UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE:	)	CHAPTER 11
	)	
MRN Homes of Georgia, LLC,	)	CASE NO. 17-50831
	)	
Debtor.	)	

AMENDED DISCLOSURE STATEMENT WITH REGARD TO CHAPTER 11 PLAN SUBMITTED BY MRN HOMES OF GEORGIA, LLC, DEBTOR AND DEBTOR IN POSSESSION

May 31, 2017

Filed by:

MRN HOMES OF GEORGIA, LLC
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I. Introduction and General Information

This "Amended Disclosure Statement with Regard to Chapter 11 Plan Submitted by MRN Homes of Georgia, LLC, Debtor and Debtor in Possession" (the "Disclosure Statement") is submitted by MRN Homes of Georgia, LLC (the "Debtor"), to provide information to parties in interest about the "Chapter 11 Plan Submitted by MRN Homes of Georgia, LLC, Debtor and Debtor in Possession (the "Plan") filed by the 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 the Debtor's pre-petition history and significant events that have occurred during the Debtor's Chapter 11 Case. This Disclosure Statement also describes the Plan, alternatives to the Plan, and effects of confirmation of the Plan. In addition, this Disclosure Statement discusses the confirmation process.

This Disclosure Statement contains summaries of certain provisions of the Plan, statutory provisions, documents related to the Plan, events in the Debtor's Chapter 11 Case, and financial information. Although the Debtor believes that the Plan and related document summaries are fair and accurate, such summaries are qualified to the extent that they do not set forth the entire text of such documents or statutory provisions. The Debtor's management provided the factual information contained in this Disclosure Statement unless otherwise specifically noted. The Debtor is unable to warrant or represent that the information contained herein, including the financial information, is without any inaccuracy or omission. The Debtor has not subjected the financial data set forth herein to an independent audit.

Nothing contained herein shall (1) constitute an admission of any fact or liability by any party, (2) be admissible in any non-bankruptcy proceeding involving the Debtor or any other party; provided, however, that in the event the Debtor defaults under the Plan, the Disclosure Statement may be admissible in a proceeding relating to such default for the purpose of establishing the existence of such default, or (3) be deemed conclusive advice on the tax or other legal effects of the Debtor's Plan as to Holders of Claims or Interests. You should consult your personal counsel or tax advisor on any questions or concerns regarding tax or other legal consequences of the Plan.

Except for historical information, all the statements, expectations, and assumptions, including expectations and assumptions contained in this Disclosure Statement, are forward looking statements. Although the Debtor has used its best efforts to be accurate in making these forward looking statements, it is possible that the assumptions made by the Debtor may not materialize.

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

A. Definitions

Unless otherwise defined, capitalized terms used in this Disclosure Statement have the meanings ascribed to them in the Plan.

B. The Disclosure Statement

The primary purpose of this Disclosure Statement is to provide parties with adequate information so that they can have a reasonable understanding of the Plan and the respective

rights of the Debtor and each Creditor and Equity Member.

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 the Debtor and all Holders of Claims against and Interests in the Debtor, whether or not they are entitled to vote. Thus, you are encouraged to read this Disclosure Statement carefully. This Disclosure Statement contains important information about the Plan, the method and manner of payments under the Plan, and developments concerning the Chapter 11 Case.

II. Voting on the Plan and the Confirmation Process

A. Voting

Only a Holder of an Allowed Claim classified in an impaired Class is entitled to vote on the Plan. Under § 1124 of the Bankruptcy Code, a Class is impaired under the Plan unless the Plan (1) leaves unaltered the creditor's legal, equitable, and contractual rights, or (2) cures any defaults under the creditor's contract, reinstates its maturity, compensates the creditor for damages, and does not otherwise alter the creditor's rights.

