

B25B (Official Form 25B) (12/08)

**United States Bankruptcy Court
Southern District of Florida**

In re **Syed Ali Raza
Iram Hussain Raza**

Debtor(s)

Case No. **1618176-BKC-EPK**
Chapter **11**

**SYED ALI RAZA AND IRAM HUSSAIN RAZA'S
DISCLOSURE STATEMENT, DATED NOVEMBER 28, 2016**

Table of Contents

INTRODUCTION	2
BACKGROUND	3
SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS	5
CONFIRMATION REQUIREMENTS AND PROCEDURES	13
EFFECT OF CONFIRMATION OF PLAN	15
OTHER PROVISIONS	16

I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the individual chapter 11 case of **Syed Ali Raza and Iram Hussain Raza** (collectively the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the Chapter 11 Plan of Reorganization ("the "Plan") filed by **Syed Ali Raza and Iram Hussain Raza** on November 22, 2016. A full copy of the Chapter 11 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 discussed at pages 7-11 of this Disclosure Statement. General unsecured creditors are classified in Class Eight (8). If the Bankruptcy Court sustains the Debtors' claims objections or the disputed claimants fail to file a proof of claim in this matter, the general unsecured creditors shall receive a distribution of approximately 24.1% of their allowed claim. However, if the Bankruptcy Court overrules the Debtors' objection to claims, the general unsecured creditors will receive a distribution of less than one percent (1%) of their allowed claims.

A. Purpose of This Document

This Disclosure Statement describes:

- The Debtor and significant events during the bankruptcy case,
- How the Plan proposes to treat claims or equity interests of the type you hold (i.e., what you will receive on your claim or equity interest if the plan is confirmed),
- Who can vote on or object to the Plan,
- What factors the Bankruptcy Court (the "Court") will consider when deciding whether to confirm the Plan,
- Why the Proponent believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation, and
- The effect of confirmation of the Plan.

Be sure to read the Plan as well as the **Second** Amended Disclosure Statement. This **Second** Amended Disclosure Statement describes the Amended Plan, but it is the Amended 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 Amended Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Amended 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 , 2016, at 9:30 am, in Courtroom A, at the United States Bankruptcy Court for the Southern District of Florida, The Waterview Building, 1515 North Flagler Drive, Eighth Floor, West Palm Beach, FL 33401.

2. Deadline For Voting to Accept or Reject the Plan

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot in the enclosed envelope to the Clerk of the United States Bankruptcy Court for the Southern District of Florida, The Waterview Building, 1515 North Flagler Drive, Eighth Floor, West Palm Beach, FL 33401. See section IV.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by three (3) days prior to the scheduled Confirmation Hearing or it will not be counted.

3. Deadline For Objecting to the Adequacy of Disclosure and Confirmation of the Plan

Objections to the confirmation of the Amended Plan must be filed with the Court and served upon the Debtor, c/o Brett A. Elam, Esq., 105 S. Narcissus Avenue, Suite 802, West Palm Beach, Florida, 33401 within five (5) days of the Confirmation Hearing.

4. Identity of Person to Contact for More Information

If you want additional information about the Amended Plan, you should contact the Debtors, c/o Brett A. Elam, Esq., 105 S. Narcissus Avenue, Suite 802, West Palm Beach, Florida 334401.

C. Disclaimer

The Court has not 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 Amended Plan meets the legal requirements for confirmation, and the fact that the Court has not approved this First Amended Disclosure Statement does not constitute an endorsement of the Amended Plan by the Court, or a recommendation that it be accepted.

II. BACKGROUND

A. Description and History of the Debtor's Business

The Debtors are individuals. The Debtors reside in Palm Beach County, Florida. The Debtors purchased numerous rental properties for investments during the real estate boom. However, upon the market crash, the Debtors experienced several vacancies in their rental properties. Based upon these vacancies, the Debtors rental income was reduced, which caused the Debtors to become delinquent in the mortgages secured by the rental properties. In an attempt to retain their rental properties, the Debtors utilized the Debtor husband's income to try and keep the rental property mortgages current. However, rather than bring the rental property mortgages current, the Debtors became delinquent in the mortgage secured by their homestead real property.

The Debtor husband is the general manager of First Petro Management, Inc. ("First Petro"). First Petro owns and operates a gas station and convenient store located in Palm Beach County, Florida. The Debtor husband has no ownership interest in First Petro, but has been employed there for over a year.

B. Insiders of the Debtor

The Debtors are individuals, therefore, there are no insiders that have received any compensation during the "look-back" period for this Bankruptcy.

