

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION**

In re

Case No. 16-11907-RAM

NEW BEGINNINGS OF SOUTH
FLORIDA, INC.,

Chapter 11

Debtor.

_____ /

**DISCLOSURE STATEMENT IN SUPPORT OF DEBTOR'S CHAPTER
11 PLAN OF REORGANIZATION**

SALAZAR JACKSON LLP
Counsel for New Beginnings of South Florida, Inc.
2000 Ponce De Leon Blvd., Penthouse
Coral Gables, FL 33134
Phone: (305) 374-4848
Fax: (305) 397-1021
Email: Salazar@SalazarJackson.com

By: _____ /s/ Luis Salazar
Luis Salazar
Florida Bar No. 147788
Jesse R. Cloyd
Florida Bar No. 58388

INTRODUCTION

New Beginnings of South Florida, Inc. (“**Debtor**” or “**New Beginnings**”) submits this disclosure statement (the “**Disclosure Statement**”) to all known creditors and other parties in interest, pursuant to Section 1125 of the Bankruptcy Code. The purpose of this Disclosure Statement is to provide information to enable creditors to arrive at a reasonably informed decision in exercising their right to vote for acceptance or rejection of the Chapter 11 Plan of Reorganization (the “**Plan**”), proposed by the Debtor dated July 25, 2016. A copy of the Plan is attached hereto and incorporated herein as **Exhibit A**.

The terms of the Plan are explained in detail below. In general terms, the Plan provides for payment in full of all Class 1, 2, 3, 4 and 5 claims. Holders of Class 6 shall retain 100% of the equity.

New Beginnings believes that the Plan represents a fair and equitable means for satisfying the estate’s outstanding obligations to creditors, consistent with the mandates of the Bankruptcy Code. Therefore, Debtor urges you to accept the Plan and promptly return the ballot which accompanies this Disclosure Statement.

IN ORDER FOR YOUR VOTE TO COUNT, YOU MUST CAST A BALLOT, WHICH MUST BE RECEIVED BY [TBD], AT 5:00 P.M. (EASTERN STANDARD TIME). ALL BALLOTS MUST BE SENT DIRECTLY TO NEW BEGINNING’S COUNSEL AT THE FOLLOWING ADDRESS:

LUIS SALAZAR, ESQ.
SALAZAR JACKSON, LLP
2000 PONCE DE LEON BLVD., PENTHOUSE
CORAL GABLES, FL 33134

New Beginnings shall request that the Bankruptcy Court set a hearing on confirmation of the Plan or as soon as practical thereafter.

THE PLAN WHICH ACCOMPANIES THIS DISCLOSURE STATEMENT WILL BECOME LEGALLY BINDING ON NEW BEGINNINGS, ALL CREDITORS AND PARTIES IN INTEREST IF IT IS CONFIRMED BY THE BANKRUPTCY

COURT AND SHOULD BE READ IN ITS ENTIRETY. CREDITORS MAY WISH TO CONSULT THEIR OWN ATTORNEYS AND FINANCIAL ADVISORS CONCERNING THE PLAN.

NO REPRESENTATIONS CONCERNING THE DEBTOR OR ITS ESTATE ARE AUTHORIZED BY THE DEBTOR, OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. THE DISCLOSURE STATEMENT HAS BEEN PREPARED AND SUBMITTED EXCLUSIVELY BY THE DEBTOR AND IS BASED ON INFORMATION PROVIDED BY THE DEBTOR. THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED ON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREWITH.

IN ARRIVING AT YOUR DECISION TO ACCEPT OR REJECT THE PLAN, YOU SHOULD NOT RELY ON ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE OR REJECTION OF THE PLAN WHICH ARE OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT, AND ANY SUCH REPRESENTATIONS OR INDUCEMENTS SHOULD BE REPORTED TO THE UNITED STATES TRUSTEE FOR APPROPRIATE ACTION AND TO COUNSEL FOR THE DEBTOR, WHO SHALL DELIVER THAT INFORMATION TO THE BANKRUPTCY COURT FOR APPROPRIATE ACTION.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER ACTIONS OR THREATENED ACTIONS, THIS DISCLOSURE STATEMENT SHALL NOT BE CONSTRUED AS AN ADMISSION OR STIPULATION.

DEFINITIONS

All capitalized terms contained herein shall have the same meaning as cited to them as in the "Definition" section of the Plan, unless the context clearly indicates otherwise.

BRIEF SUMMARY OF PLAN

THE FOLLOWING IS INTENDED TO BE A BRIEF SUMMARY OF THE TREATMENT OF CREDITORS UNDER THE PLAN. IT IS NOT INTENDED TO BE A SUMMARY OF ALL OF THE PROVISIONS OF THE PLAN, AND SHOULD BE READ IN CONJUNCTION WITH THE ENTIRE PLAN.

Under the terms of the Plan, the holders of Class 1, 2, 3 and 4 claims, shall be paid in accordance with the terms set forth in the Plan. The holder of an Allowed Class 5 Claim will receive a total sum equal to 100% of their respective claims, in full and complete satisfaction of their Allowed Claims. Finally, holders of Class 6 interests will retain their equity interests in New Beginnings.

CONFIRMATION OF THE PLAN

The Bankruptcy Code establishes certain procedural and substantive requirements for confirmation of a plan of reorganization or liquidation. In addition, the Bankruptcy Code provides a mechanism which enables the proponents of a plan of reorganization or liquidation to confirm such a plan, notwithstanding rejection thereof by a class of creditors.

Under the Bankruptcy Code, the Debtor has the exclusive right to file a plan of reorganization with the Court for the first 120 days after the Petition Date. Debtor has not in any way waived its right to exclusivity by the filing of the Plan.

A. Confirmation Hearing

Bankruptcy Code Section 1128(a) requires the Bankruptcy Court, after notice, to hold a hearing on confirmation of the Plan (the “**Confirmation Hearing**”). Bankruptcy Code Section 1128(b) provides that any party in interest may object to confirmation of the Plan. Any objection to confirmation must be made in writing and filed with the Bankruptcy Court in accordance with the Court’s subsequent orders.

The legal, contractual and equitable rights of certain creditors are altered, modified or changed by the proposed treatment under the Plan and are considered “impaired.” The Bankruptcy Code requires, as a condition to confirmation of a Chapter 11 plan, that each

class of claims or interest that is impaired under such plan shall have accepted the plan. Under Section 1126(c) of the Bankruptcy Code, a class of claims has accepted a plan if that plan has been accepted by creditors that hold at least two-thirds in amount and more than one-half in number of the allowed claims that are held by creditors who have accepted or rejected that plan.