In order to have an Allowed Claim you must (1) have timely filed a proof of claim, or (2) been listed in the Schedules as having a Claim that is not contingent, unliquidated or disputed. You are not required to file proof of your Claim if your Claim is listed by the Debtor in the Schedules and is not shown as being contingent, unliquidated or disputed. If your Claim was scheduled as contingent, unliquidated or disputed, you do not have an Allowed Claim, cannot vote, and will not participate in any payments under the Plan until your Claim becomes an Allowed Claim.

Only Holders of Allowed Claims in an impaired Class may vote on the Plan. Creditors whose Claims are unclassified or unimpaired may not vote. Under the Plan, Administrative Expense Claims, Professional Fee Claims, and Post-Confirmation Administrative Expense Claims are unclassified and not entitled to vote on the Plan. Under the Plan, no classes are impaired.

B. Voting Instructions

A ballot with voting instructions is being distributed with this Disclosure Statement. Please read the instructions carefully to ensure that your vote will count.

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, THE 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 RIGHTS TO OBJECT TO YOUR VOTE OR YOUR CLAIM.

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.

D. Confirmation Hearing

The Bankruptcy Court will schedule a hearing on confirmation of the Plan ("Confirmation Hearing") as will be set forth in the Order Approving Disclosure Statement and Notice of Confirmation Hearing. 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. Because this is a small business case, the Disclosure Statement may be preliminarily approved with a final hearing to be heard simultaneous with confirmation of the Chapter 11 Plan.

E. Objections to Confirmation

As will be set forth in the Order Approving Disclosure Statement and Notice of Confirmation Hearing, 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 the Debtor. The Order Approving Disclosure Statement and Notice of Confirmation Hearing 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.

III. Historical Background

A. Description of the Debtor.

MRN Homes of Georgia, LLC is a company owned by James Hewatt that provides residential roofing services. Debtor is primarily paid through residential owners' insurance policies. A large portion of Debtor's business is conducted in North Carolina. Debtor was forced to borrow money to

pay for roofing materials in advance after its rapid expansion. Insurance companies would pay 60-90 days after a roof was completed, but Debtor was required to purchase new materials for customers immediately. The extremely high interest rates associated with "factoring" loans rendered operating under such conditions unprofitable, despite the Debtor's growth. The Debtor estimates that it charges, on average, $11,000.00 per residential roof. As of the date of this Amended Disclosure Statement, Debtor estimates that 60% of its business is based in North Carolina and 40% is based in Georgia. Debtor's primary source of revenue is from reimbursement from home owners' insurance policies after installing a new roof to replace a damaged one. Debtor estimates that it completes an average of 55 roofs per month. Weather is typically the biggest obstacle that prevents Debtor from hitting its target number of roofs installed per month. The Debtor's largest expenses are roofing materials and the labor to install the roofs.

B. The Debtor's Liabilities and Assets

The Debtor's liabilities can be ascertained from the Debtor's schedules. As indicated by Debtor's Schedules, Debtor's assets are cash in its operating account, 3 work trucks (2014 GMC Sierra, 2016 Dodge Ram, and 2015 Jeep Renegade), accounts receivable, and various computer and office furniture.

C. Financials: The Debtor's projected income and expenses are attached to this Disclosure Statement as Exhibit "A".

IV. Reasons for Filing

See Section III.A.

V. Description of the Plan

A. Treatment of Leases and Contracts

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 sixty (60) days after the date of the order confirming this Plan.

B. Treatment of Claims and Interests

(1) Administrative Claims. Allowed Administrative Claims are not classified in the Plan and are treated as follows:

(a) Payment of Allowed Administrative Claims. Holders of Allowed Administrative Claims other than Professional Fee Claims will be paid in full in cash as soon as practicable after the later of the Effective Date or the date such Claim becomes an Allowed Administrative Claim, unless otherwise agreed to by the Holder thereof. Other than quarterly United States Trustee's fees, which will be paid as they come due, and Professional Fee Claims, which may be filed at any time prior to entry of a Final Decree, any request for payment of an Administrative Claim arising on or before the Confirmation Date must be filed no later than the Claims Bar Date (for

purposes of Administrative Claims, the first Business Day that is sixty (60) days after the Effective Date) or such Administrative Claim will be forever barred. The Reorganized Debtor (defined as the Debtor after the Effective Date of the Plan, which is ten (10) Business Days following entry of the Confirmation Order) will have the right to object to the allowance of any Administrative Claim.

