

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE:)	
)	CHAPTER 11
TAMARACK CONDOMINIUM)	
ASSOCIATION, INC.,)	CASE NO. 15-71565-PWB
)	
Debtor.)	
)	

**DISCLOSURE STATEMENT FOR
PLAN OF REORGANIZATION FOR
TAMARACK CONDOMINIUM ASSOCIATION, INC.**

Dated this 28th day of October, 2016

Filed by:

Tamarack Condominium Association, Inc.

Attorney for Debtor and Debtor in Possession,
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1. Introduction and General Information

This disclosure statement (“Disclosure Statement”) is submitted by Tamarack Condominium Association, Inc., (the “Debtor”), to provide information to parties in interest about the Chapter 11 Plan (the “Plan”) filed by Debtor. This introductory section is qualified in its entirety by the detailed explanations which follow and the provisions of the Plan.

This Disclosure Statement sets forth certain information regarding Debtor’s prepetition history and events that have occurred during the Debtor’s Chapter 11 case. This Disclosure Statement also describes the Plan, alternatives to the Plan, effects of confirmation of the Plan, and the manner in which Distributions will be made under the Plan. In addition, this Disclosure Statement discusses the confirmation process and voting procedures that holders of Claims in Impaired Classes must follow for their votes to be counted.

Parties voting on the Plan should read both the Plan and this Disclosure Statement.

A. Summary of the Plan

The Plan provides for one class of secured claims and one class of general unsecured claims.

B. Definitions

Unless otherwise defined, capitalized terms used in this Disclosure Statement have the meanings ascribed to them in the Plan. In the event of an inconsistency between the Disclosure Statement and the Plan, the terms of the Plan shall govern and such inconsistency shall be resolved in favor of the Plan. The Filing Date, as defined in the Plan, shall mean November 6, 2015, and the Effective Date, as defined in the Plan, shall mean the date that is thirty (30) days after the entry of a Confirmation Order.

C. The Disclosure Statement

The primary purpose of this Disclosure Statement is to provide parties entitled to vote on the Plan with adequate information so that they can make a reasonably informed decision prior to exercising their right to vote to accept or reject the Plan.

The Bankruptcy Court’s approval of this Disclosure Statement constitutes neither a guaranty of the accuracy or completeness of the information contained herein, nor an endorsement of the Plan by the Bankruptcy Court.

When and if confirmed by the Bankruptcy Court, the Plan will bind Debtor and all holders of Claims against and Interests in Debtor, whether or not they are entitled to vote or did vote on the Plan and whether or not they receive or retain any Distributions or property under the Plan. Thus, you are encouraged to read this Disclosure Statement carefully. In particular, holders of Impaired Claims who are entitled to vote on the Plan are encouraged to read this Disclosure Statement, the Plan, and any exhibits to the Plan and Disclosure Statement, carefully and in their entirety before voting to accept or reject the Plan. This Disclosure Statement contains important information about the Plan, the method and manner of distributions under the Plan, considerations pertinent to acceptance or rejections of the Plan, and developments concerning this case.

II. Voting on the Plan and Confirmation Process

A. Voting Instructions

Accompanying this Disclosure Statement are copies of the following documents: (1) the Plan; and (2) a Ballot to be executed by holders of Claims in Class 2 to accept or reject the Plan. The Ballot contains voting instructions. Please read the instructions carefully to ensure that your vote will count.

The Disclosure Statement, the form of Ballot, and the related materials delivered together herewith (collectively, the "Solicitation Package"), are being furnished to Holders of Claims in Class 2 for the purpose of soliciting votes on the Plan.

If you did not receive a Ballot in your Solicitation Package, and believe that you should have received a Ballot, please contact, Herbert C. Broadfoot II, P.C., 3343 Peachtree Road, NE, Suite 200, Atlanta, Georgia, 30326, (404) 926-0058, (Attn: Herbert C. Broadfoot II, Esq.).

In order for your Ballot to count, it must be received within the time indicated on the Ballot and the Ballot must clearly indicate your Claim, the Class of your Claim and the amount of your Claim.

By enclosing a Ballot, Debtor is not admitting that you are entitled to vote on the Plan, is not admitting that your Claim is allowed as set forth on the Ballot, and is not waiving any right to object to your vote or your Claim.

