

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION**

IN RE:)
ANTHONY TSIKOURIS) CASE NO.: 15-20208
Debtor(s)) CHAPTER 13

DISCLOSURE STATEMENT

ANTHONY TSIKOURIS (the "Debtor"), debtor and debtor in possession, provides the following Disclosure Statement in the above-captioned chapter 11 case.

ARTICLE 1 INTRODUCTION

The Debtor is providing this Disclosure Statement (the "Disclosure Statement") to all of the Debtor's known Creditors and Interest holders in connection with the Debtor's Plan of Reorganization (the "Plan"), a copy of which accompanies the Disclosure Statement. The Plan has been developed based upon thorough review and analysis of the Debtor's financial condition, business plan, and rehabilitation alternatives. The Plan provides for [Brief Overview of the Plan, e.g., the Plan provides for reorganization of the Debtor's business and the payment of creditor's claims in full]. The Debtor has concluded that the Plan provides fair and equitable treatment of all classes of Creditors and Interest Holders and the greatest feasible recovery to Creditors and Interest Holders. Accordingly, the Debtor requests that all Creditors and Interest Holders in Impaired Classes vote to accept the Plan.

**ARTICLE 2 PURPOSE OF DISCLOSURE STATEMENT
AND PROCEDURE FOR PLAN CONFIRMATION**

A. Purpose and General Information

Pursuant to section 1125 of the Bankruptcy Code (11 U.S.C. § 1125), the Debtor submits this Disclosure Statement to provide Creditors and Interest Holders with adequate information to allow them to make an informed judgment about the acceptability of the Plan. Specifically, the purpose of this Disclosure Statement is to give Creditors and Interest Holders sufficient information, as far as it is reasonably practicable for the Debtor to provide, that would allow a hypothetical reasonable investor typical of the holders of Claims and Interests in the classes Impaired under the Plan to make an informed judgment about whether to accept or reject the Plan. A copy of the Plan accompanies this Disclosure Statement. Terms defined in the Plan shall have the same meaning in this Disclosure Statement. The first letter of words defined in the Plan are capitalized in this Disclosure Statement. Please refer to the Plan for the treatment of Claims and Interests. The provisions of the Plan are binding on all Creditors and Interest Holders, therefore, please read the Plan carefully.

NO REPRESENTATIONS ABOUT THE DEBTOR, PARTICULARLY ABOUT THE DEBTOR'S FUTURE BUSINESS OPERATIONS OR THE VALUE OF ITS PROPERTY, ARE AUTHORIZED BY THE DEBTOR OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE ACCEPTANCE OR REJECTION

OF THE PLAN OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT SHOULD NOT BE RELIED UPON BY ANY CREDITOR OR INTEREST HOLDER. ANY ADDITIONAL REPRESENTATION OR INDUCEMENT SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR OR TO THE UNITED STATES TRUSTEE WHO, IN TURN, SHALL DELIVER THE INFORMATION TO THE BANKRUPTCY COURT OR TAKE OTHER APPROPRIATE ACTION.

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. FOR THE FOREGOING REASON, AS WELL AS BECAUSE OF THE IMPOSSIBILITY OF MAKING ASSUMPTIONS, ESTIMATES AND PROJECTIONS INTO THE FUTURE WITH ABSOLUTE ACCURACY, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS COMPLETE AND ACCURATE, ALTHOUGH EVERY REASONABLE EFFORT HAS BEEN MADE TO PRESENT COMPLETE AND ACCURATE INFORMATION. THE RECORDS KEPT BY THE DEBTOR RELY FOR THEIR ACCURACY ON INTERNAL BOOKKEEPING. THE RECORDS KEPT BY THE DEBTOR ARE NOT WARRANTED OR REPRESENTED TO BE FREE OF ANY INACCURACY. HOWEVER, EVERY REASONABLE EFFORT HAS BEEN MADE TO PRESENT ACCURATE INFORMATION. COUNSEL TO THE DEBTOR HAS NOT INDEPENDENTLY VERIFIED ANY OF THE INFORMATION PROVIDED BY THE DEBTOR AND DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE TRUTH OR ACCURACY OF ANY OF THE INFORMATION PRESENTED.