Additionally, Bankruptcy Code Section 1129 sets forth the substantive requirements for confirmation of a plan of reorganization or liquidation. At the Confirmation Hearing, the Bankruptcy Court will determine whether the requirements of Section 1129 have been satisfied, and, if so, the Bankruptcy Court will enter an order confirming the Plan.

The Debtor believes that the Plan satisfies all the statutory requirements of Chapter 11 of the Bankruptcy Code, and that it has complied, or will have complied, with all of the requirements of Chapter 11 by the Confirmation Hearing.

B. Cramdown

The Bankruptcy Code provides for confirmation of a plan even if it is not accepted by all impaired classes of claims if at least one impaired class has voted to accept the plan. These so-called “cramdown” provisions for confirmation are set forth in Bankruptcy Code Section 1129(b). If an impaired class of claims does not accept the Plan, the Bankruptcy Court may still confirm the Plan at the request of the Debtor if, as to each impaired class that has not accepted the Plan, the Plan does not discriminate unfairly and is fair and equitable. The phrase “fair and equitable” has different meanings for secured and unsecured claims and classes of interests.

In this case, if one or more classes of impaired claims reject the Plan, Debtor reserves the right to request that the Bankruptcy Court determine at confirmation that the Plan is fair and equitable and does not discriminate unfairly against any rejecting, impaired class of Claims, and that the Bankruptcy Court allow confirmation despite the vote to reject the Plan. Debtor also reserves the right to amend the Plan at that time and in such a manner as to permit confirmation over the vote of the rejecting impaired Class.

I. REASONS FOR FILING CHAPTER 11 AND EVENTS DURING CHAPTER 11

A. The Chapter 11 Filing

On February 10, 2016, (the “**Petition Date**”), New Beginnings filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. New Beginnings continues to operate its business and manage its property as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in this chapter 11 case. New Beginnings commenced this chapter 11 case in order to restructure its ownership structure in an expedited and cost-effective manner.

B. History and Business of New Beginnings.

New Beginnings is a not for profit holding company. New Beginnings provides essential community services to the financially depressed city of Opa Locka, Florida. Reverend John Taylor, a director at New Beginnings, has operated a church and/or provided community services at the properties owned by New Beginnings for over 30 years. Currently, New Beginnings generates revenue by collecting rents from its tenants which include a church, day-care and school. New Beginnings has no employees.

C. Causes for Filing.

The economic recession of 2006-2009 caused devastating effects nationally, as well as locally in the city of Opa Locka, Florida. The economic downturn caused New Beginnings to lose many longtime tenants at its property. The loss of tenants and rents caused New Beginnings to fall behind on its debt payments.

Although New Beginnings attempted to restructure its debts with its respective creditors, its efforts were unsuccessful. As a result, New Beginnings filed Chapter 11 to restructure its debt.

D. Changes to the Debtor’s Operations

Since the filing of this Chapter 11 case, New Beginnings embarked on an aggressive marketing plan to solidify and stabilize the tenants and rental income at the properties. The efforts were successful and New Beginnings currently has four tenants paying a total of

\$10,845.55 per month: Academy School of Excellence (\$6,000 per month); Room to Bloom (\$3,500 per month); Go Outdoor Media, Inc. (\$845.55 per month); and Gospel in Action (\$500 per month).

Additionally, New Beginnings obtained general liability and property insurance on all the properties that had previously lapsed prior to the Petition Date.

II. THE PLAN OF REORGANIZATION

A. Classification And Treatment Of Claims Against The Debtor's Estate

Administrative Claims are not classified in the Plan. The treatment of and consideration to be received by holders of Allowed Administrative Claims pursuant to Article IV of the Plan shall be in full and complete satisfaction, settlement, release and discharge of such claims. The Debtor's obligations in respect of such Allowed Claims shall be satisfied in accordance with the terms of the Plan.

i. Administrative Claims.

1. Generally. Except as otherwise specified in Article II of the Plan and subject to the Bar Date established by the Court, each holder of an Allowed Administrative Claim shall be paid in respect of such Allowed Claim the full amount thereof, in Cash, on the later of the Effective Date or the date on which such claim becomes Allowed (unless the holder of an Allowed Administrative Claim agrees to other treatment).
2. Statutory Fees. The Debtor shall timely pay the United States Trustee the appropriate sums required pursuant to 28 U.S.C. Section 1930(a)(6) within ten (10) days of the entry of the confirmation order for pre-confirmation periods and simultaneously provide to the United States Trustee the monthly operating reports for each pre-confirmation period; and the reorganized debtor shall further file quarterly operating reports for each post confirmation period and pay the United States Trustee

the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) based upon all disbursements of the reorganized debtor for post-confirmation periods within the time period set forth in 28 U.S.C. § 1930(a)(6), until the earlier of the closing of this case by the issuance of a Final Decree by the Court, or upon the entry of an Order by this Court dismissing this case or converting this case to another chapter under the United States Bankruptcy Code.

3. Ordinary-Course Liabilities. Administrative Claims based on liabilities incurred by the Debtor in the ordinary course of its business shall be assumed and paid pursuant to the terms and conditions of the particular transaction giving rise to such Administrative Claims, without any further action by the holders of such claims.

ii. Classified Claims. For purposes of the Plan, all Claims and Interests, except Administrative Claims and Priority Claims, are classified as described in Article III of the Plan. In accordance with Bankruptcy Code Section 1123(a)(1), Administrative Claims and Priority Claims, as described in Article II of the Plan, have not been classified and thus are excluded from the Classes described below. A Claim or Interest is classified in a particular class only to the extent that the Claim or Interest qualifies within the description of that Class and classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes. A Claim or Interest is also classified in a particular Class only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released or otherwise satisfied prior to the Effective Date.

1. Class 1 Claims. Class 1 Claims shall consist of the Secured Claim of Gloria Betancourt Revocable Trust. Debtor estimates that this class will total approximately \$1,613,301.84.

2. Class 2 Claims. Class 2 Claims shall consist of the Secured Claim of City First Mortgage. Debtor estimates that this class will total approximately \$201,161.64.
3. Class 3 Claims. Class 3 shall consist of the Secured Claim of 13720 NW 27 Avenue Holdings, Inc. Debtor estimates that this class will total approximately \$72,500.
4. Class 4 Claims. Class 4 consists of all Allowed Priority Tax Claims and Secured Tax Claims. Debtor estimates that Class 4 claims will total approximately \$166,878.05.
6. Class 5 Claims. Class 5 Claims shall consist of all Allowed General Unsecured Claims. Debtor estimates that Class 3 claims will total approximately \$1,956.74.
7. Class 6 Interests. Class 6 Interests shall consist of all Equity Interests.