B. Who May Vote

Only a holder of an Allowed Claim classified in an Impaired Class is entitled to vote on the Plan. As set forth in section 1124 of the Bankruptcy Code, a class is "Impaired" if legal, equitable, or contractual rights attaching to the claims of that class are modified or altered.

Any class that is “unimpaired” is not entitled to vote to accept or reject a plan of reorganization and is conclusively presumed to have accepted the Plan.

A Claim must be “allowed” for purposes of voting in order for such creditor to have the right to vote. Generally, for voting purposes a Claim is deemed “allowed” absent an objection to the Claim if (1) a proof of claim was timely filed, or (ii) if no proof of claim was filed, the Claim is identified in Debtor’s Schedules as other than “disputed,” “contingent,” or “unliquidated,” and an amount of the Claim is specified in the Schedules, in which case the Claim will be deemed allowed for the specified amount. In either case, when an objection to a Claim is filed, the creditor holding the Claim cannot vote unless the Bankruptcy Court, after notice of hearing, either overrules the objection, or allows the Claim for voting purposes. Accordingly, if you did not receive a Ballot and believe that you are entitled to vote on the Plan, you must file a motion pursuant to Bankruptcy Rule 3018 with the Bankruptcy Court for the temporary allowance of your Claim for voting purposes.

Debtor in all events reserves the right through the claim reconciliation process to object to or seek to disallow any claim for distribution proposed under the Plan.

C. Requirements of Confirmation

The Bankruptcy Court can confirm the Plan only if all the requirements of § 1129 of the Bankruptcy Code are met. Those requirements include the following:

1. The Plan classifies Claims and Interests in a permissible manner;
 2. The contents of the Plan comply with the technical requirements of the Bankruptcy Code;
 3. The Plan has been proposed in good faith and not by any means forbidden by law;
 4. The disclosures concerning the Plan are adequate and include information concerning all payments made or promised in connection with the Plan, as well as the identity, affiliations, and compensation to be paid to all officers, directors, and other insiders; and
 5. The principal purpose of the Plan is not the avoidance of tax or the avoidance of the securities laws of the United States.
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D. Acceptance or Rejection of the Plan

The Class containing your Claim will have accepted the Plan by the favorable vote of a majority in number and two-thirds in amount of Allowed Claims actually voting.

E. Confirmation Hearing

The Bankruptcy Court has scheduled a hearing on confirmation of the Plan (“Confirmation Hearing”) at the time indicated in the Order Approving this Disclosure Statement and providing Notice of Confirmation Hearing (the “Solicitation Order”). The Confirmation Hearing may be adjourned from time to time without further notice except for announcement at the Confirmation Hearing or notice to those parties present at the Confirmation Hearing.

F. Objections to Confirmation

As will be set forth in the Solicitation Order, any objections to confirmation of the Plan must be in writing, set forth the objector’s standing to assert any such objection, and must be filed with the Bankruptcy Court and served on counsel for Debtor. The Solicitation Order contains all relevant procedures relating to the submission of objections to confirmation and should be reviewed in its entirety by any party who has an objection to confirmation.

G. Whom to Contact for More Information

If you have any questions about the procedure for voting your Claim or the packet of materials you received, please contact Herbert C. Broadfoot II, Esq. at the address indicated below or by telephone at (404) 926-0058. If you wish to obtain additional copies of the Plan, this Disclosure Statement, or the exhibits to those documents, at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d), please contact Herbert C. Broadfoot II, P.C., 3343 Peachtree Road NE, Suite 200, Atlanta, Georgia, 30326; or by facsimile at (404) 926-0055, Attn: Herbert C. Broadfoot II, Esq., or by electronic mail at bert@hcbroadfootlaw.com.

III. Historical Background

A. Description of Debtor

Debtor is a Georgia nonprofit corporation. Debtor is a homeowners association formed in 1983 for the purpose of managing a 100-unit condominium complex located in south DeKalb County.

B. Current Management

Debtor is currently managed by its board of directors. Mildred Smith-Adams is the CEO. Debtor has employed Abacus Property Management, Inc. (“Abacus”) for approximately 10 years to provide operation and management services. Abacus handles receipts and disbursements of funds for the Debtor as well as accounting services.

