

United States Bankruptcy Court
Middle District of Florida
Tampa Division

In re

C&G Coin Laundry's Inc

Debtor

Case No 16-18651

RAM Chapter 11

DISCLOSURE STATEMENT

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I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the chapter 11 case of C&G Coin Laundry's Inc (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the plan (the "Plan") filed by Debtor. A full copy of the Plan is served with this disclosure statement. ***Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.***

The proposed distributions under the Plan are discussed in this Disclosure Statement. General unsecured creditors are classified in Class , and will receive a distribution of % 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 Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

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

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

1. *Time and Place of the Hearing to Finally Approve This Disclosure Statement and Confirm the Plan*

The hearing at which the Court will determine whether to finally approve this Disclosure Statement and confirm the Plan will take place pursuant to the court order served herewith.

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 as instructed on the ballot. See section IV.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by the date specified in the ballot or it will not be counted.

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

Objections to this Disclosure Statement or to the confirmation of the Plan must be filed with the Court and served upon counsel as required in the court order served herewith.

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

If you want additional information about the Plan, you should contact **Joel Aresty 305-904-1903** or **Aresty@icloud.com**.

C. **Disclaimer**

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

II. **BACKGROUND**

A. **Description and History of the Debtor's Business**

Date of Order for Relief under chapter 11 (filing date of petition if voluntary chapter 11 petition): 6/17/16

Names, case numbers and dates of filing of related debtors: Carlo Anacreon stockholder filed chapter 13 6/4/15 case 15-20151 LMI

Description of debtor's business: coin laundry 6230 NW 2 Ave, Miami FL 33150
General description and approximate value of the debtor's assets: \$200,000 45 washing machines and 40 dryers

Reasons for filing chapter 11: Water utility threatened to shut off service which threatened ongoing operation of business

Debtor's fiscal or calendar year to date gross income and the debtor's gross income for

the calendar or fiscal year prior to the filing of this petition: \$141,000 2014, \$141,262 2015; \$100,000 2016

B. Insiders of the Debtor

Insiders of the Debtor consist of owners Fabiola Anacreon and Carlo Anacreon, her father

C. Management of the Debtor Before and During the Bankruptcy

officers and directors, and their salaries and benefits at the time of filing and during the 1 year prior to filing: Fabiola Anacreon President 70% owner Carlo Anacreon officer no salaries 30% owner

D. Events Leading to Chapter 11 Filing

Miami-Dade Water and Sewer Department

E. Significant Events During the Bankruptcy Case

Debtor filed a voluntary petition under chapter 11 of the Bankruptcy Code on 6/17/16. Claims bar date is October 31, 2016 and for government units December 14, 2016

F. Post-Confirmation Management and Compensation

officers and directors, and their salaries and benefits at the time of filing and during the 1 year prior to filing: Fabiola Anacreon President 70% owner Carlo Anacreon officer 30% owner no salaries.

G. Projected Recovery of Avoidable Transfers

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

H. 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.

I. Current and Historical Financial Conditions

Debtor's fiscal or calendar year to date gross income and the debtor's past gross income:

2016: Year to date of filing \$50,000

2015: \$141,000

2014: \$141,000

Significant Events During the Bankruptcy Case and Plan

The Plan in this case proposes to pay its obligations over 60 months from confirmation of the plan estimated at Feb. 2017.

I. 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.

Debtor's estimated administrative expenses, and their proposed treatment. Joel Aresty counsel for debtor in possession has an administrative claim for fees and costs estimated at \$20,000 in excess of retainer paid.