ALL PARTIES ENTITLED TO VOTE ON THE PLAN ARE URGED TO REVIEW IN FULL THE PLAN AND THIS DISCLOSURE STATEMENT TOGETHER WITH ALL EXHIBITS ATTACHED THERETO, PRIOR TO VOTING ON THE PLAN, AND MAY DESIRE TO CONSULT LEGAL COUNSEL PRIOR TO VOTING TO ENSURE COMPLETE UNDERSTANDING OF THEIR TREATMENT UNDER THE PLAN. THIS DISCLOSURE STATEMENT IS INTENDED FOR THE SOLE USE OF CREDITORS AND INTEREST HOLDERS OF THE DEBTOR TO ENABLE THEM TO MAKE AN INFORMED DECISION ABOUT THE PLAN.

EACH CREDITOR AND INTEREST HOLDER IS URGED TO CONSULT ITS OWN TAX ADVISOR AS TO THE CONSEQUENCES OF THE PLAN TO IT UNDER FEDERAL AND APPLICABLE STATE, LOCAL AND FOREIGN TAX LAWS. THE DEBTOR MAKES NO WARRANTIES OR REPRESENTATIONS REGARDING THE TAX IMPACT OF THE PLAN ON ANY CREDITOR OR INTEREST HOLDER.

RISKS AND OPPORTUNITIES ARE IDENTIFIED IN THE DISCLOSURE STATEMENT CONCERNING THE DEBTOR'S ABILITY TO PERFORM UNDER THE PLAN. THE RISKS AND OPPORTUNITIES ARE DISCUSSED IN ARTICLE 8(b) OF THIS DISCLOSURE STATEMENT.

THE DEBTOR BELIEVES THAT THE PLAN IS FEASIBLE, FAIR AND EQUITABLE AND THAT CONFIRMATION OF THE PLAN IS IN THE BEST OF INTERESTS OF CREDITORS AND INTEREST HOLDERS.

B. Manner of Voting

1. *Classes Entitled to Vote.* The Plan divides the Claims of Creditors and Interest Holders into *six (6)* classes. Only classes of Creditors and Interest Holders with claims or interests impaired under a plan of reorganization are entitled to vote on a plan. Generally, and subject to the specific provisions of the Bankruptcy Code, this includes creditors and interest holders

whose claims or interests, under a plan, will be modified in terms of principal, interest, length of time for payment, or a combination of the above. Each holder of a Claim in a Class that is not Impaired under the Plan is conclusively presumed to have accepted the Plan, and solicitation of acceptances from the holders of such Claims is not required and will not be undertaken.

There are no classes unimpaired under the Plan. All Classes are Impaired under the Plan and the members of each of the Impaired Classes are entitled to vote to accept or reject the Plan.

2. *Procedure For Voting.* All Creditors and Interest Holders entitled to vote may cast their vote by completing, dating, and signing the Ballot included with this Disclosure Statement and mailing it to the name and address indicated on the Ballot.

IN ORDER TO BE COUNTED, THE COMPLETED BALLOT MUST BE RECEIVED NO LATER THAN DATE FIXED FOR ACCEPTANCE OR REJECTION OF PLAN BY THE COURT. A BALLOT DOES NOT CONSTITUTE A VALID PROOF OF CLAIM IN THE DEBTOR'S CASE.

C. Confirmation of the Plan

1. *Solicitation of Acceptance of the Plan.* This Disclosure Statement has been approved by the Bankruptcy Court in accordance with *section 1125 of the Bankruptcy Code (11 U.S.C. § 1125)* and has been provided to all Creditors and Interest Holders in this Case. This Disclosure Statement is intended to assist Creditors and Interest Holders with their evaluation of the Plan and their decision to accept or reject the Plan. Your acceptance of the Plan may not be solicited unless you receive a copy of this Disclosure Statement at the time of, or before, such solicitation.