C. Prepetition Assets and Liabilities

a. Debtor's assets as of the Filing Date consisted of (a) 3 condominium units with a value of approximately \$35,000; (b) \$1,000 cash; and (c) accounts receivable (unpaid homeowner assessments) of approximately \$908,000.

b. Debtor's liabilities consisted of secured claims totaling approximately \$200,000 and unsecured non-priority claims totaling approximately \$730,500. Information with respect to assets and liabilities was taken from Debtor's Schedules.

IV. The Chapter 11 Case

A. Reasons for Filing Chapter 11

Over the years since its construction, Tamarack has become a depressed community. The majority of units are investor-owned rather than owner-occupied, and a significant number of units are vacant. Many owners are delinquent in paying assessments.

In April of 2012 a fire occurred at Tamarack. Belfor USA Group, Inc. ("Belfor") was hired to rebuild the units destroyed by the fire. Belfor completed its work in 2013; however, disputes involving payment for the work arose. Belfor filed a claim for arbitration. Debtor needed to find a structured way to quantify and pay its debts and it determined to file this Chapter 11 case.

B. Professionals

On December 8, 2015, Debtor filed an application ("Application") requesting authorization to retain the law firm of Herbert C. Broadfoot II, P.C. to serve as bankruptcy counsel in this Case. On January 19, 2016, the Court entered an Order approving the Application.

C. Bar Date

On April 20, 2016, Debtor filed its Motion to Establish Bar Date for Filing Proofs of Claim (the "Bar Motion") wherein Debtor requested that the Court enter an order under Bankruptcy Rule 3003(c)(3) establishing July 6, 2016 as the deadline for filing proofs of claim. On May 2, 2016, the Court entered an Order granting the Bar Motion.

V. Summary of the Plan

The following summary of the Plan provides only a brief description of its provisions. The summary is qualified in its entirety by the more detailed descriptions of the Plan in the Disclosure Statement and by the terms of the Plan itself.

The Plan provides for an equitable distribution to creditors of Debtor. Debtor believes that any alternative to confirmation of the Plan, such as liquidation or attempts by other parties in interest to file a competing plan, would result in significant delays, litigation, job loss and/or impaired recoveries. Moreover, Debtor believes that the creditors will receive greater and earlier recoveries under the Plan than those that would be achieved in liquidation, or under an alternative Chapter 11 plan. **For these reasons, Debtor urges you to return your Ballots accepting Debtor's Plan.**

The Plan contemplates the reorganization and ongoing business operations of Debtor and the resolution of the outstanding Claims against the Debtor pursuant to sections 1129(b) and 1123 of the Bankruptcy Code. The Plan classifies all Claims against the Debtor into separate Classes.

VI. Description of the Plan

A. Retention of Property by Debtor

Upon confirmation, Reorganized Debtor will retain all of the property of the estate free and clear of liens, claims, and encumbrances not expressly retained by Creditors. Reorganized Debtor will have the rights and powers to assert any and all Causes of Action (defined as all causes of action, choses in action, claims, rights, suits, accounts or remedies belonging to or enforceable by Debtor, including Avoidance Actions, whether or not matured or unmatured, liquidated or unliquidated, contingent or noncontingent, known or unknown, or whether in law or in equity, and whether or not specifically identified in Debtor's schedules).

B. Parties Responsible for Implementation of the Plan

Upon confirmation, Reorganized Debtor will be charged with administration of the Case. Reorganized Debtor will be authorized and empowered to take such actions as are required to effectuate the Plan, including the prosecution and enforcement of Causes of Action.

Reorganized Debtor will file all post-confirmation reports required by the United States Trustee's office. Reorganized Debtor will also file the necessary final reports and will apply for a final decree as soon as practicable after substantial consummation, the completion of the claims analysis and objection process, and following entry of Final Orders in all Bankruptcy Court litigation.

C. Liabilities of Reorganized Debtor

Reorganized Debtor will not have any liabilities except those expressly assumed under the Plan. Reorganized Debtor will be responsible for all ongoing expenses and payments due and owing under the confirmed Plan.

D. Funding of the Plan

Debtor shall pay all claims from Debtor's collection of assessments and associated fees, rental income from units owned by Debtor, and sales (in the sole discretion of the board of directors) of units owned by the Debtor.