C. Management of the Debtor Before and During the Bankruptcy

The Debtors are individuals. As such, there has been no management prior to the bankruptcy filing. The Debtors managed their own affairs at all times prior to the filing of this bankruptcy. Moreover, the Debtors will continue to manage their affairs post-petition.

D. Events Leading to Chapter 11 Filing

The Debtors purchased numerous rental properties for investments during the real estate boom. However, upon the market crash, the Debtors experienced several vacancies in their rental properties. Based upon these vacancies, the Debtors rental income was reduced, which caused the Debtors to become delinquent in the mortgages secured by the rental properties. In an attempt to retain their rental properties, the Debtors utilized the Debtor husband's income to try and keep the rental property mortgages current. However, rather than bring the rental property mortgages current, the Debtors became delinquent in the mortgage secured by their homestead real property.

E. Significant Events During the Bankruptcy Case

After the Petition Date, the Debtors filed their Application to Employ Bankruptcy Counsel, which was heard by

B25B (Official Form 25B) (12/08) - Cont.

the Court. After notice and a hearing, the Bankruptcy Court approved retention of current counsel. Further, the Debtors filed their Case Management Summary, as well as prepared, reviewed, and submitted all documents required by the United States Trustee Checklist. Subsequently, the Debtors attended the Initial Debtor Interview, as well as attending and testifying at the 11 U.S.C. Section 341 First Meeting of Creditors. As the Debtors had filed a previous bankruptcy, the Debtors were required to seek an Order from the Bankruptcy Court extending the automatic stay. Additionally, this bankruptcy is the second Chapter 11 bankruptcy the Debtors have filed. The previous Chapter 11 bankruptcy, **Case No.: 14-23919-BKC-PGH**, was filed in 2014. However, it was dismissed in 2016.

On November 22, 2016, the Debtors filed a Motion to Value and Determine Secured Status of Lien of Flagstar Bank, NA, on Real Property (**DE#56**). Despite the fact the Debtors filed the same Motion in the prior Chapter 11, which was granted by the Court, in an abundance of caution, the Debtors refiled the Motion in the instant bankruptcy. Upon granting this Motion, the Order entered will determine the lien held by Flagstar Bank, NA, is void, and the underlying debt is an unsecured debt. Again, in the previous bankruptcy, the Debtors filed a Verified Motion for Referral to Mortgage Modification Mediation with Lender JPMorgan Chase Bank (**DE#63 in Case No.: 14-23919-BKC-PGH**). In that matter, the parties did not reach an agreement. However, the Debtors had made a proposal to the creditor related to the mortgage securing their homestead real property. In the prior Chapter 11, the Debtors filed a Motion to Deem Real Property Surrendered (**DE#87 in Case No.: 14-23919-BKC-PGH**), wherein the Debtors sought to surrender real properties located at 2472 Caravelle Circle, Kissimmee, FL 34746, 2456 Caravelle Circle, Kissimmee, FL 34746, and 7147 White Trillium Circle, Orlando, FL 32818. The Court heard this matter, and entered its Order Approving Notice of Intent to Surrender Real Property (**DE#106 in Case No.: 14-23919-BKC-PGH**) on May 29, 2015. Pursuant to this Order, JPMorgan Chase Bank, NA, was provided with in rem stay relief in relation to the real properties, and were allowed to foreclose the Debtors' interest in these properties. However, the Order did not provide JPMorgan Chase Bank, NA, the ability to seek any in personum relief against the Debtors individually. As this Order was entered in the previous bankruptcy for JPMorgan Chase Bank, NA, to finalize the foreclosure on the three (3) parcels of rental property owned by the Debtors but JPMorgan was only able to finalize two (2) of the foreclosure proceedings, the Debtors shall file the same Motion in this matter, so JPMorgan may finalize the remaining foreclosure proceeding.

On November 22, 2016, the Debtors filed two (2) separate amendments to their initial Schedules. Both amendments contained debts, which the Debtors assert are disputed. The initial Amendment, an Amended Summary of Schedules, Amended Schedule D, Amended Schedule E/F, and Amended Declaration Relating to Schedules (**DE#58**), was filed to dispute the claims of JPMorgan Chase Bank, NA, Flagstar Bank, Inc., Bayview Financial, Bank of America, NA, and Deutsche Bank and Trust Company. The second amendment, an Amended Summary of Schedules, Amended Schedule E/F, and Amended Declaration Relating to Schedules (**DE#59**), was filed to dispute the claims of HSBC, Peninsula Bank, and Real Time Solutions. The Debtors dispute these debts based upon the date of default. The Debtors assert these debts are not valid debts as the statute of limitations to enforce the debt has run. As such, the Debtors assert the holders of these claims are not entitled to receive payment on their unsecured deficiency claims. Additionally, if the holders of such debt file claims in the Estate, the Debtors shall file Claims Objections to each of the Proofs of Claim, if filed. Upon information and belief, a Proof of Claim has been filed by PennyMac Loan Services, LLC, **Proof of Claim #6-1**. This claim was filed based upon a debt the Debtors believe is unenforceable based upon the Statute of Limitations. The Debtors also will be objecting to the claim filed by Real Time Solutions, Inc., **Proof of Claim #4-1**, on the same basis.