2. *Votes Considered in Determining Acceptance of the Plan.* When acceptance of the Plan is determined by the Bankruptcy Court, in accordance with *Bankruptcy Code Section 1126 (11 U.S.C. § 1126)* and *Rule 3018 of the Federal Rules of Bankruptcy Procedure*, votes of Creditors will only be counted if submitted by Creditors with Allowed Claims who are members of Classes entitled to vote. If you are in any way uncertain if or how your Claim has been scheduled, you should review the Debtor's schedules and any amendments thereto which are on file with the Clerk's Office of the United States Bankruptcy Court, located at *5400 Federal Plaza, Hammond, Indiana*. Pursuant to *Rule 3018 of the Federal Rules of Bankruptcy Procedure*, votes of Class Interest Holders will be counted only if submitted by the holder of record on the date the order of the Court approving the Disclosure Statement is entered.

3. *Hearing on Confirmation of the Plan.* The Bankruptcy Court has set a hearing to determine if the Plan has been accepted by the required number of holders of Claims and Interests and if other requirements for Confirmation of the Plan outlined in the Bankruptcy Code have been satisfied. The **hearing on Confirmation of the Plan shall commence on _____** in the United States Bankruptcy Court, located 5400 Federal Plaza, 3rd Floor, Hammond, Indiana.. **Any objections to confirmation of the Plan must be in writing and must be filed with the Clerk of the Bankruptcy Court and served on counsel for the Debtor on or before _____.**

4. *Determining Whether Impaired Classes Have Accepted the Plan.* At the scheduled hearing on Confirmation of the Plan, the Bankruptcy Court must determine, among other things, if the Plan has been accepted by each Impaired Class. Under *section 1126(c) of the Bankruptcy*

Code (11 U.S.C. § 1126(c)), an Impaired Class of Claims is deemed to have accepted the Plan if Class members holding at least two-thirds (2/3) in amount and more than one-half (1/2) in number of all Allowed Claims of Class members actually voting have voted in favor of the Plan. Under *§ 1126(d) of the Bankruptcy Code (11 U.S.C. § 1126(d))*, an Impaired Class of Interests is deemed to have accepted the Plan if Class members holding at least two-thirds (2/3) in amount of the Allowed Interests of Class members actually voting have voted in favor of the Plan. Further, under *section 1129 of the Bankruptcy Code (11 U.S.C. § 1129(a)(7)(A)(ii))*, the Bankruptcy Court must also find that each member of an Impaired Class either votes to accept the plan or will receive or retain as much under the Plan as the member would receive or retain if the Debtor were liquidated, as of the Effective Date of the Plan, under chapter 7 of the Bankruptcy Code. This is known as the "best interest of creditors' test."

5. *Confirmation of the Plan Without Consent of all Impaired Classes.* The Plan may be confirmed even if not accepted by all Impaired classes, if the Bankruptcy Court finds that all other requirements of Confirmation under *section 1129(a) of the Bankruptcy Code (11 U.S.C. § 1129(a))* are satisfied and certain additional conditions are met. These conditions are set forth in *section 1129(b) of the Bankruptcy Code (11 U.S.C. § 1129(b))*, and require, generally, a showing that the Plan does not discriminate unfairly and that the Plan is "fair and equitable" with respect to each Class of Claims and Interests that is Impaired under, and has not accepted, the Plan. In order to be "fair and equitable" as required by *section 1129(b) of the Bankruptcy Code*, the Plan must provide that Unsecured Creditors and Interest Holders in non-consenting, Impaired classes will either receive or retain on account of their Claims or Interests, property of a value, as of the Effective Date of the Plan, at least equal to the value of such Claims or Interests or, if they receive less than full value, no Class with a junior priority will receive or retain anything on account of such junior Claim or Interest. For Secured Creditors, the Plan will be "fair and equitable" under Section 1129(b) if Secured Creditors either (i) retain the liens securing their claims and receive deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the Plan, of at least the value of the Secured Creditor's interest in such property, (ii) if the property securing their claim is to be sold, their liens will attach to the proceeds, or (iii) Secured Creditors will receive the "indubitable equivalent" of their Secured Claims. These are complex statutory provisions and this summary is not intended to be a complete statement of the law. If the Plan is not accepted by an Impaired Class or Classes, the Debtor will rely on the "cramdown" provisions of *section 1129(b) of the Bankruptcy Code* and seek Confirmation of the Plan.

