or any other court of competent jurisdiction) their respective Claims arising out of or in connection with this Agreement; or

2.10.3 file any other appropriate motion for relief in the Bankruptcy Court (or any other court of competent jurisdiction).

2.11 Records of Trustee. The Trustee shall maintain accurate records of receipts and disbursements and other activity of the Trust, and all Trust Beneficiaries shall have reasonable access to the records of the Trust. On or after 90 days from the first day of the 7<sup>th</sup> year following the Effective Date of the Plan (as defined therein), the books and records maintained by the Trustee, as well as any and all other books and records of the Debtor, may be disposed of by the Trustee, without notice or a filing with the Bankruptcy Court, at such time as the Trustee determines that the continued possession or maintenance of such books and records is no longer necessary for the benefit of the Trust or its beneficiaries, or upon the termination of the Trust, provided, however, that the Trustee shall not dispose or abandon any books and records that are reasonably likely to pertain to pending in which the Debtor is a party or that pertain to General Unsecured Claims without further order of the Bankruptcy Court.

### **3 RIGHTS, POWERS AND DUTIES OF BENEFICIARIES.**

3.1 Interests of Beneficiaries. The Trust Beneficiaries shall have beneficial interests in the Trust Assets as provided in the Plan. The Trust Beneficiaries' proportionate interests in the Trust Assets as thus determined are fully transferable, with notice of the transferee provided to the Trustee as provided in section 7.8 below.

3.2 Interests Beneficial Only. The ownership of a beneficial interest hereunder shall not entitle any Trust Beneficiary to any title in or to the Trust Assets as such (which title shall be vested in the Trustee) or to any right to call for a partition or division of Trust Assets or to require an accounting.

### **4 AMENDMENT OF TRUST OR CHANGE IN TRUSTEE.**

4.1 Resignation of the Trustee. The Trustee may resign by an instrument in writing signed by the Trustee and filed with the Bankruptcy Court with notice to the Trust Beneficiaries, provided that the Trustee shall continue to serve as such after resignation for thirty (30) days or, if longer, until the time when appointment of a successor shall become effective in accordance with Section 4.3 hereof, or as otherwise agreed with the majority of responding Trust Beneficiaries.

4.2 Removal of the Trustee. The Trust Beneficiaries who have voted to accept the Plan, by vote of the majority in number and at least 2/3 in amount of unpaid allowed claims, may remove the Trustee for cause. Such removal shall be effective on the 10<sup>th</sup> calendar day after the Trust Beneficiaries provides written notice to the Trustee and the U.S. Trustee. Upon removal of the Trustee by the Trust Beneficiaries in accordance with this Section 4.2 for cause, unless ordered otherwise by the Bankruptcy Court, the Trustee shall be entitled to all compensation that has accrued through the effective date of termination but remains unpaid as of such date, which payment shall be made promptly from the Trust Expenses Reserve. For the purposes of this Agreement, "cause" shall mean (a) the willful and continued refusal by the Trustee to perform duties as set forth herein; (b) gross negligence, gross misconduct, fraud, embezzlement or theft; or (c) such other cause as the Trust Beneficiaries shall in good faith determine.

4.3 Appointment of Successor Trustee. In the event of the death, resignation, termination, incompetence or removal of the Trustee, first successor Trustee shall be John A. Coniglio, CPA. If Mr. Coniglio is unable or unwilling to serve, or in the case of a second successor Trustee, the Trust Beneficiaries who have voted to accept the Plan, by vote of the majority in number and at least 2/3 in amount of unpaid allowed claims, may appoint a successor Trustee without the approval of the Bankruptcy Court, which the parties acknowledge shall nevertheless retain jurisdiction to resolve any disputes in connection with the service of the Trustee or successor.

If the Trust Beneficiaries fail to appoint a successor Trustee within 30 days of the occurrence of a vacancy, any Trust Beneficiary, any Debtor still existing, or the outgoing Trustee may petition the Bankruptcy Court for such appointment. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Bankruptcy Court and to the predecessor Trustee (if practicable) an instrument accepting such appointment and the terms and provisions of this Agreement, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers and duties of the retiring Trustee.