(b) Payment of Professional Fee Claims. Professional Fee Claims with regard to the period prior to entry of the Confirmation Order will be paid in the amount awarded pursuant to orders of the Bankruptcy Court and will be paid in full in Cash as soon as practicable after the later of the Effective Date or the date such Claim becomes an Allowed Administrative Claim, unless otherwise agreed to by the Holder thereof. As of the date of this Disclosure Statement, the Court has approved an interim fee application made by the Law Office of Will B. Geer, LLC in the amount of $22,620.00 for legal fees and $1,791.31 in out-of-pocket expenses. Debtor's counsel estimates that an additional $20,000.00 of legal expenses will be required to confirm this case.

(c) Post-Confirmation Fees and Expenses. Post-Confirmation Administrative Claims (defined as costs and expenses incurred, after the Confirmation Date, in connection with administration and consummation of the Plan), other than Post-Confirmation Professional Fee Claims (defined as Post-Confirmation Administrative Claims for compensation earned, and reimbursement of expenses incurred, by attorneys, accountants, or other professionals employed by the Reorganized Debtor), will be paid as the same come due, without the necessity of Bankruptcy Court approval. Upon motion of any party in interest, the Bankruptcy Court may review any payment of such Post-Confirmation Administrative Claims and, if appropriate, order the return or refund of any such payment. Post-Confirmation Professional Fee Claims will be subject to review by the Notice Parties. A party seeking payment of a Post-Confirmation Professional Fee Claim must serve its invoice on the Notice Parties. Unless one or more of the Notice Parties files an objection with the Bankruptcy Court within fourteen (14) days of the receipt of the invoice, the Reorganized Debtor will be fully authorized without an order of the Bankruptcy Court to pay, on a monthly basis, one hundred percent (100%) of the fees and one hundred percent (100%) of the expenses incurred. If an objection is filed, then the Reorganized Debtor will still be fully authorized without an order of the Bankruptcy Court to pay, on a monthly basis, one hundred percent (100%) of the fees and one hundred percent (100%) of the expenses incurred that are not the subject to an objection. The Bankruptcy Court will retain jurisdiction over any objections to such fees and expenses that are filed and will be authorized to determine whether to allow any disputed Post-Confirmation Professional Fee Claims following a hearing on no less than fourteen (14) days notice to the parties to the dispute. After entry of a Final Decree, Post- Confirmation Professional Fee Claims will be paid as due without notice to the Notice Parties.

(2) Treatment of Classified Claims and Interests. Following Confirmation, all secured creditors shall retain their Liens against the Property. All retained Liens shall have the same priority and validity as existed as of the Petition Date. The Classified Claims and Interests, and their treatment, are as follows:

Class 1 (Secured Claim of Merchant Cash and Capital, LLC [BizFi, LLC]). Class 1 consists of the secured claim of Merchant Cash and Capital, LLC ("MCC"), also known as BizFi, LLC. Upon information and belief, MCC holds a first priority security interest in all debtor's accounts and property. ("Class 1 Collateral"). Debtor asserts that the balance owed to is approximately $354,275.00. Should MCC file a proof of claim, that proof of claim shall control, subject to objection by Debtor. Debtor shall pay the Secured Class 1 Claim amortized over a (seventy-two) 72 month term with interest accruing at the annual rate of 4.5% from the Effective Date with payment commencing on the 10th of the month following the Effective Date and continuing by the 10th day of each subsequent month in the estimated amount of $5,109.20 per month (the exact amount determined after determining the principal balance owed as of the Effective Date) and shall send such payments directly to MCC. Any payment made to MCC post-petition and prior to the Effective Date shall reduce the principal balance of the Secured Class 1 Claim by the amount paid. Any payments in excess of the aforementioned monthly payment after the Effective Date shall be applied to the principal balance of the Secured Class 1 Claim. MCC shall retain its lien on the Class 1 Collateral and the lien shall be valid and fully enforceable to the same validity, extent and priority as existed on the Filing Date ($321,859.31). The remaining balance of the Class 1 Claim (approximately $32,865.69) shall be classified as a Class 5 General Unsecured Clain.