ARTICLE 3 THE DEBTOR

A. In General

The Debtor is an individual who is currently employed by Tack Building LLC. He is an employee of the business and is paid approximately \$6,000 a month gross. The Debtor has no and never has had an interest in the business. The business is owned by entirely by his wife since it was established. Additionally, the Debtor owns commercial real estate located at 3300 80th Place, Hobart, Indiana, with his spouse, which leases 3 units that generate net monthly income to the Debtor of \$1,800.00.

B. Factors Precipitating Chapter 11 Filing

The Debtor originally filed a Chapter 13 Plan with his spouse, Diann Tsikouris. The filing of the Chapter 13 was precipitated by the actions of the Internal Revenue Service in seeking to collect outstanding tax liability owed by the Debtor. After the filing of the Chapter 13, the Internal Revenue Service filed a claim with the Court that was higher than the amount the

Debtor anticipated owing. As a result of the claim and other secured claims filed by the Indiana Department of Revenue, the Debtor was over the secured debt limit and the Internal Revenue Service moved either to convert or dismiss the Chapter 13.

The Debtor decided to voluntarily sever his case from his wife's so that she could remain in a Chapter 13 and he filed a Motion to Convert his case to a Chapter 11 which was granted March 10, 2016.

The debt owed to the Internal Revenue Service that is currently owed which precipitated the filing of the bankruptcy was incurred by the Debtor when he operated his own business, Tsikouris Construction. He had to close his business in 2003 because he fell behind on payments to the union because a very large client failed to pay an outstanding invoice. Because the company could not pay the union, the union employees would not work and the company was unable to get new work as a result. The lack of new jobs resulted in the companies inability to generate funds to pay the outstanding tax liability which included withholding taxes owed to the State of Indiana and the Internal Revenue Service.

The Debtor filed a Chapter 7 bankruptcy as a result of the debts he had incurred in the operation of the business. The Chapter 7 was filed in the Northern District of Indiana Hammond Division under case number 04-63963 and discharged January 10, 2005. However, the tax liability was not discharged in his Chapter 7 and still remained.

C. Debtor's Financial Condition

The Debtor is currently an employee of Tack Building LLC which is owned by his wife. He has monthly Income and Expenses pursuant to the amended Schedules filed with the Court on April 14, 2016:

Income	
Average Net Wages	\$4,400.00
Average Net Rental Income	\$1,800.00
Expenses	
Average Monthly Expenses	\$3,962.50

The above expenses are based upon amended Schedule J filed with the Court on April 14, 2016, and subtracting out those expenses paid by the Debtor's wife (rent, food, health insurance, building insurance and Ch. 13 Plan payment).

D. Debtor's Continuing Viability

The Debtor believes that the construction business for which he is working will steadily increase and will eventually lead to higher wages from his employment as the business improves. The Debtor hopes that the real estate market also improves over the next few years and that the commercial real estate in Hobart can be sold to reduce the secured debt owed to the Internal Revenue Service. The commercial property is currently fully leased and generating income that the Debtor can use in addition to his wages to fund the Plan.

The Debtor is abandoning/surrendering his interest in his residence located at 4256 Park Place, Crown Point Indiana which will reduce the Debtor's on-going monthly expenses. He and his wife have entered into a Lease Agreement with Dan and Rosemary Kachaturoff to lease real estate located at 3638 St. Andrews Court, Crown Point, Indiana for the period of January 2016 through January 2017 at a rate of \$800.00/mo. The reduced monthly expenditure for housing will increase the Debtor's ability to make payments under this Plan. (See attached Exhibit "A" - Projected Monthly Expenses). Additionally, the Debtor leases 3 units in commercial real estate located at 3300 80th Place, Hobart, Indiana, which will continue to generate income to the Debtor.

ARTICLE 4 MAJOR EVENTS IN CHAPTER 11 CASE

Since the filing of the original Chapter 13 petition, the Debtor has severed his case from that of his wife's Chapter 13 which is still pending. After the severance of the cases, but prior to conversion, the Debtor filed a Motion with the Court to transfer claims and filed objections to various claims since the claims to ensure that the claims in the current Chapter 11 represent only the Debtor's liability and does not include any liability that may be owed solely by Diann Tsikouris.