4.4 Continuity. Unless otherwise ordered by the Bankruptcy Court the death, resignation, incompetence or removal of the Trustee shall not operate to terminate or to remove any existing agency created pursuant to the terms of this Agreement or invalidate any action theretofore taken by the Trustee. In the event of the resignation or removal of the Trustee, the Trustee shall promptly execute and deliver such documents, instruments, final reports, and other writings as may be reasonably requested from time

to time by the Bankruptcy Court, the Trust Beneficiaries or the successor Trustee.

4.5 Amendment of Agreement. This Agreement may be amended, modified, terminated, revoked or altered only upon (i) order of the Bankruptcy Court; or (ii) agreement of the Trustee and the Trust Advisory Committee.

## 5 TERMINATION OF TRUST

5.1 The Trustee shall be discharged and the Trust shall be terminated, at such time as (i) all allowed claims have been paid, in full; (ii) all of the Trust Assets have been liquidated, abandoned, or transferred; (iii) all duties and obligations of the Trustee under this Agreement have been fulfilled; (iv) all Distributions required under the Plan and this Agreement have been made; and (v) the Debtor's Chapter 11 Case has been closed; provided, however,

5.1.1 in no event shall the Trust be dissolved later than six (6) years from the Effective Date unless the Bankruptcy Court, upon motion within the six-month period prior to the sixth anniversary (or the end of any extension period approved by the Bankruptcy Court), determines that a fixed period extension not to exceed two (2) years is necessary to facilitate or complete the recovery and liquidation of the Trust Assets.

5.1.2 Trust Assets which have not been abandoned, liquidated, or transferred before termination of the Trust shall be transferred into a trust to be formed by Kevin C. Gleason and Patricia E. Gleason for the benefit of their heirs, in which trust neither Kevin C Gleason, nor Patricia E. Gleason may be beneficiaries.

## 6 RETENTION OF JURISDICTION

6.1 Subject to the following sentence, the Bankruptcy Court shall have exclusive jurisdiction over the Trust, the Trustee and the Trust Assets as provided in the Plan, including the determination of all controversies and disputes arising under or in connection with the Trust or this Agreement. However, if the Bankruptcy Court abstains or declines, and court of competent jurisdiction may adjudicate any such matter. All Trust Beneficiaries consent to the jurisdiction of the U.S. Bankruptcy Court or U.S. District Court for the Southern District of Florida and the State courts sitting in Broward County, Florida over all disputes related to this Agreement.

## 7 MISCELLANEOUS

7.1 Applicable Law. The Trust created by this Agreement shall be construed in accordance with and governed by the laws of the State of Florida without giving effect to principles of conflict of laws, but

subject to any applicable federal law.

7.2 Waiver. No failure or delay of any party to exercise any right or remedy pursuant to this Agreement shall affect such right or remedy or constitute a waiver thereof.

7.3 Relationship Created. Nothing contained herein shall be construed to constitute any relationship created by this Agreement as an association, partnership or joint venture of any kind.

7.4 Interpretation. Section and paragraph headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of any provision hereof.

7.5 Savings Clause. If any clause or provision of this Agreement shall for any reason be held invalid or unenforceable by the Bankruptcy Court (or any other court of competent jurisdiction), such invalidity or unenforceability shall not affect any other clause or provision hereof, but this Agreement shall be construed, insofar as reasonable to effectuate the purpose hereof, as if such invalid or unenforceable provision had never been contained herein.

7.6 Entire Agreement. This Agreement and the Plan constitute the entire agreement by and among the parties and there are no representations, warranties, covenants or obligations with respect to the subject matter hereof except a set forth herein or therein. This Agreement together with the Plan supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions written or oral, of the parties hereto, relating to such subject matter.

Except as otherwise authorized by the Bankruptcy Court or specifically provided in this Agreement or in the Plan, nothing in this Agreement is intended or shall be construed to confer upon or to give any Person other than the parties hereto and the Trust Beneficiaries any rights or remedies under or by reason of this Agreement.

7.7 Counterparts. This Agreement may be executed by facsimile or electronic transmission and in counterparts, each of which when so executed and delivered shall be an original document, but all of which counterparts shall together constitute one and the same instrument.

7.8 Notices.

7.8.1 All notices, requests or other communications required or permitted to be made in accordance with this Agreement shall be in writing and shall be deemed given five Business Days after first-class mailing, one Business Day after sending by overnight courier, or on the first Business Day after facsimile or electronic transmission.