B. Treatment Of Classified Claims

The treatment of and consideration to be received by holders of Allowed Claims and Interests pursuant to Article IV of the Plan shall be in full and complete satisfaction, settlement, release and discharge of such Claims and Interests. The Debtor' obligations in respect of such Claims and Interests shall be satisfied in accordance with the terms of the Plan.

1. Unimpaired Classes.

- (a) Class 6 Claims. The Allowed Equity Claims are unimpaired.

2. Impaired Classes.

- (a) Class 1 Claim (Gloria Betancourt Revocable Trust Secured Claim).

The Class 1 Claim is impaired and shall be paid in accordance with the terms set forth in the Plan. The allowed claim of Gloria Betancourt Revocable Trust shall be paid one hundred percent (100%) together with interest at the current risk free market rate, plus a

risk factor of one and one-half percent (1.5%). Debtor shall make monthly payments of interest only for 20 years fully amortized over 20 years with a simple interest rate of 3.4% (approximate monthly payment \$4,571.00) with a final balloon payment at the end of year 20. Within ten days following Confirmation the Debtor will execute a new promissory note and other loan documents as reasonably necessary to effectuate the terms of the confirmed Plan. In the event the Debtor and Gloria Betancourt Revocable Trust cannot agree on the form and/or content of a promissory note and reasonably related loan documents, the form and content of such documents shall be approved by the Bankruptcy Court after a motion by the Debtor and/or Gloria Betancourt Revocable Trust.

(b) Class 2 Claim (City First Mortgage Secured Claim). The Class 2 Claim is impaired and City First Mortgage shall be paid one hundred percent (100%) together with interest at the current risk free market rate, plus a risk factor of one and one-half percent (1.5%). Debtor shall make monthly payments of interest only for 20 years fully amortized over 20 years with a simple interest rate of 3.4% (approximate monthly payment \$570.00) with a final balloon payment at the end of year 20. Within ten days following Confirmation the Debtor will execute a new promissory note and other loan documents as reasonably necessary to effectuate the terms of the confirmed Plan. In the event the Debtor and City First Mortgage cannot agree on the form and/or content of a promissory note and reasonably related loan documents, the form and content of such documents shall be approved by the Bankruptcy Court after a motion by the Debtor and/or City First Mortgage.

(c) Class 3 Claim (13720 NW 27 Avenue Holdings, LLC Secured Claim). The Class 3 Claim is impaired and shall be paid in accordance with the terms set forth in the Plan. The allowed claim of 13720 NW 27 Avenue Holdings, LLC shall be paid one hundred percent (100%) together with interest at the current risk free market rate, plus a risk factor of one and one-half percent (1.5%). Debtor shall make monthly payments of interest only for 20 years fully amortized over 20 years with a simple interest rate of 3.4% (approximate monthly payment \$205.00) with a final balloon payment at the end of year 20. Within ten days following Confirmation the Debtor will execute a new promissory note and other loan documents as reasonably necessary to effectuate the terms of the confirmed

Plan. In the event the Debtor and 13720 NW 27 Avenue Holdings, LLC cannot agree on the form and/or content of a promissory note and reasonably related loan documents, the form and content of such documents shall be approved by the Bankruptcy Court after a motion by the Debtor and/or 13720 NW 27 Avenue Holdings, LLC.

(d) Class 4 Claims (Allowed Priority Tax Claims and Secured Tax Claims). Class 4 Claims are impaired and shall be paid in accordance with the terms set forth in the Plan. Holders of Class 4 claims shall be paid 100% of their allowed claims together with interest at the rate of 3.4% in 72 equal monthly payments (approximate monthly payment \$3,028.00). The first payment shall be due 120 days after the Confirmation Date. The lien of any Class 4 creditor will be unimpaired.

(e) Class 5 Claims (Allowed General Unsecured Claims). The Class 5 Claims are impaired. Claimants shall be paid one-hundred percent (100%) of their allowed claims in a single payment due 12 months after the Confirmation Date.

THE FOREGOING IS MERELY A SUMMARY AND CREDITORS ARE URGED TO READ THE PLAN IN ITS ENTIRETY FOR DETAILS.

III. MEANS FOR IMPLEMENTATION OF THE PLAN

A. Distribution Under The Plan

i. In General.

All distributions under the Plan shall be made by New Beginnings to the holder of each Allowed Claim. To the extent a creditor holds more than one Allowed Claim in a Class of Claims, all Allowed Claims in such Class held by such holder shall be aggregated and treated as one Allowed Claim in such Class for purposes of distribution only.

ii. Timing of Distributions on Account of Claims Allowed as of the Effective Date.

Except as otherwise provided in the Plan, or as may be ordered by the Bankruptcy Court or agreed to by the parties, distributions to be made on the Effective Date on account of Claims that are allowed as of the Effective Date shall be made as described above under treatment of Classes.

iii. Compliance with Tax Requirements.

- a. In connection with the Plan, to the extent applicable, New Beginnings shall comply with all tax withholding and reporting requirements imposed on it by any governmental unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. New Beginnings shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements.
- b. Notwithstanding any other provision of the Plan, each Entity receiving a distribution of Cash or New Common Stock pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding and other tax obligations, on account of such distribution.

THE RECEIPT BY CREDITORS OF DISTRIBUTIONS IN SATISFACTION OF THEIR CLAIMS MAY HAVE TAX CONSEQUENCES FOR THE CREDITORS. THE TAX CONSEQUENCES WILL DEPEND ON THE CREDITORS' INDIVIDUAL SITUATIONS. NO OPINION OR ADVICE WITH REGARD TO THE TAX IMPLICATIONS IS GIVEN AND THE DEBTOR SUGGESTS THAT EACH CREDITOR CONSULT WITH ITS OWN TAX ADVISER.

iv. Treatment of Disputed Claims.

Notwithstanding any other provisions of the Plan, no payments or distributions shall be made on account of a Disputed Claim until such Claim becomes an Allowed Claim. For purposes of receiving distributions pursuant to the Plan, each creditor that has filed one or more proofs of Claim against the Debtor shall be deemed to hold one Claim against the Debtor. When any Disputed Claim becomes an Allowed Claim after the Effective Date,

the Company shall distribute to the holder of such Claim the aggregate amount of Cash distributable on account of such Claim as of the date such Claim shall become an Allowed Claim within fifteen (15) days of the entry of a final, non-appealable order allowing the claim, unless otherwise ordered by the Court or agreed to by the parties.