Diann Tsikouris has filed a Chapter 13 Plan proposing to pay her tax liability, some of which is joint with the Debtor. Both the Internal Revenue Service and the Indiana Department of Revenue have filed amended claims in the Debtor's and Diann Tsikouris' case which has reduced some of the Debtor's outstanding tax liability. However, a portion of the tax liability is joint liability which will be paid by Diann in her case.

ARTICLE 5 SUMMARY OF DEBTOR'S ASSETS AND LIABILITIES

A. <u>ASSETS</u>	<u>VALUE</u>
Real Property	\$ 710,000.00
4256 Park Place Crown Point, IN (residence) (\$330,000 fmv with secured claim Of \$335,637.00)	
3300 East 80 th Place Hobart IN (commercial) (\$380,000.00 fmv)	
Personal Property	\$ <u>9,474.00</u>
Total:	\$ 719,474.00

Both parcels of real estate are held as tenants by the entireties with the Debtor's wife, Diann Tsikouris, who is in a pending Chapter 13 Bankruptcy under case number 15-23471 Northern District of Indiana.

The value of the Debtor's real estate located at 4256 Park Place, Crown Point, Indiana is the Debtor's opinion as to the value as of the date of the filing of the petition. The Debtor had a current market analysis completed which suggested that the sales price of the residence would be \$385,000 to \$420,000.00. The secured claim listed above is just that of the mortgage holder and does not include the outstanding taxing liens on the property which are in excess of \$700,000.00.

The value of the real estate located at 3300 East 80th Place is based upon a market analysis provided to the Debtor December 2015. There are outstanding taxing liens on the real estate in excess of \$700,000.00.

Additionally, the personal property of the Debtor is subject to outstanding tax liens by the taxing authorities.

B. <u>LIABILITIES</u>	<u>AMOUNT</u>
Secured Claims	\$ 1,339,192.17
Unsecured Priority Claims	\$ 131,629.67

Unsecured Nonpriority Claims	\$ <u>174,177.80</u>
Total:	\$ 1,638,999.64

C. **Current Assets**

As of the date of this Disclosure Statement, the Debtor has had no change to his assets and has acquired no new secured debt.

ARTICLE 6 ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. Alternative Plans of Reorganization

If the requisite acceptances are not received or if the Plan is not confirmed, the Debtor (or, if the Debtor's exclusive periods in which to file and solicit acceptances of a plan of reorganization have expired, any other party in interest) could attempt to formulate and propose a different plan or plans of reorganization. Such a plan or plans might involve either a reorganization and continuation of the Debtor's businesses or an orderly liquidation of assets.

With respect to an alternative plan, the Debtor has explored various alternatives in connection with formulations and development of the Plan. The Debtor believes that the Plan enables Creditors and Interest Holders to realize the greatest possible value under the circumstances and, compared to any alternative plan of reorganization, has the greatest chance to be confirmed and consummated.

B. Liquidation Analysis

When evaluating the terms of the Plan, each Creditor and Interest holder belonging to an Impaired Class should compare their treatment under the Plan with how they would be treated if the Debtor were liquidated under chapter 7 of the Bankruptcy Code. Liquidation analysis of the Debtor was prepared as of the date of the filing of the Disclosure with values used as of the date of the filing of the petition. The Debtor used its best efforts to arrive at the liquidation values which are reflected below. The Debtor's liquidation analysis shows that unsecured creditors will receive substantially greater value under the Plan than they would if the Debtor were liquidated. In fact, the liquidation analysis shows that in a chapter 7 liquidation the Debtor anticipates that unsecured creditors would receive nothing and shareholders in the Debtor would have no opportunity for any recovery.

1. *Assumptions.* The Debtor is assuming that the real estate would be sold for the values listed in Article 5A and that a realtor would be employed, resulting in a cost of sale for the residence in the amount of 10% of gross sales price and the cost of sale for the commercial real estate to be around 15%. In addition, the Debtor would have to split the net proceed with his wife since the real estate is held as tenants by the entirety.

The Debtor also assumes that the personal property would be sold at an auction with the Debtor receiving 50% of the gross amount received for all property owned jointly with his wife with a cost of sale of 20% .