(i) if to the Trustee:

Wayne Kramer  
Midler Kramer, P.A.  
120 E Oakland Park Blvd Ste 203  
Fort Lauderdale, FL 33334-1109  
Office: 954-567-0300  
Fax: 954-567-0075  
Email: pleadingsmidlerkramer@gmail.com

(ii) if to the Debtor:

Kevin C Gleason  
4121 N 31<sup>st</sup> Ave  
Hollywood, FL 33021-2011  
Phone: 954-893-7670  
Fax 954-893-7675  
Email: BankruptcyLawyer@aol.com

(iv) if to any Trust Beneficiary, to such address as such Trust Beneficiary is listed on the mailing matrix of the Bankruptcy Court, or to such other address as such Trust Beneficiary shall have furnished to the Debtor in writing prior to the Effective Date, or to the Trustee on or after the Effective Date.

Any Person may change the address at which it is to receive notices under this Agreement by furnishing written notice to the Trustee in the same manner as above.

7.9 Effective Date. This Agreement shall become effective as of the Effective Date as defined in the Plan.

7.10 Successors and Assigns. This Agreement shall be binding upon each of the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties, the Trust Beneficiaries and, subject to the provisions hereof, their respective successors and assigns.

7.11 Conflict with the Plan. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan (and any amendments or modifications thereto) shall govern.

IN WITNESS WHEREOF the undersigned have caused this Agreement to be executed as of the day and year first above written.

By: \_\_\_\_\_

Kevin C Gleason, Debtor and Debtor-in-possession

TRUSTEE OF 1312 TRUST

\_\_\_\_\_  
Wayne Kramer

**SCHEDULE A**

**TERMS OF COMPENSATION AND REIMBURSEMENT OF EXPENSES OF THE TRUSTEE**

1. *COMPENSATION*

The Trustee agrees to serve without compensation.

2. *REIMBURSEMENT OF EXPENSES*

The Trustee shall be entitled to reimbursement for documented actual and reasonable expenses incurred in performing his duties as the Trustee, and may submit a report of annual expenses, if any, with each annual report provided to the beneficiaries of the Trust Agreement.



**SCHEDULE B TRUST ASSETS**

1. The real property commonly known as 1312 Polk Street, Hollywood, Broward County, Florida 33019, and described as:  
LOTS 17, 18, 19 AND THE EAST 4.00 FEET OF THE SOUTH 50.00 FEET OF LOT 20, BLOCK 10, HOLLYWOOD LAKES SECTION, A SUBDIVISION ACCORDING TO THE PLAT OR MAP THEREOF, AS RECORDED IN PLAT BOOK 1, PAGE 32 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA. FOLIO# 514214-01-1930  
(referred to in the Plan as the "1312 Property").
2. The real property commonly known as 4121 N. 31<sup>st</sup> Avenue, Hollywood, Broward County, Florida 33021, and described as:  
THE SOUTH 105 FEET OF THE NORTH 555 FEET OF THE EAST 130 FEET OF THE WEST ½ OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 5, TOWNSHIP 51 SOUTH, RANGE 42 EAST, SAID LANDS SITUATE, LYING AND BEING IN BROWARD COUNTY, FLORIDA. Property ID # 514205-00-0040  
(referred to in the Plan as the "4121 Property").
3. The real property commonly known as 16469 NW 288th Street, Okeechobee, Okeechobee County Florida, and described as  
THE WEST ½ OF THE EAST ½ OF THE SOUTH ½ OF THE SOUTH ½ OF TRACT 30, SECTION 14, TOWNSHIP 34 SOUTH, RANGE 33 EAST, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 4, PAGES 3A THROUGH 3D, OF THE PUBLIC RECORDS OF OKEECHOBEE COUNTY, FLORIDA. Parcel Identification Number: 1-14-34-33-0A00-00030-000.  
(referred to in the Plan as the "16469 Property").
4. Any and all defenses or affirmative defenses, including, but not limited to, the statute of limitations or laches related to any pending or future foreclosure case(s) regarding the 1312 Property or the 4121 Property.
5. Occupational license as landlord at 1312 Polk St in name of Patricia Gleason only.
6. Claim against neighbor on the east side of 1312 Polk Street for maintaining an illegal structure on the wall of 1312 Polk Street. Owners are CAUCCI,ROBERT; SALVI,LUCY of the property known as 222 N 13 AVENUE, HOLLYWOOD, their mailing address is 8257 GIGUERE \*LASALLE QC CA H8N 2B8.