F. Projected Recovery of Avoidable Transfers

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions.

G. Claims Objections

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan. As it now stands, the Debtors shall file an objection to the Proof of Claim filed by PennyMac Loan Services, LLC, **Proof of Claim #6-1**, as the debt is unenforceable based upon the statute of limitations. The Debtors also will be objecting to the claim filed by Real Time Solutions, Inc., **Proof of Claim #4-1**, on the same basis.

H. Current and Historical Financial Conditions

The identity and fair market value of the estate's assets are listed in Exhibit B. The value of the assets disclosed in Exhibit B was provided by the Debtors, who evaluated the condition, age, and type of the asset as to others in the area.

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

III. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS**A. What is the Purpose of the Plan of Reorganization?**

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

B. Unclassified Claims

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

1. Administrative Expenses

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the effective date of the Plan, unless a particular claimant agrees to a different treatment.

The following chart lists the Debtor's estimated administrative expenses, and their proposed treatment under the Plan:

<u>Type</u>	<u>Estimated Amount Owed</u>	<u>Proposed Treatment</u>
Expenses Arising in the Ordinary Course of Business After the Petition Date		Paid in full on the effective date of the Plan, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date		Paid in full on the effective date of the Plan, or according to terms of obligation if later
Professional Fees, as approved by the Court.	The Debtors' attorney received a retainer of \$4,000.00 for the filing of the instant Chapter 11 bankruptcy for the Debtors. The Debtors did not	Paid in full on the effective date of the Plan, or according to separate written agreement, or according to court order if such fees have not been approved by the Court on the effective date of the Plan

B25B (Official Form 25B) (12/08) - Cont.

6

	<p>provide any further form of retainer.</p> <p>Approximately \$10,000.00, but the final amount will be determined by the Bankruptcy Court after reviewing Counsel's Application for Fees.</p>	
Clerk's Office Fees		Paid in full on the effective date of the Plan.
Other administrative expenses		Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	\$325.00 per month	Paid in full on the effective date of the Plan
TOTAL		

2. Priority Tax Claims

Priority tax claims 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. The only creditor in this class would be the Internal Revenue Service, who filed a proof of claim. The proof of claim was **Proof of Claim #1-1**, and in the amount of \$200.00. All existing priority tax claims shall be paid in full within thirty (30) days of the Confirmation Order being entered.

C. Classes of Claims and Equity Interests

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

1. Classes of Secured Claims

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim.

The following chart lists all classes containing Debtor's secured prepetition claims and their proposed treatment under the Plan:

<u>Class #</u>	<u>Description</u>	<u>Insider ? (Yes or No)</u>	<u>Impairment</u>	<u>Treatment</u>

B25B (Official Form 25B) (12/08) - Cont.

7

<u>Class #</u>	<u>Description</u>	<u>Insider ? (Yes or No)</u>	<u>Impairment</u>	<u>Treatment</u>
1	<p>Secure claim of: JPMorgan Chase Bank, NA</p> <p>Collateral Description 19323 Skyridge Circle, Boca Raton, FL 33498</p> <p>Allowed Secured Amount \$599,022.56 (includes the unpaid principal balance of \$402,455.93, plus the fees, advances, and other unpaid amounts advanced by JPMorgan Chase Bank, NA, of \$196,566.63)</p> <p>Priority of lien First Mortgage Lien</p> <p>Principal owed \$402,455.93</p> <p>Pre-pet. arrearage \$196,566.63 (includes all accrued interests and escrow advances)</p> <p>Total claim \$599.022.56</p>	N	Impaired	<p>Monthly payment \$4,191.41 (includes payment of the allowed secured claim plus \$601.78 for taxes. The Debtors will pay the insurance separately)</p> <p>Pmts Begin Thirty (30) days after the Effective Date.</p> <p>Pmts End Twenty-five (25) years after the payment begins.</p> <p>Interest rate % 5.25%</p> <p>Treatment of Lien The Creditor's lien will remain in full force and effect. The remaining portion of the original note and mortgage shall remain the same and in full force and effect.</p> <p>The Debtors attempted a modification through the Court's MMM Program. However, this attempt was unsuccessful, and no agreement was reached. However, if a modification is reached outside the bankruptcy, the Debtors payment would be changed to this Class to reflect the agreement reached.</p>

B25B (Official Form 25B) (12/08) - Cont.