Upon receipt of the then outstanding balance of the Secured Class 1 Claim, MCC (or its successors or assigns) shall release its lien on the Class 1 Collateral.

The Claim of the Class 1 Lender is impaired by the Plan and the Holder of Class 1 Claim is entitled to vote. Nothing herein shall constitute an admission as to the nature, validity, or amount of claim. Debtor reserve the right to object to any and all claims.

Class 2 (Ally Bank). Class 2 consists of the secured claims of Ally Bank ("Ally"). Debtor scheduled Ally as holding three secured claims as follows:

Class 2A: (2016 Dodge Ram 1500). Class 2A consists of the secured claim of Ally Bank. Upon information and belief, Ally Bank holds a first priority security interest in the following vehicle: 2016 Dodge Ram 1500, VIN 3C6RR6KT9GG249711 ("Class 2A Collateral"). Debtor asserts that the balance owed to Ally Bank is $37,753.52, minus any post-petition payments made pending confirmation of the Plan. Should Ally Bank file a proof of claim, that proof of claim shall control, subject to objection by Debtor. Debtor shall pay the Secured Class 2A Claim amortized over a (seventy-two) 72 month term with interest accruing at the annual rate of 4.5% from the Effective Date with payment commencing on the 10th of the month following the Effective Date and continuing by the 10th day of each subsequent month in the estimated amount of $599.30 per month and shall send such payments directly to Ally Bank. Any payments in excess of the aforementioned monthly payment after the Effective Date shall be applied to the principal balance of the Secured Class 2A Claim. Ally Bank shall retain its lien on the Class 2A Collateral and the lien shall be valid and fully enforceable to the same validity, extent and priority as existed on the Filing Date ($37,753.52). Any payments made prior to the Effective Date shall first be applied to reduce the principal amount due, then interest.

Upon receipt of the then outstanding balance of the Secured Class 2A Claim, Ally (or its successors or assigns) shall release its lien on the Class 2A Collateral.

Class 2B (2014 GMC Sierra). Class 2B consists of the secured claim of Ally Bank.

Upon information and belief, Ally Bank holds a first priority security interest in the following vehicle: 2014 GMC SIERRA VIN: 1GTR1UEHXEZ3753261 ("Class 2B Collateral"). Debtor asserts that the balance owed to Ally Financial is $25,961.76, minus any post-petition payments made pending confirmation of the Plan. Should Ally Bank file a proof of claim, that proof of claim shall control, subject to objection by Debtor. Debtor shall pay the Secured Class 2B Claim amortized over a (seventy-two) 72 month term with interest accruing at the annual rate of 4.5% from the Effective Date with payment commencing on the 10th of the month following the Effective Date and continuing by the 10th day of each subsequent month in the estimated amount of $412.12 per month and shall send such payments directly to Ally Financial. Any payments in excess of the aforementioned monthly payment after the Effective Date shall be applied to the principal balance of the Secured Class 2B Claim. Ally Bank shall retain its lien on the Class 2B Collateral and the lien shall be valid and fully enforceable to the same validity, extent and priority as existed on the Filing Date ($25,961.76). Any payments made prior to the Effective Date shall first be applied to reduce the principal amount due, then interest.

Upon receipt of the then outstanding balance of the Secured Class 2B Claim, Ally (or its successors or assigns) shall release its lien on the Class 2B Collateral.