As further description of Debtor's intentions for funding the plan, the following information is provided. Since the Filing Date, Debtor has continued and accelerated its efforts to resolve its receivables, including acquiring through foreclosure or otherwise units that have not been paying assessments from individual debtors who are not good candidates for collection of cash to liquidate the debts. Since the Filing Date, titles to three (3) additional units have been acquired by Debtor, and a fourth additional unit was levied on and sold to a member of Debtor. As funds are available to make the units habitable, the units will be leased for current income, sold, or conveyed to creditors in partial satisfaction of any Allowed claim. Debtor anticipates that certain creditors will be offered titles to units as credits against Allowed claims where the Creditor is likely to be able to do certain repairs and then realize and net significantly more return than the Creditor would realize if Debtor liquidated the unit in "as is" condition.

Significant progress has also been made on resolving claims against DeKalb County, Georgia, for amounts due on four (4) units acquired by DeKalb County through tax sales on which assessments have not been paid since 2009 and 2010. Debtor anticipates presenting to the Bankruptcy Court for approval a proposed settlement that would result in a six-figure cash payment by DeKalb County plus conveyance of the four units to Debtor free and clear of any other claims.

Further, since the Filing Date, Debtor has obtained judgments against members for more than \$125,000, and those judgments are being pursued for collection for use in funding the plan. Debtor anticipates that some of the money judgments held will have to be liquidated through foreclosure of the units that secure the judgments. A number of additional suits and collections on older judgments are also being pursued aggressively. Debtor has further increased the number of owners making regular monthly payments since the Filing Date, and the percentage of non-Debtor owned units that pay monthly is expected to continue increasing.

In addition to the above, the Debtor commits to increasing monthly assessments no less than 5% per annum during the term of the Plan.

E. Provisions Regarding Executory Contracts

To the best of Debtor's knowledge, Debtor is not a party to any executory contract or lease other than the Management Agreement with Abacus and rental agreements with tenants in units owned by Debtor.

Any unexpired leases or executory contracts which are not assumed herein or subject to a pending motion to assume as of the Effective Date shall be deemed rejected pursuant to Section

365 of the Bankruptcy Code on the Effective Date unless already rejected by prior court order. A proof of claim for damages arising from such rejection must be filed in compliance with the Bankruptcy Rules on or before sixty (60) days after mailing of notice of the Confirmation Order. Any claims which are not timely filed will be disallowed and discharged.

F. Avoidance Actions and Retained Rights

The Plan provides that Debtor shall retain all rights of action against others. The Plan also provides that Debtor shall retain "Avoidance Actions" under Chapter 5 of the Bankruptcy Code.

Debtor may also have Claims against others which are retained. Notwithstanding the foregoing, Debtor is reviewing records and is not aware of any preference claims. Further, Debtor is not aware of any fraudulent conveyance claims.

Neither the Disclosure Statement nor Plan shall be deemed a waiver of any right of Debtor under any lease or any applicable laws. Debtor expressly reserves the right to exercise any and all remedies available to Debtor under the leases, at law or in equity, at such time or times as Debtor from time to time may elect. Any failure by Debtor to assert or set forth the occurrence of any other default or events of default which may have occurred shall not be deemed to be a waiver, release or estoppel of such other default or event of default. Debtor hereby expressly reserves the right to declare any such other default or event of default and to take such other action as Debtor may be entitled to under the lease or applicable law. No delay on the part of Debtor in exercising any right or remedy under the lease or failure to exercise the same shall operate as a waiver in whole or in part of any right or remedy. The Disclosure Statement and Plan are filed with a full reservation of rights.

G. Treatment of Claims and Interests

Class 1 consists of the secured claim of Lipshutz Greenblatt, LLC. The claim is secured by liens on the three (3) units owned by Debtor at the Filing Date. Lipshutz Greenblatt shall retain its liens and shall be paid at such time and in such amount as may be generated by sales of the units.

Class 2 consists of all claims of general unsecured creditors. Debtor shall pay \$5,000 quarterly to this Class for five (5) years, a total of \$100,000. The quarterly payments will commence on the 1st day of the month that follows the Plan Confirmation by 120 days. Each Allowed Claim shall receive a proportionate share of the quarterly payment. Reorganized Debtor may in its sole discretion transfer units that it owns to holders of Allowed Claims in lieu of cash for values to be agreed upon.