8

<u>Class #</u>	<u>Description</u>	<u>Insider ? (Yes or No)</u>	<u>Impairment</u>	<u>Treatment</u>
2	Secure claim of: JPMorgan Chase Bank, NA Collateral Description 2456 Caravelle Circle, Kissimmee, FL 34746 Allowed Secured Amount \$323,000.00 Priority of lien First Mortgage Lien Principal owed 323,000.00 Pre-pet. arrearage Unknown Total claim Unknown	N	Unimpaired	Property will be surrendered. Any deficiency from the real property sale would be an unsecured debt. The Debtors have disputed any deficiency claim on the basis the statute of limitations to pursue said claim has expired.
3	Secure claim of: JPMorgan Chase Bank, NA Collateral Description 7147 White Trillium Circle, Orlando, FL 32818 Allowed Secured Amount \$323,000.00 Priority of lien First Mortgage Lien Principal owed 323,000.00 Pre-pet. arrearage Unknown Total claim Unknown	N	Unimpaired	Property will be surrendered. Any deficiency from the real property sale would be an unsecured debt. The Debtors have disputed any deficiency claim on the basis the statute of limitations to pursue said claim has expired.

B25B (Official Form 25B) (12/08) - Cont.

9

<u>Class #</u>	<u>Description</u>	<u>Insider ? (Yes or No)</u>	<u>Impairment</u>	<u>Treatment</u>
4	<p>Secure claim of: JPMorgan Chase Bank, NA (claim was filed by PennyMac Loan Services, LLC, Proof of Claim #6-1.)</p> <p>Collateral Description 2472 White Trillium Circle, Orlando, FL 32818</p> <p>Allowed Secured Amount \$322,370.00</p> <p>Priority of lien First Mortgage Lien</p> <p>Principal owed \$322,370.00</p> <p>Pre-pet. arrearage Unknown</p> <p>Total claim Unknown</p>	N	Unimpaired	Property will be surrendered. Any deficiency from the real property sale would be an unsecured debt. The Debtors have disputed any deficiency claim on the basis the statute of limitations to pursue said claim has expired.
5	<p>Secure claim of: Coral Kay Resort HOA</p> <p>Collateral Description 2472 Whit Trillium Circle, Orlando, FL 32818</p> <p>Allowed Secured Amount Unknown</p> <p>Priority of lien HOA Lien</p> <p>Principal owed Unknown</p> <p>Pre-pet. arrearage Unknown</p> <p>Total claim Unknown</p>	N	Unimpaired	Property will be surrendered. Any deficiency from the real property sale would be an allowed unsecured claim.

B25B (Official Form 25B) (12/08) - Cont.

10

<u>Class #</u>	<u>Description</u>	<u>Insider ? (Yes or No)</u>	<u>Impairment</u>	<u>Treatment</u>
6	<p>Secure claim of: Enclave at Hiawassee HOA</p> <p>Collateral Description 2472 White Trillium Circle, Orlando, FL 32818</p> <p>Allowed Secured Amount \$17,047.21</p> <p>Priority of lien HOA Lien</p> <p>Principal owed \$17,047.21</p> <p>Pre-pet. arrearage Unknown</p> <p>Total claim Unknown</p>	N	Unimpaired	Property will be surrendered. Any deficiency from the real property sale would be an allowed unsecured claim.
7	<p>Secure claim of: Flagstar Bank, NA</p> <p>Collateral Description 19323 Skyridge Circle, Boca Raton, FL 33498</p> <p>Allowed Secured Amount \$0.00</p> <p>Priority of lien Stripped Second Mortgage Lien</p> <p>Principal owed \$417,550.00</p> <p>Pre-pet. arrearage Unknown</p> <p>Total claim \$417,550.00</p>	N	Impaired	The Debt was stripped pursuant to the Order Granting Motion to Value and Determine Secured Status of Lien on Real Property by Flagstar Bank, NA (DE#56). Pursuant to the Order, this Class will have an unsecured claim. However, the Debtor shall object to any unsecured claim as the statute of limitations to pursue said claim has expired. However, if the Court overrules the Debtors' Objection, the deficiency claim shall be treated in Class 8.