Class 2C (2015 Jeep Renegade). Class 2C consists of the secured claim of Ally Bank. Upon information and belief, Ally Bank holds a first priority security interest in the following vehicle: 2015 JEEP RENEGADE VIN: ZACCJABT3FPB99295 ("Class 4 Collateral"). Debtor asserts that the balance owed to Ally Bank is $23,196.92, minus any post-petition payments made pending confirmation of the Plan. Should Ally Bank file a proof of claim, that proof of claim shall control, subject to objection by Debtor. Debtor shall pay the Secured Class 2C Claim amortized over a (seventy-two) 72 month term with interest accruing at the annual rate of 4.5% from the Effective Date with payment commencing on the 10th of the month following the Effective Date and continuing by the 10th day of each subsequent month in the estimated amount of $368.23 per month and shall send such payments directly to Ally Bank. Any payments in excess of the aforementioned monthly payment after the Effective Date shall be applied to the principal balance of the Secured Class 2C Claim. Ally Bank shall retain its lien on the Class 4 Collateral and the lien shall be valid and fully enforceable to the same validity, extent and priority as existed on the Filing Date ($23,196.92). Any payments made prior to the Effective Date shall first be applied to reduce the principal amount due, then interest.

Upon receipt of the then outstanding balance of the Secured Class 2C Claim, Ally (or its successors or assigns) shall release its lien on the Class 2C Collateral.

The Claims of the Class 2 Lender is impaired by the Plan and the Holder of Class 2 Claims is entitled to vote. Nothing herein shall constitute an admission as to the nature, validity, or amount of claim. Debtor reserve the right to object to any and all claims.

Class 3 (Junior Priority Pre-Petition Asserted Secured Claims)**:** Class 3 consists of the asserted pre-petition secured claims which are junior to the claim of MCC. The known asserted Holders of Class 3 Claims are:

Name of Secured Party	**Claim Amount**

PIRS Capital	$42,900.00
Kabbage, Inc.	$8,000.00
Pearl Capital Business Funding	$158,000.00
Yellowstone Capital, LLC	$103,000.00

Debtor's assets are fully secured and encumbered by the claims of MCC and Ally Bank. Accordingly, there are no assets to which Class 3 Secured Claims attach, and the allowed Secured Claim for any Holder of a Class 3 Secured Claim is $0.00.

The allowed amount of the Class 3 Secured Claims shall be $0.00 and the asserted security interest or any encumbrance of Debtor's assets shall continue and attach to the extent of $0.00. The remaining claims of the Holders of Class 3 Secured Claims shall be specifically reclassified as and paid pursuant to Class 3 General Unsecured Claims. On the Effective Date, the Holders of Class 3 Secured Claims shall terminate their UCC Financing Statement together with any and all other asserted liens or encumbrances against Debtor's assets. The resulting deficiency for a Class 3 Secured Claim shall be and is classified as a General Unsecured Class 3 Claim. Debtor shall be authorized to file a termination of the attendant UCC Financing Statement in the event any Holder of a Class 3 Secured Claim fails to cancel the same within ten (10) days of the Effective Date. Nothing herein shall constitute an admission as to the nature, validity, or amount of claim. Debtor reserves the right to object to any and all claims.

The Holders of an Allowed Class 3 Secured Claim are not impaired and are not entitled to vote to accept or reject the Plan pursuant to Class 3, provided such creditors shall hold and be entitled to vote an unsecured claim in Class 4 General Unsecured Claim as to the deficiency balance resulting from their Class 3 Secured Claim and underlying indebtedness in the amount set forth in Class 4 to the extent said holder holds an Allowed General Unsecured Claim.

Class 4 (General Unsecured Claims). Class 4 consists of all general unsecured creditors of the Debtor, including all Class 3 Secured Claimants that are reclassified as Class 4 claimants and the deficiency claim of MCC. Holders of Class 4 claims shall be paid in full at the federal judgment rate of interest as of the confirmation date in equal monthly installments beginning on the 10th day of the first month after the Effective Date and amortized over 96 months from the Effective Date. Payments on Class 4 claims shall be mailed to the address of the creditor on the proof of claim (or, if allowed pursuant to the schedules, to the address on the schedules), unless the creditor files a change of address notice with the Court. Any check mailed to the proper address and returned by the post office as undeliverable, or not deposited within 120 days, shall be void and the funds may be retained by the Debtor. This class is impaired and entitled to vote. Nothing herein shall constitute an admission as to the nature, validity, or amount of the Class 4 Claim. Debtor reserves the right to object to any and all claims.