B. Rejection Of Executory Contracts

Under the Plan, any unexpired contracts or leases that were executory as of the Petition Date that are not the subject of a separate motion to assume, reject, or assign as of the Confirmation Hearing shall be deemed assumed. Any claim arising as rejection damages under the Plan must be filed with the Court within thirty (30) days of the Confirmation Date.

The Debtor estimates that there are no amounts due to creditors as cure amounts due under contracts the Debtor will assume. Debtor estimate that rejection damages will be \$0.00.

IV. MODIFICATION; CRAMDOWN; CLAIMS OBJECTIONS

A. Modification of the Plan

Debtor reserves the right to amend, modify, alter, or withdraw the Plan before the Confirmation Date, and to amend, modify, or alter the Plan thereafter in accordance with the Bankruptcy Code.

V. POST-CONFIRMATION STATUS OF THE DEBTOR

A. General.

On the Effective Date, the management, control and operation of the Debtor shall become the responsibility of the reorganized Debtor and its management. Without any further action of the Debtor, the Debtor's current Chief Executive Officers and Directors shall be deemed the officer and directors of the reorganized Debtor and shall be empowered to take such corporate action as may be necessary and appropriate.

VI. DISCHARGE OF CLAIMS AND INJUNCTION

Except as provided in the Plan or Confirmation Order, as of the Effective Date, all entities that have held, currently hold or may hold a claim or other debt or liability against the Debtor or an interest or other right of an equity security holder and the Debtor will be permanently enjoined from taking actions on account of any such claims, debts, liabilities or interest: (1) commencing or continuing in any manner any action or other proceedings against the Debtor, reorganized Debtor, or the property thereof; (2) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Debtor, reorganized Debtor, or the property thereof; (3) creating, perfecting or enforcing any lien or encumbrance against the Debtor, reorganized Debtor, or the property thereof; (4) asserting against the Debtor, reorganized Debtor, or the property thereof, a setoff, right or claim of subordination or recoupment of any kind against any debt, liability or obligation due to the Debtor; and (5) commencing or continuing any action, in any manner, in any place that does not comply with or is consistent with the provisions of the Plan.

Limitation of Liability. Neither the Debtor nor any of its respective agents, advisors, or professionals shall incur any liability to the Debtor, the creditors, or to any other person or entity for any act or failure to act in furtherance of the rights and obligations under the Plan, except to the extent that such act or failure to act constitutes gross negligence or willful misconduct.

As of the Confirmation Date, except as otherwise provided in the Plan or the Confirmation Order, all Entities shall be precluded from asserting against the Debtor, the Reorganized Debtor or their respective property, any other or further claims, debts, rights, causes of action, liabilities or equity interests based upon any act, omission, transaction or other activity of any nature that occurred prior to the Confirmation Date. In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order shall be a judicial determination of discharge of all such Claims and other debts and liabilities against the Debtor and termination of all such Interests and other rights of equity security holders in the Debtor, pursuant to Sections 524 and 1141 of the

Bankruptcy Code, and such discharge shall void any judgment obtained against the Debtor at any time, to the extent that such judgment relates to a discharged Claim.

VII. CONDITIONS PRECEDENT TO CONFIRMATION AND EFFECTIVENESS OF THE PLAN

A. Conditions To Effectiveness

The Plan shall not become effective unless and until each of the following conditions shall have been satisfied or duly waived pursuant to the Plan:

1. The Confirmation Order shall have been entered and shall have become a Final Order; and
2. Administrative Claims shall have been paid in full as provided in the Plan, unless agreed otherwise.

B. Waiver Of Conditions

Debtor, in its discretion, may waive, by a writing signed by an authorized representative, one or more of the conditions to confirmation and effectiveness of the Plan set forth in the Plan, without any requirement of further Bankruptcy Court approval.

VIII. SUBORDINATION RIGHTS; SETTLEMENT AND COMPROMISE; RELEASES

A. Termination Of Subordination Rights

The classification and manner of satisfaction of all Claims and Interests under the Plan take into consideration all contractual, legal and equitable subordination rights, whether arising under general principles of equitable subordination, Section 510(c) of the Bankruptcy Code or otherwise, that a holder of a Claim or Interest or the Debtor may have against other Claim holders with respect to any distribution made pursuant to the Plan, and rights to assert all manner of recharacterization claims and related causes of action. On the Confirmation Date all contractual, legal and equitable subordination rights that a holder of a Claim or Interest in or against the Debtor may have with respect to any distribution to be made pursuant to the Plan, and rights to assert all manner of recharacterization claims and related causes of action, shall be discharged and terminated, and all actions related to the

enforcement of such subordination rights and rights to assert all manner of recharacterization claims and related causes of action shall be permanently enjoined, except as to the Debtor, who shall retain all rights of legal and equitable subordination, whether under Section 510(c) of the Bankruptcy Code, or otherwise. Accordingly, distributions pursuant to the Plan to holders of Allowed Claims shall not be subject to payment to a beneficiary of such terminated subordination rights, or to levy, garnishment, attachment or other legal process by any beneficiary of such terminated subordination rights.

B. Settlement Of Claims

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the Plan, except as specified otherwise, shall constitute a good faith compromise and settlement of all claims or controversies relating to the termination of all contractual, legal and equitable subordination rights, and rights to assert all manner of recharacterization claims and related causes of action that a holder of a Claim or an Interest in the Debtor may have with respect to any Allowed Claim or Allowed Interest, or any distribution to be made pursuant to the Plan on account of such Allowed Claim or Allowed Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtor and its respective property and Claim and Interest holders, and is fair, equitable and reasonable.

C. Releases

AS OF THE EFFECTIVE DATE AND IN CONSIDERATION OF THE PROPERTY TO BE DISTRIBUTED TO OR ON BEHALF OF HOLDERS OF ALLOWED CLAIMS PURSUANT TO ARTICLE IV OF THE PLAN, SUCH HOLDERS OF CLAIMS AND INTERESTS SHALL BE DEEMED TO HAVE RELEASED THE DEBTOR, AND EACH OF ITS RESPECTIVE AGENTS, MEMBERS, AFFILIATES, OWNERS, SHAREHOLDERS, ADVISORS, RETAINED PROFESSIONALS, REPRESENTATIVES, OFFICERS AND

DIRECTORS (EACH OF THE FOREGOING SOLELY IN THEIR CAPACITY AS SUCH) OF AND FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, OBLIGATIONS, RIGHTS AND LIABILITIES (OTHER THAN THE RIGHT TO ENFORCE THE DEBTOR' OBLIGATIONS UNDER THE PLAN) THAT SUCH HOLDER MAY BE ENTITLED TO ASSERT, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING, BASED IN WHOLE OR IN PART UPON ANY ACT, OMISSION OR OTHER OCCURRENCE TAKING PLACE ON OR BEFORE TO THE EFFECTIVE DATE IN ANY WAY RELATING TO THE DEBTOR, THE CASE OR THE PLAN.