1. 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 following chart lists the Debtor's estimated § 507(a)(8) priority tax claims and their proposed treatment under the Plan:

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

Class		Impairment	Treatment
Administrative Joel Aresty		n/a	estimated \$15,000 to be paid
Class 1 - Priority Claims claim 2 Miami-Dade tax gov claim		impaired.	188.10 paid at confirmation
Class 2 Secured Claim Miami Dade claim 2 2015-2016 tangible tax claim		impaired	\$663.22 paid at confirmation
Class 3 - General Unsecured Creditors non-insider		impaired	Allowed non insider unsecured claims will be paid 100% in 60 equal payments beginning effective date. at \$848.68 monthly any insider claims will be subordinated but retain their claims
Miami-Dade Water claim 1	31,620.52		
comcast	800		
FPL	1500		
sprint	4000		
Teco	5000		
Tiger claim 3	7412.03		
total	50,332.5550,332.55		
Class 4 - Equity Security Holders of the Debtor		impaired	Equity Holders will retain their interests

D. Means of Implementing the Plan

1. Source of Payments

Payments and distributions under the Plan will be funded by the debtor by the ongoing operation of the business.

E. Risk Factors

The proposed Plan has the following risk factors: Debtor's ability to fund could be affected by financial default, but the proven track record of earnings makes that doubtful.

F. Assumption of Executory Contracts and Unexpired Leases

The Plan, in VI, 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. Debtor's landlord insider at its business location has agreed to assumption of its lease.

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.

The Bankruptcy Code 11 USC 1125 (a) requires a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case, that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan

Tax Consequences to the Debtor and Reorganized Debtor

Debtor is a corporation. The corporation uses form 1120 to report income and files 941 Quarterly Federal Tax Returns and 940 unemployment tax returns. The tax attributes go to the individual level of Fabiola and Carlo Anacreon passing corporate income, losses, deductions and credits through to its owners (shareholders) for federal tax purposes. Corporation owners report the income and losses on their personal tax returns and are assessed tax at their individual income tax rates. Thus, the corporation avoids double taxation on the corporate income.

Tax Consequences to Creditors

Holders of Claims receiving cash generally will recognize gain or loss on the exchange equal to the difference between the holder's basis in the Claim and the amount of cash received that is not allocable to interest. The character of any recognized gain or loss will depend upon the status of the Creditor, the nature of the Claim in its hands and the holding period of such claim.

If a Creditor has treated a Claim as wholly or partially worthless and been allowed and received a tax benefit due to a bad debt deduction, the Claim holder will include the amount of cash received in income to the extent such cash exceeds the holder's remaining tax basis in the Claim.

Holders of Claims may be entitled to installment sales treatment or other deferral with respect to the distribution they receive subsequent to the Effective Date. Holders of Claims may already have claimed partial bad debt deductions with respect to their Claims. The IRS may take the position that holders of Allowed Claims cannot claim an otherwise allowable further loss in the year in which their Claim is allowed because such claimants could receive further distributions. Thus, a holder of a Claim could be prevented from recognizing a loss until the time when its Claim has been liquidated and distributions have been completed. If a holder of a Claim is permitted to recognize a loss in the

year of the Effective Date by treating the transaction as a "closed transaction" at such time, such holder may recognize income on any subsequent distribution.

The Debtor will comply with all applicable reporting requirements of the Internal Revenue Code.

II. CONFIRMATION REQUIREMENTS AND PROCEDURES

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

A. Who May Vote or Object

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

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

In this case, the Plan Proponent believes that classes are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan.

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 9/6/16.

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; and 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 and to the Adequacy of the Disclosure Statement.

The creditors which were disputed and failed to file claims, have their interests extinguished by 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 holds 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.

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.

1. *Treatment of Nonaccepting Classes "Cram Down"*

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 A evidencing creditors are much better off in this case than they would be in a chapter 7 case.

D. Feasibility

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan. The financial track record of debtor evidences it should be able to make the payments due under 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. See exhibit B.

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 the projected financial information in exhibit B.

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

III. EFFECT OF CONFIRMATION OF PLAN

DISCHARGE OF DEBTOR

Debtor is a Corporation. On the confirmation date of this Plan, the debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt: (i) imposed by this Plan; (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in § 1141(d)(6)(B).

Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan.

However, the Court may require a new disclosure statement and/or re voting on the Plan.