Class 5 (Equity Security Holders). Class 5 consists of the Equity Holders of the Debtor. Each equity security holder will retain its/his Interest in the reorganized Debtor as such Interest existed as of the Petition Date. This class is not impaired and is not eligible to vote on the Plan.

(3) Funding of the Plan. The source of funds for payments pursuant to the Plan will be the profits of Debtor's roofing business. The Plan provides that Debtor shall act as the Disbursing Agent to make payments under the Plan unless Debtor appoints some other entity to do so. Debtor may maintain bank accounts under the confirmed Plan in the ordinary course of business. Debtor

may also pay ordinary and necessary expenses of administration of the Plan in due course.

(4) Avoidance Actions and Causes of Action. Prior to the filing of this Amended Disclosure Statement, Debtor brought a preference action against Yellowstone Capital, LLC pursuant to, *inter alia*, 11 U.S.C. §547 of the Bankruptcy Code for garnishment of approximately $15,221.15 within the 90 days of the Petition Date. Yellowstone was also voluntarily paid approximately $15,048.00 within 90 days of the Petition Date. The adversary proceeding's case number is 17-05025 (the "Preference Action"). The parties settled the Preference Action with approval of this Court. Yellowstone agreed to pay $10,000.00 to Debtor in exchange for release of any and all claims related to Yellowstone's garnishment and receipt of funds from Debtor within 90 days of the Petition Date. While other creditors did receive funds within 90 days of the Petition Date, Yellowstone was the only creditor to garnish funds from the Debtor. All other creditors received voluntary payments from the Debtor that were likely payments in the ordinary course of business. The legal costs of pursuing such claims combined with the Debtor's desire to pay all creditors 100 cents on the dollar led to the Debtor's decision to exercise is business judgment to not pursue any other preference claims under Section 547.

C. Retention of Property by Debtor

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 revest in Debtor free and clear of all Claims, Liens, charges, encumbrances, rights and Interests of creditors and equity security holders, except as specifically provided in the Plan. As of the Effective Date, Debtor may 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.

VI. Tax Consequences

Tax consequences resulting from confirmation of the Plan can vary greatly among the various Classes of Creditors and 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, including the evaluation of recently enacted or pending legislation, because recent changes in taxation may be complex and lack authoritative interpretation.

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. EACH HOLDER OF A CLAIM OR INTEREST IS STRONGLY URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN.

The receipt by a Creditor or Interest Holder of Cash or property in full or partial payment

of its Claim or Interest may be a taxable event. To the extent that a portion of the Cash or the fair market value of any property received is attributable to accrued and unpaid interest on a Claim being paid, a Creditor may recognize interest income. A Creditor or Interest Holder may also recognize gain or loss equal to the difference between the sum of the amount of cash received and the adjusted basis in the Claim or Interest for which the Holder receives amounts under the Plan. Such gain or loss may be treated as ordinary or capital depending upon whether the Claim or Interest is a capital asset.

VII. "Best Interests" Test

In order to confirm the Plan the Bankruptcy Court must determine that the Plan is in the best interest of all Creditors that do not accept the Plan. The "Best Interest Test" requires that the Plan provide each member of each impaired Class a recovery that has a present value at least equal to the present value of the distribution that each Creditor would receive if the Debtor were liquidated under Chapter 7 of the Bankruptcy Code.