IX. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Case after the Effective Date as is legally permissible, including jurisdiction to:

- a. Allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of Claims or Interests;
- b. Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, to the extent provided in the Plan;
- c. Resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which the Debtor may be liable and to hear, determine

and, if necessary, liquidate, any Claims arising therefrom or cure amounts related thereto;

- d. Ensure that distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;
- e. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving the Debtor that may be pending on the Effective Date;
- f. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents created in connection with the Plan, the Disclosure Statement or the Confirmation Order, except as otherwise provided herein;
- g. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or the Confirmation Order, including the release and injunction provisions set forth in and contemplated by the Plan and the Confirmation Order, or any Entity's obligations incurred in connection with the Plan or the Confirmation Order, and including the claims preserved by the Plan;
- h. Modify the Plan before or after the Effective Date pursuant to Section 1127 of the Bankruptcy Code or modify the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy

any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by the Bankruptcy Code;

- i. Issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation or enforcement of the Plan or the Confirmation Order, except as otherwise provided herein;
- j. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;
- k. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, except as otherwise provided herein; and
- l. Enter an order concluding the Case.

X. RISK ANALYSIS OF PLAN

The only material risk associated with the effectiveness of the Plan is the entry of the Confirmation Order.

XI. CONCLUSION

The Debtor believes that the Plan is in the best interest of its Creditors. Under the Plan, Unsecured Creditors will receive more value than would be realized in a liquidation of Estate property under Chapter 7. Therefore, the Debtor urges you to vote to accept the Plan.

Dated: July 25, 2016

Respectfully submitted,

SALAZAR JACKSON, LLP

Counsel for New Beginnings of South Florida, Inc.

2000 Ponce De Leon Blvd., Penthouse

Coral Gables, Florida 33134

Phone: (305) 374-4848

Fax: (305) 397-1021

Email: Salazar@SalazarJackson.com

Email: Cloyd@SalazarJackson.com

By: /s/ Luis Salazar

Luis Salazar

Florida Bar No. 147788

Jesse R. Cloyd

Florida Bar No. 58388

EXHIBIT LIST

- A. PLAN OF REORGANIZATION
- B. LIQUIDATION ANALYSIS
- C. FEASIBILITY ANALYSIS

EXHIBIT A - PLAN OF REORGANIZATION

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION**

In re: Case No. 16-11907-RAM

NEW BEGINNINGS OF SOUTH FLORIDA, INC., Chapter 11

Debtor. _____ /

DEBTOR'S PLAN OF REORGANIZATION

New Beginnings of South Florida, Inc. (“**New Beginnings**”), proposes the following Plan of Reorganization pursuant to Section 1121 of the Bankruptcy Code, 11 U.S.C. § 1121.

**ARTICLE I
DEFINITIONS**

1.1 Defined Terms. For purposes of this Plan and the accompanying Disclosure Statement, the following terms and definitions shall have the following meanings unless the context clearly indicates otherwise:

1.1.1 “Actions” shall mean all actions that a Trustee, Debtor-in-Possession, or Liquidating Trustee is empowered to bring, pursuant to 11 U.S.C. §§ 362, 510 and 542-553 of the Code, and any other causes of action, lawsuits, adversary proceedings, contested matters, claims objections, or rights of the Debtor or the estates against any Person.

1.1.2 “Administrative Expense Claim” shall mean any unpaid cost or expense of administration entitled to allowance or allowed under Sections 503(b) or 507(a)(1) of the Bankruptcy Code including, without limitation, any actual and necessary expense of preserving the Debtor’s estate, any actual and necessary expense of operating the businesses of the Debtor, and all allowances of compensation or reimbursement of expenses to the extent allowed by Order of the Court under Section 330 or 331 of the Bankruptcy Code.

1.1.3 “Administrative Expense Claim Bar Date” shall be the date, if any, established by the Court to file Administrative Expense Claims.

1.1.4 “Administrative Expense Claimant” shall mean the holder of an administrative expense claim who has timely filed their motion or request for payment of administrative expense claim prior to the Administrative Expense Claim Bar Date.

1.1.5 “Allowed Administrative Expense Claim” shall mean that portion of any Administrative Expense Claim that is not an Allowed Claim.

1.1.6 “Allowed Amount” shall mean with respect to a Claim, (a) the amount of a Claim that was listed in the Debtor’s Schedules (as originally filed and amended in the case) as not disputed, contingent or unliquidated, if the holder of such Claim has not filed a Proof of Claim with the Court within the applicable period of limitation fixed by the Court, pursuant to Rule 3003(c)(3) of the Rules, or (b) if a holder of a Claim has filed a Proof of Claim with the Court within the applicable period of limitation fixed by the Court, pursuant to 3003(c)(3) of the Rules: (i) the amount stated in such Proof of Claim or in the Schedules if no objection to such Proof of Claim or amount listed in the Schedules has been interposed within the applicable period of limitation fixed by the Code or Rules, or is otherwise fixed by the Court, or (ii) such amount as shall be fixed by an Order of the Court which has become a Final Order if an objection has been interposed within the applicable period of limitation fixed by the Code, the Rules, or the Court, or (c) with respect to a Fee Request, such amount as shall be fixed by an Order of the Court which has become a Final Order. In no event shall the Allowed Amount of any Priority Claim or Unsecured Claim include interest accrued on such Claim after the Filing Date.

1.1.7 “Allowed Claim” shall mean a claim against the Debtor to the extent that:

A proof of claim was: (a) timely filed in accordance with the Notice of Meeting of Creditors, Procedure to File Claims and Bar Date; (b) deemed filed pursuant to Section 1111(a) of the Bankruptcy Code; or (c) late filed with leave of the Bankruptcy Court after notice and opportunity for hearing given to counsel for the Debtor and to the

Liquidating Trustee; and (d) which is not a Disputed Claim or (e) which is allowed (and only to the extent allowed) by a Final Order of the Bankruptcy Court.

1.1.8 “Allowed Secured Claim” shall mean an Allowed Claim against the Debtor secured by a lien on property in which either of the Debtor’s Estate has an interest, or that is subject to setoff under Section 553 of the Bankruptcy Code, to the extent of the value of such creditor’s interest in the estate’s interest, or to the extent subject to setoff.