VII. Administrative Expenses

A. Summary. Pursuant to section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims against Debtor are not classified for purposes of voting on, or receiving Distributions under the Plan. Holders of such Claims are not entitled to vote on this

Plan. All such Claims are instead treated separately in accordance with this Article VII and in accordance with the requirements set forth in section 1129(a)(9)(A) of the Bankruptcy Code.

B. Administrative Expense Claims

1. Subject to the provisions of sections 328, 330(a) and 331 of the Bankruptcy Code, each holder of an Allowed Administrative Expense Claim will be paid the full unpaid amount of such Allowed Administrative Expense Claim in Cash on the latest of (1) the Effective Date, (ii) as soon as practicable after the date on which such Claim becomes an Allowed Administrative Expense Claim, (iii) upon such other terms as may be agreed upon by such holder and Debtor or Reorganized Debtor, or (iv) as otherwise ordered by the Bankruptcy Court; provided, however, that Allowed Administrative Expense Claims representing obligations incurred by Debtor in the ordinary course of business, or otherwise assumed by Debtor on the Effective Date pursuant to this Plan, including any tax obligations arising after the Filing Date, will be paid or performed by Reorganized Debtor when due in accordance with the terms and conditions of the particular agreements or non-bankruptcy law governing such obligations.

2. Except as otherwise provided in this Plan, any claimant holding an Administrative Expense Claim, other than an Administrative Expense Claim arising from the operation by Debtor of its business in the ordinary course of business, shall file a proof of such Administrative Expense Claim with the Bankruptcy Court within thirty (30) days after Reorganized Debtor provides notice by mail or by publication, in a form and manner approved by the Court, of the occurrence of the Effective Date. At the same time any claimant files an Administrative Expense Claim, such claimant shall also serve a copy of the Administrative Expense Claim upon counsel for Reorganized Debtor. Any claimant who fails to timely file and serve a proof of such Administrative Expense Claim shall be forever barred from seeking payment of such Administrative Expense Claims by Debtor, the Estate or Reorganized Debtor.

3. Anyone seeking an award by the Bankruptcy Court of Professional Compensation shall file a final application with the Bankruptcy Court for allowance of Professional Compensation for services rendered and reimbursement of expenses incurred through the Effective Date within sixty (60) days after the Effective Date or by such other deadline as may be fixed by the Bankruptcy Court.

Debtor's attorney fees during the remaining pendency of the case shall be paid as the same may be approved by the Bankruptcy Court. The Plan provides that Debtor may pay professional fees incurred after confirmation of the Plan without Court approval. Debtor shall pay all pre-confirmation fees of professionals as payment of the same is approved by the Court.

VIII. Tax Consequences

Tax consequences resulting from confirmation of the Plan can vary greatly among the various Classes of Creditors and holders of Interests, or within each Class. Significant tax consequences may occur as a result of confirmation of the Plan under the Internal Revenue Code and pursuant to state, local and foreign tax statutes. Because of the various tax issues involved, the differences in the nature of the Claims of various Creditors, the taxpayer status and methods of accounting and prior actions taken by Creditors with respect to their Claims, as well as the possibility that events subsequent to the date hereof could change the tax consequences, this discussion is intended to be general in nature only. No specific tax consequences to any Creditor or holder of an interest are represented, implied, or warranted. Each holder of a Claim or Interest should seek professional tax advice.

The proponent assumes no responsibility for the tax effect that consummation of the Plan will have on any given Holder of a Claim or Interest. Holders of Claims or Interest are strongly urged to consult their own tax advisors covering the federal, state, local and foreign tax consequences of the Plan to their individual situation.

IX. Liquidation Analysis

The Debtor's Plan provides funding for the Plan from the collection of ongoing dues and closings. In the event the Debtor's estate is liquidated, the unsecured creditors would receive approximately 5% to 10% of their claims, assuming Debtor could find a purchaser for its receivables. Conversion and liquidation under Chapter 7 of the Bankruptcy Code is not an option since Debtor is a nonprofit corporation and therefore ineligible for Chapter 7. Assets disposed of by "liquidation" or "fire" sale generally generate less proceeds than assets that are marketed and sold as a going concern.