If the Debtor were liquidated under Chapter 7, a trustee would be appointed to liquidate the assets of the Debtor and distribute the proceeds in accordance with the legal priorities established under Bankruptcy Code. All expenses of the Chapter 7 case, including fees of the trustee, the attorneys' fees for the trustee's counsel, accountants, and other professionals appointed in the Chapter 7 case, are paid in full before any payments may be made on account of Administrative Claims in the Chapter 11 case, which in turn must be paid in full before any payments would be made to pre-petition Creditors. In this case, the Trustee would liquidate any accounts receivable as of the date of conversion, which would not be enough to pay off the Class 1 Secured Creditor in full. Pursuant to this Plan, Debtor will be paying every creditor 100 cents of the dollar. Accordingly, the Debtor believes that confirmation of the Plan is in the best interest of Creditors.

VIII. PURPOSE OF DISCLOSURE STATEMENT

This Disclosure Statement has been prepared and presented for the purpose of permitting you to make an informed judgment regarding the Plan. Please read the Plan in full and consult with your counsel if you have questions. If the Plan is confirmed, its terms and conditions will be binding on all parties in interest. The Debtor believes that the Plan is in the best interest of the Creditors and the Equity Member.

IX. MODIFICATIONS OR WITHDRAWALS OF PLAN

The Debtor may alter, amend, or modify the Plan under § 1127(a) of the Bankruptcy Code at any time before the Confirmation Date, so long as the Plan, as modified, meets the requirements of §§ 1122 and 1123. The Debtor may also alter, amend, or modify the Plan under § 1127(b), following the Confirmation Date but before the Effective Date. The Debtor may revoke or withdraw the Plan before the Confirmation Date. If the Plan is revoked or withdrawn before the Confirmation Date, the Plan shall be of no force or effect, and shall be deemed null and void. If the Plan is revoked or withdrawn before the Confirmation Date, nothing contained herein shall in any way effect or prejudice the rights of the Debtor with regard to Claims, Avoidance Actions, or any other rights or interests. After confirmation, the plan may be modified pursuant to § 1127(e).

X. Objections to Claims, Counterclaims, and Avoidance Actions

The Debtor believe that the claims resolution process should not delay Confirmation of the Plan. The Debtor reserve the right to file objections to any Claims, either as currently filed or as may be amended. In order to expedite payments to creditors, the Debtor seek Confirmation notwithstanding the fact that certain Claims may be disputed. The fact that the Debtor may have not objected to a particular Claim does not mean that the Debtor will not object to such Claim. Accordingly, the Debtor make no representations either in the Plan or this Disclosure Statement as to the validity of any Claim filed, and Creditors should not make any assumption based upon the fact that no objection has yet been filed to any individual Claim.

XI. EFFECT OF CONFIRMATION OF PLAN

A. DISCHARGE OF DEBTOR

Discharge. 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 and discharge 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. Except as otherwise provided herein or in the Confirmation Order, the rights afforded herein and the treatment of all Claims and Equity Interests herein shall be in exchange for and in complete satisfaction, discharge and release of Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Commencement Date, against the Debtor and the Debtor in Possession, the Estate, any of the assets or properties under the Plan, or its officer and/or director, James Hewatt. Except as otherwise provided herein, (i) on the Effective Date, all such claims against the Debtor and its officer and/or director, James Hewatt, and Equity Interest (sic) in the Debtor shall be satisfied, discharged and released in full, and (ii) all Persons shall be precluded and enjoined from asserting against the Reorganized Debtor, its successors, its assets or properties, or its officer and/or director, James Hewatt any other or further Claims or Equity Interests based upon any act or omission, transaction or other activity of any kind or nature that occurred prior to the Confirmation Date, whether or not such holder has filed a proof of claim or proof of equity interest and whether or not such holder has voted to accept or reject the Plan. Notwithstanding the foregoing, nothing in the Plan shall release, discharge, enjoin or preclude any Claim that has not arisen as of the Effective Date that any governmental unit may have against the Debtor and nothing in the Plan shall release, nullify or enjoin the enforcement of any liability to a governmental unit under environmental statutes or regulations that any entity would be subject to as the owner or operator of property after the date of entry of the Confirmation Order.