1.1.9 “General Unsecured Claim” shall mean any Allowed Claim that is not an Allowed Secured Claim or an Allowed Unsecured Critical Vendor Claim.

1.1.10 “Bankruptcy Code” or “Code” shall mean Title 11 of the United States Code, sometimes designated as “11 U.S.C.”

1.1.11 “Bankruptcy Court” or “Court” shall mean the United States Bankruptcy Court for the Southern District of Florida, or in the event said Court ceases to exercise jurisdiction over this Chapter 11 case, such Court or adjunct thereof that exercises jurisdiction over these Chapter 11 cases in lieu of the United States Bankruptcy Court for the Southern District of Florida.

1.1.12 “Case” shall mean this Chapter 11 proceeding.

1.1.13 “Claim” shall mean (a) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed or contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; (b) a right to an equitable remedy for breach of performance of such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured; (c) without limiting the generality of the foregoing, all Administrative Expense Claims, Priority Claims, Secured Claims, and Unsecured Claims.

1.1.14 “Claimant” shall mean the holder of an Allowed Claim or Disputed Claim, as the case may be.

1.1.15 “Class” shall mean a group of Claims or Interests classified together, pursuant to Article 3 of the Plan.

1.1.16 “Class 1” shall mean the Allowed Secured Claim of Gloria Betancourt Revocable Trust.

1.1.17 “Class 2” shall mean the Allowed Secured Claim of City First Mortgage.

1.1.18 “Class 3” shall mean the Allowed Secured Claim of 13720 NW 27 Avenue Holdings, LLC.

1.1.19 “Class 4” shall mean the Allowed Priority Tax Claims and Allowed Secured Tax Claims.

1.1.20 “Class 5” shall mean General Unsecured Claims.

1.1.21 “Class 6” shall mean the Allowed Equity Claims, as described, classified and treated in Article IV of the Plan.

1.1.22 “Code” shall mean the Bankruptcy Code, 11 U.S.C. § 101, et seq.

1.1.23 “Confirmation Date” shall mean the date the Confirmation Order is entered in accordance with the applicable provisions of the Code; provided, however, that if the Confirmation Order or consummation of the Plan is stayed pending appeal, then the Confirmation Date shall be the date of entry of the Order vacating such stay.

1.1.24 “Confirmation Order” shall mean the Order of the Bankruptcy Court confirming the Plan pursuant to Section 1129 of the Bankruptcy Code.

1.1.25 “Creditor” shall mean any Person holding a Claim or Interest, including Administrative Claim and Claims of the kind specified in 11 U.S.C. §§ 502(b), 502(h) and 502(i), of the Code, and such Persons, heirs, successors, assigns, executors, and personal representatives.

1.1.26 “Debtor” shall mean New Beginnings of South Florida, Inc.

1.1.27 “Disclosure Statement” shall mean the Disclosure Statement accompanying the Plan and drafted by the Debtor for the purpose of providing adequate information to Creditors in connection with the solicitation of acceptances of the Plan.

1.1.28 “Disputed Amount” shall mean with respect to a particular Disputed Claim, that amount which is equal to the difference, if any, between the Face Amount of such Claim and the amount, if any, of such Claim which the Party objecting thereto concedes.

1.1.29 “Disputed Claim” shall mean an alleged claim or claims against the Debtor as to which an objection has been filed on or before the date that is sixty (60) days after the Effective Date, or such later time as may be allowed by the Court, which objection is not the subject of a Final Order allowing the claim and which claim or objection has not been withdrawn on or within sixty (60) days from the Effective Date.

1.1.30 “Estate” shall mean the estate created in the Case, pursuant to Section 541 of the Code.

1.1.31 “Exempt Assets” shall mean the assets described in Article VII of the Plan, if any.

1.1.32 “Effective Date” shall mean the entry date of any Confirmation Order in this Case.

1.1.33 “Final Order” shall mean an order or judgment of the Court as to which the time to appeal, or to seek rehearing or review has expired and as to which no appeal or petition for review or rehearing has been filed.

1.1.34 “Final Report” shall mean the Final Report on Distributions and Request for Entry of Final Decree Closing Case to be filed on behalf of the Debtor.

1.1.35 “Person” shall mean any individual, sole proprietorship, partnership (general or limited), joint venture, trust, unincorporated organization, association, corporation, institution, entity, or government (whether federal, state, county, city, municipal or otherwise, including, without limitation, any instrumentality, division, agency, body, political subdivision or department thereof).

1.1.36 “Petition Date” shall mean February 10, 2016.

1.1.37 “Plan” shall mean this Plan of Reorganization.

1.1.38 “Priority Claim” shall mean a Claim (other than Administrative Expense Claim) that is entitled to priority under Section 507 of the Code.

1.1.39 Undefined Terms. A term used in the Plan and not defined herein but defined in the Bankruptcy Code has the meaning given to that term in the Bankruptcy Code and Rules.

1.2 Rules of Construction and Interpretation. The following Rules of Construction shall be applicable for all purposes of the Plan unless the context clearly requires otherwise:

(a) The terms “include,” “including,” and similar terms shall be construed as if followed by the phrase “without being limited to.”

(b) Words of masculine, feminine, or neutral gender shall mean and include the correlative words of the other genders, and the words importing the singular number shall mean and include the plural number, and vice versa.

(c) All article, section, and exhibit or appendix captions are used for convenience and reference only, and in no way define, limit, or describe the scope or intent of, or any way affect, any such article, section, exhibit, or appendix.

ARTICLE II

DESIGNATION AND TREATMENT OF UNCLASSIFIED CLAIMS

2.1 Claims Described by Sections 507(a)(1)-507(a)(7). The holders of Allowed Claims described by Sections 507(a)(1), 507(a)(2), 507(a)(3), 507(a)(4), 507(a)(5), 507(a)(6) and 507(a)(7) of the Bankruptcy Code will receive on account of such Allowed Claim, in full and complete satisfaction of its Allowed Claim, cash equal to the amount of its Allowed Claim on the Effective Date, unless the holder of such Allowed Claim agrees to a different treatment.