**SCHEDULE C BENEFICIARIES OF THE TRUST**

<b>Claimant</b>	<b>Claim Amount</b>	<b>Maximum Projected Payment From Trust</b>
Barclays Bank Delaware	12,090.26	6,030.13
Bashkin, Leonard	550.00	275.00
Discover Bank	4,148.69	2,074.34
Internal Revenue Service	13,346.21	6,673.10
Jager Smith P.C.	16,217.84	8,108.92
PNC Bank, N.A.	Disputed	0
Quest Diagnostics	Disputed	0
Solimine, Nicholas A. Jr.	7,233.00	3,616.50
Sun Sentinel Circulation Dept	Disputed	0
Patricia E. Gleason	73,162.63	73,162.63

Claim #	CLAIMS MATRIX BY CLAIM # Claimant	Claim Amount	*Projected Payment	Notes
1	Discover Bank	9,723.68	0	If Discover elects Class 1, normal monthly payments will resume in accordance with the revolving credit agreement, otherwise, the distributions to Class 12 will be less.
2	Discover Bank	4,148.69	2,074.34	Class 12 general unsecured
3	Okeechobee Taxes	206.71	206.71	Class 4 The actual amount will be higher due to accruing statutory interest
4	Okeechobee Taxes	2,307.52	2,307.52	Class 4 The actual amount will be higher due to accruing statutory interest
5	Ilene Klasfeld	303.28	0	This amount is included in the payment to Okeechobee.
6	Internal Revenue Service	13,346.21	6,673.10	Class 12 general unsecured
7	Broward County Taxes	3,585.26	0	Classes 1 - 3 to be paid as provided in Plan
8	World Omni Financial Com.	21,120.94	0	Class 9. Payments will continue in accordance with the terms of the credit agreement.
9	Leonard Bashkin	550.00	275.00	Class 12 general unsecured
10	Patricia E. Gleason	73,162.63	0	Class 10 to be paid from proceeds of exempt property.
11	Nationstar Mortgage LLC	776042.49	0	Class 6. Collateral will transfer into liquidation trust will all rights of claimant intact.
	Kincaids		0	Class 8 Non recourse 1 <sup>st</sup> mortgage, monthly payments will continue Assuming a closing in December, the pay off is \$363,649 45, of which they shall receive \$163,649 45 and \$240,000 will be placed in escrow for purchase of a replacement property as provided in Plan
Sch 2.5	Deutsche Bank Trust Co Americas	Disputed	0	Class 7. Collateral will transfer into liquidation trust will all rights of claimant intact.
Sch 4.1	Barclays Bank Delaware	12,090.26	6,030.13	Class 12 general unsecured
ASch 4.1	Citibank Client Services	Unknown	0	General unsecured creditor The extended claims bar date is 09/19/16 If a claim is filed, it is assumed that this creditor will elect treatment in Class 11 Normal monthly payments will resume in accordance with the revolving credit agreement, otherwise, the distributions to Class 12 will be slightly less
ASch 4.2	Jager Smith P.C.	16,217.84	8,108.92	Class 12 general unsecured

**EXHIBIT B**

Claim #	Claimant	Claim Amount	*Projected Payment	Notes
ASch 4.3	Nicholas A. Solimine, Jr.	7,233.00	3,616.50	Class 12 general unsecured
ASch 4.4	PNC Bank, N.A.	Disputed	0	Class 12 general unsecured, extended claims bar date is 09/19/16. If PNC files a claim in the sum of \$107,347.73 it will significantly decrease the projected distribution.
ASch 4.5	Quest Diagnostics	Disputed	0	Class 12 general unsecured, extended claims bar date is 09/19/16. If Quest files a claim in the sum of \$253.09 it may decrease the projected distribution. It is unlikely that a claim will be filed because this creditor settled and agreed that I paid the doctor and that they had to collect from the doctor.
ASch 4.6	Sun Sentinel Circulation Dept	Disputed	0	Class 12 general unsecured, extended claims bar date is 09/19/16. If Sun Sentinel files a claim in the sum of \$124.96 it will be objected to as this invoice is for newspapers which were neither ordered, nor delivered.
	Priority tax claims	Unliquid.	0	will be paid upon filing of return which is on extension to 10/15/16
	Total Class 12 Claims-assumed	40,239.79	20,000	Projected distribution to assumed unsecured creditors is 49.7%.