X. Procedures for Treating and Resolving Disputed Claims

A. Objection to Claims

The Plan provides that Reorganized Debtor shall be entitled to object to Claims, provided however, that Debtor and Reorganized Debtor shall not be entitled to object to Claims (i) that have been Allowed by a Final Order entered by the Bankruptcy Court prior to the Effective Date or (ii) that are Allowed by the express terms of the Plan.

B. No Distribution Pending Allowance

Except as otherwise provided in the Plan, no Distribution will be made with respect to any portion of a Claim unless and until (i) the Claims Objection Deadline has passed and no objection to such Claim has been filed, or (ii) any objection to such Claim has been settled, withdrawn or overruled pursuant to a Final Order of the Bankruptcy Court.

C. Estimation of Claims

Debtor or Reorganized Debtor, as the case may be, may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to the Bankruptcy Code regardless of whether Debtor or Reorganized Debtor has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, Debtor (and after the Effective Date, Reorganized Debtor) may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and are not necessarily exclusive of one another.

D. Resolution of Claims Objections

On and after the Effective Date, Reorganized Debtor shall have the authority to compromise, settle, otherwise resolve, or withdraw any objections to Claims without approval of the Bankruptcy Court.

XI. Conditions Precedent to the Effective Date

A. Conditions to Confirmation

The following are conditions precedent to confirmation of the Plan that may be satisfied or waived : (a) the Bankruptcy Court shall have approved a Disclosure Statement with respect to the Plan; and (b) the Confirmation Order shall have been signed by the Bankruptcy Court and entered on the docket of the Bankruptcy Court.

B. Conditions to Effective Date

The following are conditions precedent to the occurrence of the Effective Date, each of which may be satisfied or waived.

- (a) The Confirmation Order shall not have been vacated, reversed or modified and, as of the Effective Date, shall not be stayed.
- (b) All documents and agreements to be executed on the Effective Date or otherwise necessary to implement the Plan shall be in form and substance that is acceptable to Debtor, in its reasonable discretion.

- (c) The Debtor shall have received any authorization, consent, regulatory approval, ruling, letter, opinion, or document that may be necessary to implement this Plan and that is required by law, regulation, or order.

Under the Plan, each of the conditions set forth above may be waived, in whole or in part, by Debtor without any notice to any other parties in interest or the Bankruptcy Court and without a hearing. The failure to satisfy or waive any condition to the Confirmation Date or the Effective Date may be asserted by Debtor in its sole discretion regardless of the circumstances giving rise to the failure of such condition to be satisfied (including any action or inaction by Debtor in its sole discretion). The failure of Debtor to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right, which may be asserted at any time.

XII. Certain Effects of Confirmation

A. Vesting of Debtor's Assets

Except as otherwise explicitly provided in the Plan, on the Effective Date, all property comprising the Estate (including Retained Actions, but excluding property that has been abandoned pursuant to an order of the Bankruptcy Court) shall revert in Debtor free and clear of all Claims, Liens, charges, encumbrances, rights and Interests of creditors, except as specifically provided in the Plan. As of the Effective Date, Reorganized Debtor may operate its business and use, acquire, and dispose of property and settle and compromise Claims or Interests without supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and Confirmation Order.

B. Discharge of Debtor

Pursuant to section 1141(d) of the Bankruptcy Code, except as otherwise specifically provided in the Plan or in the Confirmation Order, the Distributions and rights that are provided in the Plan shall be in complete satisfaction, discharge, and release of all Claims and Causes of Action, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in Debtor, Reorganized Debtor or its Estate that arose prior to the Effective Date.

C. Setoffs

The Debtor may, but shall not be required to, set off against any Claim, and the payments or other Distributions to be made pursuant to this Plan in respect of such Claim, claims of any nature whatsoever that the Debtor may have against such Holder; but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtor or the Reorganized Debtor of any such claim that the Debtor or the Reorganized Debtor may have against such Holder.