2.1.1 United States Trustee’s Fees Under 28 U.S.C. § 1930 and 11 U.S.C. § 1129(a)(12). The Debtor shall timely pay the United States Trustee the appropriate sums required pursuant to 28 U.S.C. Section 1930(a)(6) within ten (10) days of the entry of the confirmation order for pre-confirmation periods and simultaneously provide to the United

States Trustee the monthly operating reports for each pre-confirmation period; and the reorganized debtor shall further file quarterly operating reports for each post confirmation period and pay the United States Trustee the appropriate sum required pursuant to 28 U.S.C. § 1930(a)(6) based upon all disbursements of the reorganized debtor for post-confirmation periods within the time period set forth in 28 U.S.C. § 1930(a)(6), until the earlier of the closing of this case by the issuance of a Final Decree by the Court, or upon the entry of an Order by this Court dismissing this case or converting this case to another chapter under the United States Bankruptcy Code.

ARTICLE III
CLASSES OF CLAIMS AND INTERESTS

Class 1: Class 1 consists of the Secured Claim of Gloria Betancourt Revocable Trust.

Class 2: Class 2 consists of the Secured Claim of City First Mortgage.

Class 3: Class 3 shall consist of the Secured Claim of 13720 NW 27 Avenue Holdings, LLC.

Class 4: Class 4 consists of all Allowed Priority Tax Claims and Secured Tax Claims.

Class 5: Class 5 consists of all Allowed General Unsecured Claims.

Class 6: Class 6 consists of all Allowed Equity Claims.

ARTICLE IV
TREATMENT OF CLASSES UNDER THE PLAN

Class 1. The Secured Claim of Gloria Betancourt Revocable Trust is impaired. The allowed claim of Gloria Betancourt Revocable Trust shall be paid one hundred percent (100%) together with interest at the current risk free market rate, plus a risk factor of one and one-half percent (1.5%). Debtor shall make monthly payments of interest only for 20 years fully amortized over 20 years with a simple interest rate of 3.4% (approximate monthly payment \$4,571.00) with a final balloon payment at the end of year 20. Within ten days following the Confirmation Date the Debtor will execute a new promissory note and other loan documents as reasonably necessary to effectuate the terms of the confirmed Plan. In the event the Debtor and Gloria Betancourt Revocable Trust cannot agree on the form

and/or content of a promissory note and reasonably related loan documents, the form and content of such documents shall be approved by the Bankruptcy Court after a motion by the Debtor and/or Gloria Betancourt Revocable Trust.

Class 2. The Secured Claim of City First Mortgage is impaired. The allowed claim of City First Mortgage shall be paid one hundred percent (100%) together with interest at the current risk free market rate, plus a risk factor of one and one-half percent (1.5%). Debtor shall make monthly payments of interest only for 20 years fully amortized over 20 years with a simple interest rate of 3.4% (approximate monthly payment \$570.00) with a final balloon payment at the end of year 20. Within ten days following the Confirmation Date the Debtor will execute a new promissory note and other loan documents as reasonably necessary to effectuate the terms of the confirmed Plan. In the event the Debtor and City First Mortgage cannot agree on the form and/or content of a promissory note and reasonably related loan documents, the form and content of such documents shall be approved by the Bankruptcy Court after a motion by the Debtor and/or City First Mortgage.

Class 3. The Secured Claim of 13720 NW 27 Avenue Holdings, LLC is impaired. The allowed claim of 13720 NW 27 Avenue Holdings, LLC shall be paid one hundred percent (100%) together with interest at the current risk free market rate, plus a risk factor of one and one-half percent (1.5%). Debtor shall make monthly payments of interest only for 20 years fully amortized over 20 years with a simple interest rate of 3.4% (approximate monthly payment \$205.00) with a final balloon payment at the end of year 20. Within ten days following the Confirmation Date the Debtor will execute a new promissory note and other loan documents as reasonably necessary to effectuate the terms of the confirmed Plan. In the event the Debtor and 13720 NW Avenue Holdings, LLC cannot agree on the form and/or content of a promissory note and reasonably related loan documents, the form and content of such documents shall be approved by the Bankruptcy Court after a motion by the Debtor and/or 13720 NW 27 Avenue Holdings, LLC.

Class 4. The Allowed Priority Tax Claims and Secured Tax Claims shall receive the net present value of their claims on the Effective Date. Holders of Class 4 claims shall be paid 100% of their allowed claims together with interest at the rate of 3.4% in 72 equal

monthly payments (approximate monthly payment \$3,028.00). The first payment shall be due 120 days after the Confirmation Date. The lien of any Class 4 creditor will be unimpaired.

Class 5. The General Unsecured Claims of Class 5 are impaired. Claimants shall be paid one-hundred percent (100%) of their allowed claims in a single payment due 12 months after the Confirmation Date.

Class 6. The Allowed Equity Claims are unimpaired.

Treatment Binding. The treatment afforded to the holders of Class 1 through 6 Claims in Interest shall be binding on all successors, assigns, agents, employees, directors, shareholders, and officers of such holders.

Agreement to Less Favorable Treatment. Any creditor may agree to less favorable treatment than is provided for such creditor in the Plan.

Satisfaction of Claims and Interests. The treatment of and the consideration received by the holders of the Claims and Interests pursuant to this Article IV of the Plan shall be in full satisfaction, release, and discharge of their respective Claims against or interest in the Debtor and the estate, whether dischargeable or non-dischargeable.

ARTICLE V
MEANS FOR EXECUTION AND IMPLEMENTATION OF THE PLAN

5.1.1 Funding of the Debtor's plan of reorganization shall be from the operations of the Debtor.

ARTICLE VI
RELEASE

6.1 AS OF THE EFFECTIVE DATE, AND FOR A PERIOD COMMENCING ON THE PETITION DATE, AND TERMINATING ON THE EFFECTIVE DATE ONLY, AND IN CONSIDERATION OF THE PROPERTY TO BE DISTRIBUTED TO OR ON BEHALF OF HOLDERS OF ALLOWED CLAIMS, PURSUANT TO ARTICLE IV OF THE PLAN, SUCH HOLDERS OF CLAIMS AND INTERESTS SHALL BE DEEMED TO HAVE RELEASED THE COMMITTEE, THE DEBTOR'S RESPECTIVE AGENTS, MEMBERS,

AFFILIATES, OWNERS, SHAREHOLDERS, ADVISORS, RETAINED PROFESSIONALS, REPRESENTATIVES, OFFICERS AND DIRECTORS (EACH OF THE FOREGOING SOLELY IN THEIR CAPACITY AS SUCH) OF AND FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, OBLIGATIONS, RIGHTS AND LIABILITIES (OTHER THAN THE RIGHT TO ENFORCE THE DEBTOR'S OBLIGATIONS UNDER THE PLAN) THAT SUCH HOLDER MAY BE ENTITLED TO ASSERT, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING, BASED IN WHOLE OR IN PART UPON ANY ACT, OMISSION OR OTHER OCCURRENCE TAKING PLACE ON THE DATE OF THE PETITION DATE TO THE EFFECTIVE DATE IN ANY WAY RELATING TO THE DEBTOR, THE CASE, OR THE PLAN.