2. Classes of Priority Unsecured Claims

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the effective date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept different treatment. **There are no such claims.**

3. Class of General Unsecured Claims

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code.

The following chart identifies the Plan's proposed treatment of Class Eight (8), which contain general unsecured claims against the Debtors:

Class #	Description	Impairment	Treatment
8	General Unsecured Class (If the Court sustains the Debtors' objection to the claims of the unsecured creditors, who hold deficiency claims related to mortgages, or the claimants fail to file a claim, this class shall have a total amount of claims of \$107,923.44. However, if the Court overrules the Debtors' objections to the claims filed related to the deficiency claims and/or the claimants file allowed claims, this class shall total \$2,994,731.41)	Impaired	<p>Monthly payment \$520.00</p> <p>Pmts Begin Thirty (30) days after the Effective Date.</p> <p>Pmts End Fifty (50) months after the initial payment</p> <p>Interest rate % Zero percent (0%)</p> <p>Estimated percent of claim paid 24.1% (if the Court sustains the Debtors' objection to the claims related to unsecured deficiency claims and/or the disputed claimants fail to file a proof of claim.)</p> <p>0.9% (if the Court overrules the Debtors' objection to the claims related to unsecured deficiency claims and/or the disputed claimants fail to file a proof of claim.)</p>

4. Class of Equity Interest Holders

Equity interest holders are parties who hold an ownership interest (i.e., equity interest) in the Debtor. In a corporation, entities holding preferred or common stock are equity interest holders. In a partnership, equity interest holders include both general and limited partners. In a limited liability company ("LLC"), the equity interest holders are the members. Finally, with respect to an individual who is a debtor, the Debtor is the equity interest holder.

The following chart sets forth the Plan's proposed treatment of the class of equity interest holders:

Class #	Description	Impairment	Treatment
9	Equity interest holders	Unimpaired	The Debtors will retain all ownership interest in the assets.

D. Means of Implementing the Plan**1. Source of Payments**

Payments and distributions under the Plan will be funded by the following:

The Debtor husband will utilize his income from First Petro Management, Inc. The reasoning for the deficient experienced by the Debtors prior to the filing of the bankruptcy was a result of the investment properties they owned. The Debtors have surrendered these parcels of real property, and will only be responsible for their home mortgage. Further, the second mortgage has been stripped, which will allow the Debtors to have more money to pay towards the first mortgage. The Debtor husband manages a convenience store owned by First Petro Management, Inc. While the Debtor has not ownership interest in First Petro Management, Inc., his salary can increase based upon the performance of the store under his management. As the store the Debtor husband manages has seen an increase in sales, the Debtor husband's salary has increased. Based upon this increase, the Debtor husband's income differs from that shown on Schedule I.

Further the income disclosed on the Debtor's Schedule I was an average income calculated by the Debtor. The income disclosed within the Monthly Operating Reports is the actual income the Debtor earns, after the increase in his salary. Based upon the Debtor husband's salary, after his increase, the Debtor earns \$12,000.00 per month. There are taxes deducted in the amount of \$2,500.00 per month. Based upon the taxes deducted, the Debtor has a net monthly income of \$9,500.00. Pursuant to the Pro Forma budget prepared by the Debtor, there are monthly household expenses totaling \$4,352.50. The monthly expenses include monthly HOA dues, as well as homeowner's insurance premiums. The expenses disclosed on the Debtors' Schedule J totaled \$3,982.50. However, the current expenses of the Debtor are \$4,352.50, as disclosed above. Based upon the Debtors' actual current expenses, the net monthly income for the Debtors' household is \$5,174.50. Pursuant to the terms of the Chapter Plan of Reorganization, the Debtor would be required to make monthly payments totaling \$4,711.41.

2. Post-confirmation Management

The Post-Confirmation Managers of the Debtors will stay the same, as they are individuals.

E. Risk Factors

The proposed Plan has the following risks:

The Debtor could become unemployed, which would cut off the Debtors income source, and result in a second default under the terms of this Plan. Further, the Debtor husband could have a catastrophic event occur on the premises of his gas station, which could cause the business to decrease. this would cause the income of the Debtor husband to be decreased.

F. Executory Contracts and Unexpired Leases

The Plan, in Exhibit 5.1, lists all executory contracts and unexpired leases that the Debtor will assume under the Plan. Assumption means that the Debtor has elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any. Exhibit 5.1 also lists how the Debtor will cure and compensate the other party to such contract or lease for any such defaults.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.

All executory contracts and unexpired leases that are not listed in Exhibit 5.1 will be rejected under the Plan. Consult your adviser or attorney for more specific information about particular contracts or leases.