D. Exculpation and Limitation of Liability

Under the Plan, the Debtor, the Reorganized Debtor and any of such parties' respective current and/or post-Filing Date and pre-Effective Date members, officers, directors, employees advisors, attorneys, representatives, financial advisors, investment bankers, or agents and any of such parties' successors and assigns, shall not have or incur, and shall be released from, any claim, obligation, cause of action, or liability to one another or to any Holder of any Claim or Interest, or any other party-in-interest, or any of their respective agents, employees, representatives, financial advisor, attorneys, or Affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of the Bankruptcy Cases, the negotiation and filing of the Plan, the filing of the Bankruptcy Case, the pursuit of confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for their willful misconduct, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under the Plan. No Holder of any Claim or Interest, or other party in interest, none of their respective agents, employees, representatives, financial advisors, or Affiliates, and not successors or assigns of the foregoing, shall have any right of action against the parties listed in this provision for any act or omission in connection with, relating to, or arising out of the Bankruptcy Case, the pursuit of confirmation of the Plan, the consummation of the Plan, the administration of the Plan or the property to be distributed under the Plan.

E. Miscellaneous Plan Provisions

1. Modification of Plan

Debtor shall be allowed to modify the Plan to section 1127 of the Bankruptcy Code to the extent applicable law permits. Subject to the limitations contained in the Plan, pursuant to Article 13.1 of the Plan, Debtor may modify the Plan, before or after confirmation, without notice or hearing, or after such notice and hearing as the Bankruptcy Court deems appropriate, if the Bankruptcy Court finds that the Modification does not materially and adversely affect the rights of any parties in interest which have not had notice and an opportunity to be heard with regard thereto. In the event of any modification on or before confirmation, any votes to accept or reject the Plan shall be deemed to be votes to accept or reject the Plan as modified, unless the Bankruptcy Court finds that the modification materially and adversely affects the rights of parties in interest which have cast said votes. Debtor reserves the right in accordance with section 1127 of the Bankruptcy Code to modify the Plan at any time before the Confirmation Date.

2. Retention of Jurisdiction

The Plan provides that subsequent to the Effective Date, the Bankruptcy Court may have or retain jurisdiction for the following purposes:

- (a) To adjudicate objections concerning the allowance, priority or classification of Claims and any subordination thereof, and to establish a date or

dates by which objections to Claims must be filed to the extent not established in the Plan;

(b) To liquidate the amount of any disputed, contingent or unliquidated Claim, to estimate the amount of any disputed, contingent or unliquidated claim, to establish the amount of any reserve required to be withheld from any distribution under the Plan on account of any disputed, contingent or unliquidated claim;

(c) To resolve all matters related to the rejection, assumption and/or assignment of my Executory Contract or Unexpired Lease of Debtor;

(d) To hear and rule upon all Retained Actions, Avoidance Actions and other Causes of Action commenced and/or pursued by Debtor and/or Reorganized Debtor;

(e) To hear and rule upon all applications for Professional Compensation;

(f) To remedy any defect or omission or reconcile any inconsistency in the Plan, as may be necessary to carry out the intent and purpose of the Plan;

(g) To construe or interpret any provisions in the Plan and to issue such orders as may be necessary for the implementation, execution and consummation of the Plan, to the extent authorized by the Bankruptcy Code;

(h) To adjudicate controversies arising out of the administration of the Estate or the implementation of the Plan;

(i) To make such determinations and enter such orders as may be necessary to effectuate all the terms and conditions of the Plan, including the Distribution of funds from the Estate and the payment of claims;

(j) To determine any suit or proceeding brought by Debtor and/or Reorganized Debtor to recover property under any provisions of the Bankruptcy Code;

(k) To hear and determine any tax disputes concerning Debtor and to determine and declare any tax effects under the Plan;

(l) To determine such other matters as may be provided for in the Plan or the Confirmation Order or as may be authorized by or under the provisions of the Bankruptcy Code;

(m) To determine any controversies, actions or disputes that may arise under the provisions of the Plan, or the rights, duties or obligations of any Person under the provisions of the Plan;

(n) To adjudicate any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of, or in connection with, any agreement pursuant to which Debtor sold any of its assets during the Bankruptcy Cases; and

(o) To enter a final decree.