B. INJUNCTION RELATED TO DISCHARGE

Except as otherwise expressly provided in the Plan, the Confirmation Order or a separate order of the Court, all Persons who have held, hold or may hold Claims against the Debtor or its officer and/or director, James Hewatt, or Equity Interests in the Debtor, are permanently enjoined, on and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind with respect to any such Claim or Equity Interest, (ii) enforcing, attaching, collecting or recovering by any manner or means of any judgment, award, decree or order against the Debtor the Debtor (sic) or its officer and/or director, James Hewatt on account of any such Claim or Equity Interest, (iii) creating, perfecting or enforcing any Lien or asserting control of any kind against the Debtor or against the property or interests in property of the Debtor on account of any such Claim

or Equity Interest, and (iv) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtor or against the property or interests in property of the Debtor on account of any such Claim or Equity Interest. Such injunctions shall extend to successors of the Debtor (including, without limitation, the Reorganized Debtor) and their respective properties and interests in property.

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.

XII. CONCLUSION

The Debtor believe the Plan is in the best interests of Creditors and Equity Members and is feasible. Accordingly, the Debtor request that the Court confirm the Plan.

Dated this 31st day of May, 2017

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Attorney for the Debtor
By: */s/ Will B. Geer*
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/s/
James Hewatt, Manager of Plan Proponent MRN Homes of Georgia, LLC

Exhibit "A"

Income	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9
Gross Revenue	$555,000.00	$555,000.00	$555,000.00	$555,000.00	$555,000.00	$555,000.00	$555,000.00	$555,000.00	$555,000.00
Expenses									
Secured Plan Payments (Including Vehicles)	$6,488.85	$6,488.85	$6,488.85	$6,488.85	$6,488.85	$6,488.85	$6,488.85	$6,488.85	$6,488.85
Unsecured Plan Payments	$7,828.81	$7,828.81	$7,828.81	$7,828.81	$7,828.81	$7,828.81	$7,828.81	$7,828.81	$7,828.81
Utilities and Telecommunications	$3,475.00	$3,475.00	$3,475.00	$3,475.00	$3,475.00	$3,475.00	$3,475.00	$3,475.00	$3,475.00
Executive Payroll	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00
Salesmen Payroll/Commissions	$31,600.00	$31,600.00	$31,600.00	$31,600.00	$31,600.00	$31,600.00	$31,600.00	$31,600.00	$31,600.00
Projected Material Expenses	$255,000.00	$255,000.00	$255,000.00	$255,000.00	$255,000.00	$255,000.00	$255,000.00	$255,000.00	$255,000.00
Projected Contract Labor Expense	$185,000.00	$185,000.00	$185,000.00	$185,000.00	$185,000.00	$185,000.00	$185,000.00	$185,000.00	$185,000.00
Office Leases	$3,495.00	$3,495.00	$3,495.00	$3,495.00	$3,495.00	$3,495.00	$3,495.00	$3,495.00	$3,495.00
Insurance (Car/Commercial/Liability)	$7,122.88	$7,122.88	$7,122.88	$7,122.88	$7,122.88	$7,122.88	$7,122.88	$7,122.88	$7,122.88
Business License and Tax for Loganville	$486.00	$486.00	$486.00	$486.00	$486.00	$486.00	$486.00	$486.00	$486.00
Lead Generation	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00
Computer Software/Office Tools	$785.00	$785.00	$785.00	$785.00	$785.00	$785.00	$785.00	$785.00	$785.00
Alarm System	$108.00	$108.00	$108.00	$108.00	$108.00	$108.00	$108.00	$108.00	$108.00
Office Supplies	$1000.00	$1000.00	$1000.00	$1000.00	$1000.00	$1000.00	$1000.00	$1000.00	$1000.00
Claims Services	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00
Total Expenses	$520,689.54	$520,689.54	$520,689.54	$520,689.54	$520,689.54	$520,689.54	$520,689.54	$520,689.54	$520,689.54