If you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

The Deadline for Filing a Proof of Claim Based on a Claim Arising from the Rejection of a Lease or Contract Is thirty (30) days from the date of rejection. Any claim based on the rejection of a contract or lease will be barred if the proof of claim is not timely filed, unless the Court orders otherwise.

G. Tax Consequences of Plan

Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, And/Or Advisors.

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

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

A. Who May Vote or Object

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that Classes One (1), Seven (7) and Eight (8) are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. The Plan Proponent believes that Classes Two (2), Three (3), Four (4), Five (5), Six (6) and Nine (9) are unimpaired and that holders of claims in this class, therefore, do not have the right to vote to accept or reject the Plan.

1. What Is an Allowed Claim or an Allowed Equity Interest?

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

The deadline for filing a proof of claim in this case was October 29, 2014.

2. What Is an Impaired Claim or Impaired Equity Interest?

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

3. Who is Not Entitled to Vote

The holders of the following five types of claims and equity interests are not entitled to vote:

holders of claims and equity interests that have been disallowed by an order of the Court;

holders of other claims or equity interests that are not "allowed claims" or "allowed equity interests" (as discussed above), unless they have been "allowed" for voting purposes.

holders of claims or equity interests in unimpaired classes;

holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and

holders of claims or equity interests in classes that do not receive or retain any value under the Plan;

administrative expenses.

Even If You Are Not Entitled to Vote on the Plan, You 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.

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.

A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

2. Treatment of Nonaccepting Classes

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

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

C. Liquidation Analysis

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is attached to this Disclosure Statement as Exhibit D.

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.

1. Ability to Initially Fund Plan

The Plan Proponent believes that the Debtor will have enough cash on hand on the effective date of the Plan to pay all the claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the effective date of the Plan.

2. Ability to Make Future Plan Payments And Operate Without Further Reorganization

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments.

The Plan Proponent has provided a Pro Forma budget, in the form of an Income Statement. The Pro Forma Income Statement is attached as Exhibit E. Based upon the information contained within the Pro Forma Income Statement, the Debtor earns a monthly salary of \$12,000.00 per month. There are taxes deducted in the amount of \$2,500.00 per month. Based upon the taxes deducted, the Debtor has a net monthly income of \$9,500.00. Pursuant to the Pro Forma budget prepared by the Debtor, there are monthly household expenses totaling \$4,352.50. The Debtors' net monthly income is \$5,174.50. Pursuant to the terms of the Chapter 11 Plan of Reorganization, the Debtor would be required to make monthly payments totaling \$4,711.41. This leaves the Debtors' with a monthly surplus of \$463.09. On a year by year analysis, the Debtor will receive periodic raises at work, and this shall be enough to cover any increase in the monthly expenses of the Debtor, or any increase in taxes or insurance.

You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.

V. EFFECT OF CONFIRMATION OF PLAN

A. DISCHARGE OF DEBTOR

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

B. Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan.

The Plan Proponent 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 Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

B25B (Official Form 25B) (12/08) - Cont.

16

VI. OTHER PLAN PROVISIONS

NONE.

/s/ Syed Ali Raza /s/ Iram Hussain Raza

Syed Ali Raza and Iram Hussain Raza

[Signature of the Plan Proponent]

/s/ Brett A. Elam

Brett A. Elam 576808

[Signature of the Attorney for the Plan Proponent]

EXHIBITS

B25A (Official Form 25A) (12/11)

United States Bankruptcy Court
Southern District of Florida

In re **Syed Ali Raza**
Iram Hussain Raza

Debtor(s)

Case No. **16-18176-BKC-EPK**
 Chapter **11**

SYED ALI RAZA AND IRAM HUSSAIN RAZA'S CHAPTER 11
PLAN OF REORGANIZATION, DATED NOVEMBER 28, 2016

ARTICLE I
SUMMARY

This Chapter 11 Plan of Reorganization (the "Plan") filed under chapter 11 of the Bankruptcy Code (the "Code") proposes to pay creditors of Syed Ali Raza and Iram Hussain Raza (collectively the "Debtor") from future income of the Debtor husband from First Petro Management, Inc.

This Plan provides for Seven (7) classes of secured claims; One (1) Class of unsecured claims; and One (1) class of equity security holders. Unsecured creditors holding allowed claims will receive distributions, which the proponent of this Plan has valued at approximately twenty-four and one one-hundredth (24.1) cents on the dollar, if the Bankruptcy Court sustains the Debtors' objections to claimants who hold unsecured deficiency claims as they are time barred. However, if the Bankruptcy Court overrules the Debtors' objections, unsecured creditors holding allowed claims will receive distributions, which the proponent of this Plan has valued at approximately less than one (1) cent on the dollar. This Plan also provides for the payment of administrative and priority claims.