Upon request of the Debtor, the United States trustee, or the holder of an allowed unsecured claim, the Plan may be modified at any time after confirmation of the Plan but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan.

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.

Respectfully submitted,

C&G Coin Laundry's Inc
/s/ Fabiola Anacreon
[Signature of the Plan Proponent]
/s/ Joel M. Aresty Joel M. Aresty 197483
[Signature of the Attorney for the Plan Proponent]

Exhibits

**Exhibit A– Value of Property
And Liquidation Analysis**

Assets at Liquidation

cash	1100			
receivables	0			
furniture	0			
equipment	200000			
utility depos	1500			
lease security	0			
total	202600			

Liabilities in Liquidation

ch 7 atty cpa	30000			
ch 11 admin	15000			
total	45000			

Net

assets	202600			
liabilities	(45000)			
total	157600			

Unsecured Claims

Miami-Dade Water claim 1	31,620.52
comcast	800
FPL	1500
sprint	4000
Teco	5000
Tiger claim 3	7412.03
total	50,332.55

Percentage of Claims Which secured Creditors Would Receive Or Retain in a Chapter 7 Liquidation: 100%

Percentage of Claims Which Allowed claims of secured Creditors Will Receive or Retain under the Plan: 100%

Percentage of Claims Which Unsecured Creditors Would Receive Or Retain in a Chapter 7 Liquidation: 100%

Percentage of Claims Which Allowed claims of Unsecured Creditors Will Receive or Retain under the Plan: 100%

Exhibit B

Plan Payments at confirmation

Class 1 Miami Dade tax	188.10
Class 2 Miami Dade Tang	663.22
Class 3 Unsecured	838.88
total	1690.2

Joel Aresty admin claim \$15,000 will be agreed to be paid \$1500 month outside plan

Plan Payments for 60 months

Class 1 Miami Dade tax	
Class 2 Miami Dade Tang	
Class 3 Unsecured	838.88
total	838.88

Feasibility

Gross Income
average \$11,750 (last two years)

Expenses
average \$7900 (last two years)

Average Net Income \$3850 (last two years)

Plan Payments \$838.88

Net- Net Income \$3011

UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF FLORIDA
www.flsb.uscourts.gov

In re:
 C & G Coin Laundry's Inc.
 Debtor _____/

Case No. 16-18651 RAM
 Ch 11

Ex C

BALLOT AND DEADLINE FOR FILING BALLOT ACCEPTING OR REJECTING PLAN

TO HAVE YOUR VOTE COUNT YOU MUST COMPLETE AND RETURN THIS BALLOT BY THE DEADLINE (AS SET PURSUANT TO LOCAL RULE 3018-1)

The plan filed by Debtor can be confirmed by the court and thereby made binding on you if it is accepted by the holders of two-thirds in amount and more than one-half in number of claims in each class and the holders of two-thirds in amount of equity security interests in each class voting on the plan. In the event the requisite acceptances are not obtained, the court may nevertheless confirm the plan if the court finds that the plan accords fair and equitable treatment to the class rejecting it.

Creditor: _____ for the following type of claim placed in the indicated class in the indicated amount:

TYPE OF CLAIM	CLASS IN PLAN	AMOUNT OF CLAIM
Secured		\$
Unsecured		\$
Equity Security Holder		\$

The undersigned [Check One Box] Accepts Rejects
 the plan for reorganization of the above-named debtor.

Signed:
 Print Name:
 Address:
 Phone:
 Date:

FILE THIS BALLOT ON OR BEFORE

with: **Office of the Clerk C. Clyde Atkins United States Courthouse 301 North Miami Avenue, Room 150 Miami, FL 33128**
 and JOEL ARESTY aresty@icloud.com

If you have more than one type of claim against this debtor, separate ballots must be filed and you should receive a ballot for each type of claim eligible to vote. Contact the plan proponent regarding incorrect or insufficient ballot(s).