\* Class 12 claimants shall be paid upon the sale of the Debtor's homestead, but no later than 90 days after the Effective Date.

Professional	Role	Projected Administrative Expenses	
		Fees	Costs
Paul Orshan	General Counsel (not yet approved by Court order)	0	0
John A Coniglio	Accountant/Disbursing Agent	0	0
Wayne Kramer	Special Foreclosure Counsel/Trustee of 1312 Trust	0	0
Victor Cabanas	Forensic Mortgage Expert	0	0
	None of the foregoing experts have yet performed any services. Post-confirmation services will be paid for directly by the Debtor or the 1312 Trust if provided for therein		

**EXHIBIT B-continued**

## CLAIMS MATRIX BY CLASS

Class	Claimant	Claim Amount	Projected Payment
12	Barclays Bank Delaware	12,090.26	6,030.13
12	Bashkin, Leonard	550.00	275.00
12	Discover Bank	4,148.69	2,074.34
12	Internal Revenue Service	13,346.21	6,673.10
12	Jager Smith P.C.	16,217.84	8,108.92
12	PNC Bank, N.A.	Disputed	0
12	Quest Diagnostics	Disputed	0
12	Solimine, Nicholas A. Jr.	7,233.00	3,616.50
12	Sun Sentinel Circulation Dept	Disputed	0
11	Citibank Client Services	Unknown	per contract
11	Discover Bank	9,723.68	per contract
10	Patricia E. Gleason	73,162.63	At closing
9	World Omni Financial Com.	21,120.94	per contract
8	Kincaids		per election
7	Deutsche Bank Trust Co Americas	Disputed	0
6	Nationstar Mortgage LLC	776042.49	0
5	Estate of Alan Fleischman	0	0
4	Okeechobee Taxes	2,514.23	2,307.52
4	Ilene Klasfeld	303.28	Paid by Okeechobee
1, 2, 3	Broward County Taxes	3,585.26	1 when due, 2 3 later

**EXHIBIT B-continued**

## CLAIMS MATRIX BY NAME

Claimant	Class	Claim Amount	Projected Payment
Barclays Bank Delaware	12	12,090.26	6,030.13
Bashkin, Leonard	12	550.00	275.00
Broward County Taxes	1, 2, 3	3,585.26	1 when due, 2 3 later
Citibank Client Services	11	Unknown	per contract
Deutsche Bank Trust Co Americas	7	Disputed	0
Discover Bank	11	9,723.68	per contract
Discover Bank	12	4,148.69	2,074.34
Fleischman, Estate of Alan	5	0	0
Gleason, Patricia E.	10	73,162.63	0
Internal Revenue Service	12	13,346.21	6,673.10
Jager Smith P.C.	12	16,217.84	8,108.92
Kincaids	8		per Note
Klasfeld, Ilene	4	303.28	Paid by Okeechobee
Nationstar Mortgage LLC	6	776042.49	0
Okeechobee Taxes	4	206.71	206.71
Okeechobee Taxes	4	2,307.52	2,307.52
PNC Bank, N.A.	12	Disputed	0
Quest Diagnostics	12	Disputed	0
Solimine, Nicholas A. Jr.	12	7,233.00	3,616.50
Sun Sentinel Circulation Dept	12	Disputed	0
World Omni Financial Com.	9	21,120.94	per contract

**EXHIBIT B-end**

<b>Liquidation Analysis</b>				
Asset	Value	Lien	Exempt or Immune?	Liquidation Value
1312 Property	559800	756362	I	0
4121 Property	157310	451833	I	0
1442 Property	529950	370736	E	0
16469 Property	2830	2515	I	0
1997 Ford E150 Van	500	0	E	0
2015 Toyota Prius	17308	21045		0
Suzuki DR200	400	0		400
Honda Ruckus 50	100	0		100
Honda Rebel 1986	100	0		100
Honda Rebel 1987	100	0		100
Cargo Trailer	100	0		100
Open Trailer	100	0	I	0
Kayak	100	0		100
Canoe	200	0	I	
Double Kayak	100	0	I	
Boat Accessories	100	0	I	
Chinese ATV	50	0		50
Household appliances	1390	0	I	0
Electronics	300	0	I (160)	140
Collectibles	1000	0	I	0
Vase	20	0	E	20
Sport/Hobby Equip.	236	0	I	0
Firearms	2000	0		2000
Clothing	1	0		0
Jewelry	500	0		500
Pens	500			500
Dog	1		I	0
Medically Prescribed	1		E	0
Holiday Decorations	500	0	I	0
Vinyl Records	25	0		25