All creditors and equity security holders should refer to Articles III through VI of this Plan for information regarding the precise treatment of their claim. A disclosure statement that provides more detailed information regarding this Plan and the rights of creditors and equity security holders has been circulated with this Plan. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)**

ARTICLE II
CLASSIFICATION OF CLAIMS AND INTERESTS

- 2.01 Class 1. The Claim of JPMorgan Chase Bank, NA, to the extent allowed as a secured claim under § 506 of the Code, in the real property located at 19323 Skyridge Circle, Boca Raton, FL 33498. The Debtors have filed a Verified Motion for Referral to the Mortgage Mediation Modification Program, and have received an Order referring the parties to same. The parties were unable to reach a modification through the MMM process. However, the parties are continuing to negotiate outside the MMM process. At this time, the Debtors propose a monthly payment in the amount of \$4,191.41, which includes principal and interest of \$3,589.68, plus ongoing taxes of \$601.73. The Debtors are paying the insurance direct. The Class would receive 5.25% interest on the Unpaid Principal Balance. The Debtors propose an unpaid principal balance of \$599,022.56, which includes the unpaid principal balance of \$402,455.93, plus all escrow advances and other fees paid on behalf of the Debtors by JPMorgan Chase Bank, NA, in the amount of \$196,566.63. **However, if a modification is reached outside the bankruptcy, the Debtors payment would be changed to this Class to reflect the agreement reached.**
- 2.02 Class 2. The secured claim of JPMorgan Chase Bank, NA, to the extent allowed as a secured claim under § 506 of the Code, in the real property located at 2456 Caravelle Circle, Kissimmee, FL 34746. The Debtors will surrender the real property securing the mortgage back to the Creditor. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.

- 2.03 Class 3. The secured claim of JPMorgan Chase Bank, NA, to the extent allowed as a secured claim under § 506 of the Code, in the real property located at 2456 Caravelle Circle, Kissimmee, FL 34746. The Debtors will surrender the real property securing the mortgage back to the Creditor. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.
- 2.04 Class 4. The secured claim of JPMorgan Chase Bank, NA, to the extent allowed as a secured claim under § 506 of the Code, in the real property located at 7417 White Trillium Circle, Orlando, FL 32818. The Debtors will surrender the real property securing the mortgage back to the Creditor. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.
- 2.05 Class 5. The secured claim of Coral Kay Resort HOA, to the extent allowed as a secured claim under § 506 of the Code, in the real property located at 7417 White Trillium Circle, Orlando, FL 32818. The Debtors will surrender the real property securing the mortgage back to the Creditor. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.
- 2.06 Class 6. The secured claim of Enclave at Hiawassee HOA, to the extent allowed as a secured claim under § 506 of the Code, in the real property located at 7417 White Trillium Circle, Orlando, FL 32818. The Debtors will surrender the real property securing the mortgage back to the Creditor.
- 2.07 Class 7. The stripped secured claim of Flagstar Bank, NA. The claim is in the amount of \$417,550.00, and was the second mortgage secured by the Debtors' homestead real property located at 19323 Skyridge Circle, Boca Raton, FL 33498. The Debtors stripped this debt. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.
- 2.08 Class 8. All unsecured claims allowed under § 502 of the Code.
- 2.09 Class 9. The interests of the individual Debtors in property of the estate.

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

3.01 Unclassified Claims. Under section §1123(a)(1), administrative expense claims, "gap" period claims in an involuntary case allowed under § 502(f) of the Code, and priority tax claims are not in classes.

3.02 Administrative Expense Claims. Each holder of an administrative expense claim allowed under § 503 of the Code and a "gap" claim in an involuntary case allowed under § 502(f) of the Code will be paid in full on the effective date of this Plan (as defined in Article VII), in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor.

3.03 Priority Tax Claims. There are no holders of a priority tax claim in this Estate. The Internal Revenue Service filed a Proof of Claim, Claim 5-1, on September 25, 2014, in the amount of \$7,109.67. However, on March 4, 2015, the Internal Revenue Service filed an Amended Proof of Claim, Claim 5-2, in the amount of \$0.00. As such, there are no priority tax claims in this Estate.

3.04 United States Trustee Fees. All fees required to be paid by 28 U.S.C. §1930(a)(6) (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 the effective date.