2. Summary of Liquidation Analysis.

Liquidation Analysis**ASSETS**

Real Estate located at 4256 Park Place, Crown Point, Indiana (jointly owned amt. listed is total value)	\$ 330,000.00
Real Estate located at 3300 East 80 th Place, Hobart, Indiana (jointly owned amt. listed is total value)	\$ 380,000.00
Schedule B jointly held property (value is total value)	\$ 12,980.00
Debtor's personal property	\$ 2,984.00
Total	\$ 731,601.00

EXEMPTIONS/DEDUCTIONS

Wife's one - half interest in Real and Personal Property This excludes any interest in the Park Place Property in that the amount owed on the liens Will exceed the value of the real estate.	(\$ 196,490.00)
Personal Property Exemption	(\$ 5,750.00)
Real Estate Exemption	(\$ 21,550.00)
Secured Claims of taxing authorities Internal Revenue Service	(\$ 672,602.52)
Indiana Department of Revenue	(\$ 130,330.48)
Total	(\$1,026,723.00)

Total Asset Value \$118,579.00

LIQUIDATION COSTS

Real Estate located at 4256 Park Place Realtor Commission/Closing Costs (pro rated taxes, title, etc. - 10% total)	(\$ 33,000.00)
Real Estate located at 3300 East 80 th Place Chapter 7 Trustee Fees/Attorney Fees (The Debtor is using the statutory amt. allowed On gross value of assets less the amounts paid To Debtor for exemptions and one-half to co-owner fee taken on \$921,512.00 for Trustee fee of \$32,245.00 plus \$10,000 atty fee	(\$ 57,000.00) (\$ 320,819.00) (\$ 42,245.00)
Total Cost of Liquidation	(\$453,064.00)

Total Available for Distribution \$ 0.00
In Chapter 7

ARTICLE 7 GOING CONCERN VALUATION

The going concern value of the Debtor is his ability to continue working and drawing a salary/wages from his employer and the continued leasing of the commercial real estate. The real estate located in Hobart has three units to lease which are all currently occupied. The Debtor and his wife currently have written lease with Cat 5 Restoration and Robert Habenicht. The leases expire in October 2016 and are generating income in the amount of \$1,800.00 to the Debtor and \$1,250 is paid to the Debtor's wife, Diann Tsikouris, for her interest in the rental property. The third unit is a month-to-month lease with Tack Building LLC at \$1,000.00/month. The Debtor anticipates that he will continue to work for Tack as its project manager. He also believes that as Tack establishes itself in the industry its work will increase as will his wages.

ARTICLE 8 REORGANIZED DEBTOR

The Debtor believes that, among other benefits, Confirmation of the Plan will benefit creditor and allow him to pay his tax liability and free sufficient income to allow a small distribution to unsecured creditors after the payment of his tax liability.

ARTICLE 9 SUMMARY OF PLAN OF REORGANIZATION

A. Introduction

This Disclosure Statement contains a summary of the Plan, and is qualified in its entirety by the full text of the Plan itself. All terms defined in the Plan have the same meaning in this Disclosure Statement. The Plan, if confirmed, will bind the Debtor, any entity acquiring property under the Plan or otherwise transferring property pursuant to the Plan, and all Creditors and Interest holders in the Debtor's Case. The Plan is intended to deal with all Claims against the Debtor and the Estate and all Interests in the Debtor of whatever character, whether or not contingent or liquidated and whether or not allowed by the Bankruptcy Court pursuant to *Bankruptcy Code section 502 (11 U.S.C. § 502)*. All Creditors, Interest holders, and other interested parties, are urged to carefully read the Plan.

The Plan designates Six (6) Classes of Claims and Interests. Administrative Expenses and Tax Claims, as set forth in the Plan, have not been classified and are excluded from the designation of Classes. The holders of Allowed Administrative Claims entitled to priority under *section 507(a)(2) of the Code*, entities entitled to payments under *section 546(c) or 553 of the Code*, and entities entitled to payment of administrative expenses pursuant to *sections 503 and 507(a) of the Code* shall receive on account of such Allowed Claims or administrative expenses cash in the amount of such Allowed Claims or administrative expenses on or before the Effective Date of the Plan or as soon thereafter as is practicable. Notwithstanding the foregoing, professionals employed at the expense of the Estate, and any entities which may be entitled to an allowance of fees and expenses from the Estate pursuant to *sections 503(b)(2) through (9) of the Code*, shall receive cash in the amount awarded to such professionals and entities as soon as practicable after an order is entered by the Court approving such award pursuant to *sections 330 or 503(b)(2) through (9) of the Code*, unless any such professional or other entity consents prior to Confirmation to other treatment.