XIII. Confirmation and Consummation Procedure

A. General Information

All creditors whose Claims are Impaired by the Plan may cast their votes for or against the Plan. As a condition to confirmation of the Plan, the Bankruptcy Code requires that one Class of Impaired Claims votes to accept the Plan. Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a Class of Impaired Claims as acceptance by holders of at least two-thirds of the dollar amount of the class and by more than one-half in number of Claims. Holders of Claims who fail to vote are not counted as either accepting or rejecting a plan. Voting is accomplished by completing, dating, signing and returning the ballot form (the "Ballot") by the Voting Deadline. Ballots will be distributed to all creditors entitled to vote on the Plan and is part of the Solicitation Package accompanying the Disclosure Statement. The Ballot indicates (i) where the Ballot is to be filed and (ii) the deadline by which creditors must return their Ballots.

In the event of a default by Debtor or Reorganized Debtor in payments under the Plan, the holder of such claim must send written notice to Debtor at the address of record for Debtor as reflected on the then current docket for this Bankruptcy Case, unless such holder has received written notice of a change of address, via certified mail with a copy via email and regular mail to Herbert C. Broadfoot II at the address reflected in the then current directory of the State of Bar of Georgia. Debtor shall have ten (10) days from the receipt of the notice of default to cure such default.

B. Solicitation of Acceptances

This Disclosure Statement has been conditionally approved by the Court as containing "adequate information" to permit creditors to make an informed decision whether to accept or reject the Plan. Under the Bankruptcy Code, your acceptance of the Plan may not be solicited unless you receive a copy of this Disclosure Statement prior to, or concurrently with, such solicitation.

C. Acceptances Necessary to Confirm the Plan

At the Confirmation Hearing, the Court shall determine, among other things, whether the Plan has been accepted by Debtor's creditors. Impaired classes will be deemed to accept the

Plan if at least two-thirds in amount and more than one-half in number of the Claims in each class vote to accept the Plan. Furthermore, in such event, unless there is unanimous acceptance of the Plan by the impaired classes, the Court must also determine that any non-accepting Class members will receive property with a value, as of the Effective Date of the Plan, that is not less than the amount that such Class member would receive or retain if Debtor were liquidated as of the Effective Date of the Plan under Chapter 7 of the Bankruptcy Code.

D. Confirmation of Plan Pursuant to Section 1129(b)

The Bankruptcy Code provides that the Plan may be confirmed even if it is not accepted by all Impaired classes. Because there is only one Class entitled to vote, this provision is inapplicable

E. Considerations Relevant to Acceptance of the Plan

Debtor's recommendation that all Creditors should vote to accept the Plan is premised upon Debtor's view that the Plan is preferable to other alternatives for liquidation of Debtor's estate. It appears unlikely to Debtor that an alternate plan of reorganization or liquidation can be proposed that would provide for payments in an amount equal or greater than the amounts proposed under the Plan. If the Plan is not accepted, it is likely that the interests of all creditors will be further diminished.

Respectfully submitted, this 28th day of October, 2016.

Tamarack Condominium Association, Inc.

By: /s/ Mildred Smith-Adams

Name: Mildred Smith-Adams

Title: CEO

Debtor and Debtor in Possession

Herbert C. Broadfoot II, P.C.

/s/ Herbert C. Broadfoot II

Herbert C. Broadfoot II

Georgia Bar 083750

Attorney for Debtor

3343 Peachtree Road NE, Suite 200

Atlanta, Georgia 30326

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE:)	
)	CHAPTER 11
TAMARACK CONDOMINIUM)	
ASSOCIATION, INC.,)	CASE NO. 15-71565-PWB
)	
Debtor.)	
)	

CERTIFICATE OF SERVICE

This is to certify that I have this day served a true and correct copy of the foregoing **Disclosure Statement for Plan of Reorganization For Tamarack Condominium Association, Inc.** upon the parties listed below via the Court's ECF system, if such party is registered, or by depositing a copy of same in the United State Mail, first class postage prepaid and addressed to those parties not registered with ECF as follows:

David S. Weidenbaum, Esq.
Office of the United States Trustee
362 Richard B. Russell Building
75 Ted Turner Drive, SW
Atlanta, Georgia 30303
Via ECF Notice

This 28th day of October, 2016.

/s/ Herbert C. Broadfoot II
Herbert C. Broadfoot II
Georgia Bar No. 083750
Attorney for the Debtor

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