ARTICLE IV
TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

4.01 Claims and interests shall be treated as follows under this Plan:

Class	Impairment	Treatment
Class 1 - Secured Claim of JPMorgan Chase Bank, NA	Impaired	<p>The Debtors have filed a Verified Motion for Referral to Mortgage Mediation Modification Program. The parties were unable to reach a modification through the MMM process. However, the parties are continuing to negotiate outside the MMM process. At this time, the Debtors propose a monthly payment in the amount of \$4,191.41, which includes principal and interest of \$3,589.68, plus ongoing taxes of \$601.73. The Debtors are paying the insurance direct. The Class would receive 5.25% interest on the Unpaid Principal Balance. The Debtors propose an unpaid principal balance of \$599,022.56, which includes the unpaid principal balance of \$402,455.93, plus all escrow advances and other fees paid on behalf of the Debtors by JPMorgan Chase Bank, NA, in the amount of \$196,566.63.</p> <p>However, if a modification is reached outside the bankruptcy, the Debtors payment would be changed to this Class to reflect the agreement reached.</p>
Class 2 - Secured Claim of JPMorgan Chase Bank, NA	Unimpaired	<p>The Debtor is surrendering the real property securing this mortgage located at 2456 Caravelle Circle, Kissimmee, FL 34746. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.</p>
Class 3 - Secured Claim of JPMorgan Chase Bank, N	Unimpaired.	<p>The Debtor is surrendering the real property securing this mortgage located at 7417 White Trillium Circle, Orlando, FL 32818. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.</p>

B25A (Official Form 25A) (12/11) - Cont.

4

Class 4 - Secured CLaim of JPMorgan Chase Bank, NA	Unimpaired	The Debtor is surrendering the real property securing this mortgage located at 2472 White Trillium Circle, Orlando, FL 32818. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.
Class 5 - Secured Claim of Coral Kay Resort HOA	Unimpaired	The Debtor is surrendering the real property securing this mortgage located at 2472 White Trillium Circle, Orlando, FL 32818. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.
Class 6 - Secured Claim of Enclave at Hiawassee HOA	Unimpaired	The Debtor is surrendering the real property securing this mortgage located at 2472 White Trillium Circle, Orlando, FL 32818. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.
Class 7 - Stripped Secured Claim of Flagstar Bank, NA	Impaired	The Debtors have obtained an Order from the Bankruptcy Court, Order Granting Motion to Value and Determine Secured Status of Lien on Real Property held by Flagstar Bank, NA (DE#62), stripping the mortgage from the real [property located at 19323 Skyridge Circle, Boca Raton, FL 33498. The Debtors shall object to this Class receiving an unsecured deficiency claim in Class 8 based upon the statute of limitations expiring on the collection of said debt.
Class 8 - General Unsecured Claims of the Debtor	Impaired	If the Bankruptcy Court sustains the Debtors' objection to the unsecured deficiency claims of all claimants who are time barred by the statute of limitations, this claims within this Class shall total \$107,923.44. Additionally, the Debtors will pay this Class a total of \$26,000.00 over fifty (50) months. The Debtors will pay \$520.00 per month, which is to be distributed pro rata at zero percent (0%) interest. The payments will begin thirty (30) days after the Effective Date. This Class shall receive approximately 24.1% of their allowed claims.

B25A (Official Form 25A) (12/11) - Cont.

5

		If the Bankruptcy Court overrules the Debtors' objection to the unsecured deficiency claims of all claimants who are time barred by the statute of limitations, this claims within this Class shall total \$2,994,731.41. Again, the Debtors will pay this Class a total of \$26,000.00 over fifty (50) months. The Debtors will pay \$520.00 per month, which is to be distributed pro rata at zero percent (0%) interest. The payments will begin thirty (30) days after the Effective Date. This Class shall receive approximately less than one percent (1%) of their allowed claims.
Class 9 - Equity Security Holders of the Debtor	Unimpaired	The Debtors shall retain their interests in their assets.

ARTICLE V ALLOWANCE AND DISALLOWANCE OF CLAIMS

5.01 Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed by a final non-appealable order, and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.

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

5.03 Settlement of Disputed Claims. The 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 PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.01 Assumed Executory Contracts and Unexpired Leases.

(a) The Debtor assumes the following executory contracts and/or unexpired leases effective upon the effective date of this Plan as provided in Article VII:

Name of Other Parties to Lease or Contract	Description of Contract or Lease
-NONE-	

(b) The Debtor will be conclusively deemed to have rejected all executory contracts and/or unexpired leases not expressly assumed under section 6.01(a) above, or before the date of the order confirming this Plan, upon the effective date of this Plan. A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed no later than thirty (30) days after the date of the order confirming this Plan.