

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
West Palm Beach Division

IN RE:

PBA EXECUTIVE SUITES, LLC,
d/b/a Republic Executive Suites of America,

CASE NO. 16-26136
CHAPTER 11

Debtor.

THIRD AMENDED PLAN OF REORGANIZATION

ARTICLE I

SUMMARY

This Plan of Reorganization (the “Plan”) under chapter 11 of the Bankruptcy Code (the “Code”) proposes to pay creditors of Railside, LLC (the “Debtor”) from future income.

This Plan provides for three classes of secured claims and two classes of unsecured claims. This Plan also provides for the payment of administrative claims.

All creditors 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 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

2.1 Class 1. The secured claim of Valley National Bank to the extent allowed as a secured claim under § 506 of the Code.

2.2 Class 2. The secured claim of Republic Western Investments Co, LLC to the extent allowed as a secured claim under § 506 of the Code.

2.3 Class 3. The secured claim of Swift Capital to the extent allowed as a secured claim under § 506 of the Code.

- 2.4 Class 4. The unsecured claims.
- 2.5 Class 5. The interests of the individual Debtors in the property of the estate.

ARTICLE III

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

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

3.2 Administrative Expense Claims. Unless set forth below, each holder of an administrative expense claim allowed under § 503 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.

3.3 Internal Revenue Service. The Internal Revenue Service has filed a priority claim in the amount of \$96,033.47 which will be allowed an interest rate of 4%. The Debtor will pay \$1,913.91 for 55 months for the total amount to be paid of \$105,265.05.

3.4 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

The Plan shall provide for the payment of all expenses of this proceeding, including fees due the Office of the U.S. Trustee. The accompanying Plan of Reorganization divides creditors into the following classes:

Class 1 – The secured claim of Valley National Bank in the amount of \$276,169.16. The Debtor had a prepetition arrearage of \$5,898.68 and a post-petition arrearage of \$15,972.48. As an

over secured creditor, Valley National is also entitled to attorneys fees in the amount of \$10,466.73. The Debtor will pay attorneys fees and cure the pre-petition and post-petition arrearages with interest of 10% over 60 months. The monthly payment to cure the arrearages and fees is \$687.08. The Debtor will also pay its regularly scheduled payment of \$1996.86 per month. After 60 months, the mortgage will be current. This class is impaired.

Class 2 – The secured claim of Republic Western Investments Co, LLC (“Republic”) in the amount of \$204,011.00. As an over secured creditor, Republic is also entitled to post-petition attorneys fees in the amount of \$23,000.00. Republic has agreed to accept \$11,000.00 towards the post-petition attorney’s fees on the effective date. Republic’s claim, including the remaining \$12,000.00 post-petition attorney’s fees, shall be amortized over 5 years at 12% with a balloon payment of \$144,667.81 in month 25. The payment for the first 24 months shall be \$4,805.05. This class is impaired.

Class 3 – The secured claim of Swift Capital in the amount of \$166,110.74. This amount has been reduced post-petition and the Debtor currently owes \$55,487.60 which includes attorneys’ fees. The amount owed to Swift shall be paid over 33 weeks in the amount of \$1,681.71 per week. At the end of 15 months Swift will be fully satisfied. The class is impaired.

Class 4 – Unsecured claims will be paid in full over 60 months. The estimated amount of the unsecured claims is \$80,000.00. The unsecured claims will be paid pro rata over 60 months by sharing a payment of \$1,333.33 per month. The class is impaired.

Class 5 – Palm Beach Atlantic Financial Group (“PBAFG”) has loaned the Debtor \$680,111.31 to date. PBAFG will not receive any payment until previous four classes are satisfied. Upon satisfaction of the other creditors, PBAFG shall be paid in its entirety over a period of 60 months. The Class is impaired.

Class 6 – The Debtor shall retain all property of the estate.

ARTICLE V

ALLOWANCE AND DISALLOWANCE OF CLAIMS

5.1 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.

5.2 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.

5.3 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

Assumed Executory Contracts and Unexpired Leases.

The Debtor has commercial leases on two properties located at 20283 South State Road 7, Boca Raton, Florida and 1375 Gateway Blvd, Boynton Beach, Florida. These leases are assumed.

The Debtor has an equipment lease with Pitney Bowes. That lease is rejected.

All leases with sub-tenants of the properties located at 20283 South State Road 7, Boca Raton, Florida and 1375 Gateway Blvd, Boynton Beach, Florida are assumed.

ARTICLE VII

GENERAL PROVISIONS

7.1 Definitions and Rules of Construction. The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan and they are supplemented by the following definitions:

7.2 Effective Date of Plan. The effective date of this Plan is the tenth business day following the

date of the entry of the order of confirmation. However, if a stay of the confirmation order is in effect on that date, the effective date will be the first business day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

7.3 Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

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

7.5 Controlling Effect. Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of Florida govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

7.6 Binding Effect of the Plan. The provisions of this Plan shall be binding upon the Debtor and all Creditors receiving treatment under the Plan and shall inure to the benefit of the Reorganized Debtor, their predecessors, successors, assigns, agents, officers and partners.

7.7 The Debtors may settle, enforce, or adjust any claim or interest which belonged to the Debtors or to the estate prior to confirmation.

ARTICLE VIII

DISCHARGE

In accordance with 11 U.S.C. § 1141(d)(1), the confirmation of the Plan discharges the Debtor

from any debt that arose before the date of such confirmation.

The discharge will be fully effective against all creditors regardless of whether they have voted to accept or reject the Plan and regardless of whether the Plan is confirmed by consent or by resort to the provisions of § 1129(b) of the Bankruptcy Code. Except as otherwise provided in the Plan, the confirmation of the Plan vests all of the property of the estate in the Debtor.

Respectfully submitted

s/ William Smith _____
PBA Executive Suites
By William Smith its Chief Financial Officer

BRIAN K. MCMAHON, P.A.
1401 Forum Way, 6th Floor
West Palm Beach, FL 33401
Tel (561)478-2500
Fax (561)478-3111
briankmcmahon@gmail.com

____s/ Brian K. McMahon _____
Brian K. McMahon
FL Bar No. 853704