ARTICLE VII
EXECUTORY CONTRACTS

7.1 Unless it gives specific notice to a party otherwise, the Debtor hereby assumes any remaining unexpired leases or executory contracts. Any executory contracts and unexpired leases not expressly assumed by the Debtor on or before the Confirmation Date shall be deemed to have been assumed upon entry of the Confirmation Order.

ARTICLE VIII
MODIFICATION OF THE PLAN

8.1 In accordance with the applicable requirements of Section 1127(a) of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3019, the Debtor may propose amendments or modifications to the Plan at any time prior to entry of the Confirmation Order, with leave of the Court and upon such notice as the Court may require. After confirmation of the Plan, pursuant to Section 1127(b) of the Code and with the approval of the Court, the Debtor may remedy any defect or omission or reconcile any inconsistencies in the Plan or the Confirmation Order in such manner as may be necessary to carry out the purposes and effect of the Plan, so long as such remedy or reconciliation does not materially adversely affect the interest of any Class of Allowed Claims.

ARTICLE IX
PROVISION TO INVOKE CRAMDOW PROCEEDINGS IF NECESSARY

9.1 If all of the applicable requirements of Section 1129(a) of the Bankruptcy Code, other than subparagraph (8) thereof are found to have been met with respect to the Plan, the Debtor may then elect to seek confirmation pursuant to Section 1129(b) of the Bankruptcy Code. For the purposes of seeking confirmation under the cramdown provision of the Code, should that alternative means of confirmation be necessary, the Debtor reserves the right to modify the treatment given under the Plan to holders of Allowed Claims in one or more of the rejecting Classes.

ARTICLE X
TAXES

10.1 Any and all transfers of property made pursuant to the Plan, pursuant to the Plan shall be deemed to be free of any tax under any law imposing a stamp tax or similar tax, pursuant to Section 1146(c) of the Bankruptcy Code.

ARTICLE XI
RESOLUTION OF DISPUTED CLAIMS

11.1 Objections to Claims shall be filed with the Court and served upon the holders of Disputed Claims as required by Federal Rule of Bankruptcy Procedure 3007. All such Objections shall be filed by the Effective Date or within such other time as may be fixed by Order of the Court. The failure of the Debtor or any party in interest to object to or examine any Claim for the purpose of voting on the Plan shall not be deemed a waiver of the rights of the Debtor or any such party to object to or re-examine such Claim in whole or in part.

ARTICLE XII
RETENTION OF JURISDICTION

12.1 Notwithstanding Confirmation of the Plan, or the Effective Date having occurred, the Bankruptcy Court shall retain jurisdiction over this case until entry of a Final Decree Closing this case for the following purposes:

- (a) To determine the allowability of claims upon objection to such claims in accordance with Article XI hereof;
- (b) To approve the retention, payment and reimbursement of professionals hired or retained;
- (c) To resolve controversies and disputes involving title to the assets of the Debtor's estate, and to determine all causes of action, controversies, disputes and conflicts pending as of the date of Confirmation between the Debtor and any other party;
- (d) To correct any defect, cure any omission, or reconcile any inconsistencies in the Plan or the Confirmation Order, as may be necessary to carry out the purposes and intent of the Plan;
- (e) To implement the provisions of the Plan in accordance with Section 1142(b) of the Bankruptcy Code and enter further orders as may arise from Confirmation of the Plan, including without limitation, appropriate orders to protect the Debtor or Liquidating Trustee from creditor action;
- (f) To modify the Plan pursuant to Section 1127 of the Bankruptcy Code;
- (g) To construe, interpret and enforce the terms and conditions of the Plan and to enter orders concluding and termination this case, including a Final Decree;
- (h) To extend the Effective Date after notice and opportunity for hearing following the date of entry of the Confirmation Order;
- (i) To award compensation for services and reimbursement of expenses incurred by professionals and other persons in connection with the implementation and enforcement of the Plan; and
- (j) To hear and determine any Actions.

ARTICLE XIII
MISCELLANEOUS

13.1 Enforceability of Plan Provisions. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan is valid and enforceable pursuant to its terms.

13.2 Binding Effect. The Plan shall be binding upon, and shall inure to the benefit of, the Debtor, the holders of all Claims and Interests and their respective successors and assigns.

13.3 Rules of Interpretation. For purposes of the Plan: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural; (b) any reference in the Plan to a contract, instrument, release or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; (c) any reference in the Plan to an existing document or exhibit Filed or to be Filed means such document or exhibit, as it may have been or may be amended, modified or supplemented; (d) unless otherwise specified, all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the Plan; (e) the words "herein," "hereof," "hereto," "hereunder" and others of similar inference refer to the Plan in its entirety rather than to any particular Article, Section, Subsection or Clause contained in the Plan; and (f) the rules of construction set forth in Section 102 of the Bankruptcy Code shall apply.

13.4 Time. In computing any period of time prescribed or allowed by the Plan, unless otherwise set forth herein, the provisions of the Bankruptcy Rule 9006 shall apply.

13.5 Notices. Any notice required or permitted to be provided under the Plan shall be in writing and served by (a) certified mail, return receipt requested, postage prepaid, (b) hand delivery or (c) reputable overnight courier service, freight prepaid, to be addressed as follows:

Luis Salazar, Esq.
Salazar Jackson LLP
2000 Ponce De Leon Blvd., Penthouse
Coral Gables, Florida 33134
Telephone: (305) 374-4848
Facsimile: (305) 397-1021

13.6 Headings. The headings used in the Plan are inserted for convenience only and neither constitute a portion of the Plan nor are intended in any manner to affect any interpretation of the provisions of the Plan.

Dated: July 25, 2016

Respectfully submitted,

SALAZAR JACKSON, LLP

Counsel for New Beginnings of South Florida, Inc.

2000 Ponce De Leon Blvd., Penthouse

Coral Gables, Florida 33134

Phone: (305) 374-4848

Fax: (305) 397-1021

Email: Salazar@SalazarJackson.com

Email: Cloyd@SalazarJackson.com

By: /s/ Luis Salazar

Luis Salazar

Florida Bar No. 147788

Jesse R. Cloyd

Florida Bar No. 58388

EXHIBIT B - LIQUIDATION ANALYSIS

EXHIBIT C - FEASIBILITY ANALYSIS