## EXHIBIT C

<b>Liquidation Analysis- Continued</b>				
Asset	Value	Lien	Exempt or Immune?	Liquidation Value
Consumables	1	0	I	0
Cash	165	0		165
Checking Account	5146		E	0
Dunkin Card	20			0
Stocks/Bonds	6		Some I	0
Non-Public Entities	8			0
401k + IRAs	36700	0	E	0
Fl Prepaid Account	1	0	E	0
Intellectual Property	1	0		0
Licenses	6			0
Tax Refund	1			0
Insurance	0			0
3 <sup>rd</sup> party claims	0		I	0
Garden Plants	0			0
Total Liquidation Value of Estate Assets				4300
Less Chapter 7 Trustee commission .25				(1075)
Available for Distribution in Hypothetical Chapter 7				3225

## Notes:

1. Dollar amounts are rounded.
2. Values of real property reflect appraised value by County Property Appraiser. Actual values may be higher or lower.
3. Most values of personal property reflect the value listed in the Schedules [ECF 15] except those items listed in the Schedules with a value of \$1, which indicates nominal value. All items of nominal value are listed with a value of 0 as liquidation value.
4. Liens on 1312 Property, 4121 Property are disputed.
5. Under the column "Exempt or Immune", E=claimed as exempt and no objections filed, I=claimed as immune as tenants-by-entireties and no objections filed. If the row is blank then the asset is neither exempt, nor immune.



THE SUMMARY PAGES OF THE MOST RECENT DIP  
REPORT AFTER APPROVAL OF THE DISCLOSURE  
STATEMENT AND BEFORE MAILING OF THE  
DISCLOSURE STATEMENT WILL INSERTED HERE.

EXHIBIT D



**DECISION OF THE VALUE ADJUSTMENT BOARD  
VALUE PETITION**

DR-485V  
R. 11/12  
Rule 12D 16.002, F.A.C.  
Effective 11/12

County: Broward

The actions below were taken on your petition.

These actions are a recommendation only, not final     These actions are a final decision of the VAB  
If you are not satisfied after you are notified of the final decision of the VAB, you have the right to file a lawsuit in circuit court to further contest your assessment. (See sections 193.155(8)(l), 194.036, 194.171(2), 196.151, and 197.2425, Florida Statutes.)

Petition # 2014-12661	Parcel ID 514214011930
Petitioner name GLEASON,KEVIN C & PATRICIA E The petitioner is: <input checked="" type="checkbox"/> taxpayer of record <input type="checkbox"/> taxpayer's agent <input type="checkbox"/> other, explain:	Property address 1312 POLK ST HOLLYWOOD, FL 33019

**Decision Summary**     Denied your petition     Granted your petition     Granted your petition in part

Value Lines 1 and 4 must be completed	Value from TRIM Notice	Before Board Action Value presented by property appraiser Rule 12D-9.025(10), F.A.C.	After Board Action
1. Just value, required	555,240.00	555,240.00	308,340.00
2. Assessed or classified use value,* if applicable	504,430.00	504,430.00	308,340.00
3. Exempt value,* enter "0" if none	0.00	0.00	0.00
4. Taxable value,* required	504,430.00	504,430.00	308,340.00

\*All values entered should be county taxable values. School and other taxing authority values may differ. (Section 196.031(7), F.S.)

**Reasons for Decision** [Fill-in fields will expand or add pages, as needed.](#)

Findings of Fact  
(See Attached)

Conclusions of Law  
(See Attached)

**Recommended Decision of Special Magistrate**    Finding and conclusions above are recommendations.

MACHARE,JORGE	MACHARE,JORGE	02/19/2015
Signature, special magistrate	Print name	Date
VAB Clerk	VAB Clerk	02/25/2015
Signature, VAB clerk or special representative	Print name	Date

If this is a recommended decision, the board will consider the recommended decision on \_\_\_\_\_ at \_\_\_\_\_  
Address  
If the line above is blank, the board does not yet know the date, time, and place when the recommended decision will be considered. To find the information, please call 954 357-7205 or visit our web site at <https://bcvab.broward.org/AxiaW>

**Final Decision of the Value Adjustment Board**

Signature, chair, value adjustment board	Print name	Date of decision
Signature, VAB clerk or representative	Print name	Date mailed to parties

**Findings of Fact:**

The subject is a Two story property built on 1938 located in the City of Hollywood. The property appraiser (PAO) presents subjects exterior photos and aerial map showing the property is located in a Residential neighborhood.

The PAO develops a Sales Comparison Approach using 8 closed sales, The calculated Mean is \$747,854 equivalent to \$208.5 per sf., this ratio was multiplied by the subject's living area arriving to the Market value: \$753,800, after 10% Cost of Sale is applied the value is \$678,420. As shown at the bottom of the grid SAR is 74% as the subject is finally assessed @ \$504,430.

The petitioner's evidence consists:

- First of an Engineer's report made on 04/22/2010 in which Executive Summary reads: "the structure has settlement cracks around the perimeter of the exterior wood frame walls....., the most significant damage was noted along the west wall on the first and second floor. The west wall, west side second floor and west side roof may collapse with any significant wind event". .... "The current structure is unsafe and should not be inhabited".
- Second an Easement and Maintenance Agreement
- Third: A Short Sale contract for \$170,000 signed on 09/15/2012, and the Bank of America Approval for that amount. As per petitioner testimony his never closed an another contract was signed for \$130,000.
- Fourth: A property card and the listing for a vacant land sold win the neighborhood for \$95,000.

Further evidence submitted by the petitioner consists of interior photos of the property evidencing this remains in very poor condition, and is in need of extensive repairs. The PAO stated that as per visual observation from outside it was noticed the pool appears to be in good working condition, the landscaping is well maintained and some chairs are around the pool.

The petitioner states that pool and landscaping are maintained after neighbor's complaint.

When reviewing the PAO evidence it was noticed some of the comparables used are in N Southlake Dr and N Northlake Dr which have view to the lake leading to the Intracoastal, this is considered a superior location, the comparison grid does not account properties condition that may be a relevant item as some of neighborhood properties were completely remodeled, furthermore the majority of comparables were built after 50's when construction is CBS instead Frame as the subject is.

The petitioner's evidence shows the extreme damage on the property, and based on the engineer's report it appears the building not to be adding value to the property. Therefore the most appropriate assessment for the subject's valuation is to consider as the land value only.

The vacant land sale on 1547 Jackson St, appears to be a good market indicator for the subject, this property was sold for \$95,000 and the site size is: \$17.64 per sf.

Therefore the subject value should be  $\$17.64 \times 19,422 \text{ sf.} = \$342,604$ , applying 10% COS the value is: \$308,343. For the assessment purpose this would be considered @ \$308,340.

Therefore based on the evidence presented and testimony provided at the hearing is my recommendation lower the value to \$308,340.

Granted by Special Magistrate at Hearing & after Tax Roll

**Conclusions of Law:**

Florida Law requires the Property Appraiser to establish a presumption of correctness. For the Property Appraiser to establish a presumption of correctness for the assessment, the admitted evidence must prove by a preponderance of the evidence that the Property Appraiser's just valuation methodology complies with Section 193.011, Florida Statutes and professionally accepted appraisal practices. In the instant matter, the Property Appraiser established a presumption of correctness for the assessment because the admitted evidence proves by a preponderance of the evidence that the Property Appraiser's just valuation methodology complies with Section 193.011, Florida Statutes and professionally accepted appraisal practices. Since the Property Appraiser established a presumption of correctness, the Petitioner must overcome the established presumption of correctness by proving that the admitted evidence proves by a preponderance of the evidence that: (a) the Property Appraiser's just valuation does not represent just value; or (b) the Property Appraiser's just valuation is arbitrarily based on appraisal practices that are different from the appraisal practices generally applied by the Property Appraiser to comparable property within the same county. In the instant matter, the Petitioner overcame the Property Appraiser's established presumption of correctness because the admitted evidence proves by a preponderance of the evidence that (a) the Property Appraiser's just valuation does not represent just value; or (b) the Property Appraiser's just valuation is arbitrarily based on appraisal practices that are different from the appraisal practices generally applied by the Property Appraiser to comparable property within the same county. Further, competent substantial evidence of just value which cumulatively meets the criteria of Section 193.011, Florida Statutes, and professionally accepted appraisal practices exists in the record for Special Magistrate to establish a revised just value.