Holders of Allowed Tax Claims, if any, entitled to priority under section 507(a)(8) of the Code will be paid on account of such Claims, in equal **quarterly installments** over a period not exceeding five years after the order for relief unless the creditor consents to different treatment and/or otherwise designated. **The Debtor estimates that priority claims are in the amount of \$104,524.34.** Payment of Allowed Tax Claims shall include payment of interest at the rate applicable under non-bankruptcy law to such Claims. The

Reorganized Debtor may elect, in its sole discretion, to prepay any such Claim without any penalty for prepayment.

A Claim or Interest shall be deemed classified in a particular class only to the extent that the Claim or Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of the Claim or Interest qualifies within the description of such different Class. A Claim is in a particular Class only to the extent that the Claim is an Allowed Claim or an Allowed Secured Claim in that Class.

B. The table below summarizes the treatment of classes of Allowed Claims and interests under the Plan (subject to any objections that might be filed):

CLASS	TREATMENT
<p>Class 1 - Secured Creditors - Class 1 shall consist of secured claims that are only secured in the jointly owned real estate located 4256 Park Place, Crown Point, Indiana ("Residential Real Estate") which include Ocwen Loan Servicing/Deutsche Bank as mortgage holder</p> <p>This class is Impaired.</p>	<p>Class 1 shall be paid as follows: (1) Upon confirmation of the Plan, the Debtor's interest in Real Estate parcel 1 shall be abandoned and surrendered in full satisfaction of the mortgage holder's secured claim. To the extent that there are insufficient funds from the sale/auction of the real estate to pay the mortgage holder, Ocwen Loan Servicing/Deutsche Bank, any deficiency to shall be treated as unsecured and paid accordingly.</p> <p>To there are funds available after payment to this Class from the liquidation of the Residential Real Estate, the funds will be disbursed according to the priority of liens and according to Class 3.</p>
<p>Class 2 - Secured Creditor - Class 2 shall consist of allowed secured claim of the Lake County Treasurer which is secured solely in the real estate located at 3300 80th Place, Hobart, Indiana ("Commercial Real Estate).</p> <p>This class is Impaired</p>	<p>Class 2 shall be paid as follows: The Lake County Treasurer has filed a claim in the amount of \$14,931.17 for real estate taxes owed for the period of 2012 through 2013. This class will be paid in full upon the sale of the real estate located in Hobart Indiana, but will be paid no later than January 2019. This Class will not receive any distribution prior to January 2019 or the sale of the Commercial Real Estate.</p>

<p>Class 3 - Secured Creditors shall consist of those secured creditors that are secured in the Residential Real Estate, the Commercial Real Estate and the Debtor's personal property by virtue of Statutory and/or judgement/judicial liens.</p> <p>To the extent that a creditor provided for in this Class is paid from a joint creditor, Diann Tsikouris, in her pending Chapter 13 case in the Northern District of Indiana Case Number 15-23471, and said payment is identical to the Creditor's claim against the Debtor herein, the Debtor will be entitled to set-off the claim filed by the Creditor in this case for the amount received from the joint debtor/Chapter 13 Trustee. This Class is divided into 3 subclasses:</p> <p>3(A) shall consist of all judgment/judicial lien creditors. The Debtor believes that the only creditor with a judicial/judgment lien is Francine Brown .</p> <p>3(B) shall consist of all statutory lien creditors.</p> <p>This class is Impaired</p>	<p>3(A) - This subclass shall be paid as follows: The judgment lien creditors will receive payment on their judgment liens in order of priority and to the extent there are funds available for distribution after payment of superior liens. Any deficiency claim will be paid pursuant to Class 4 herein.</p> <p>The Debtor will file Motions to Void Liens prior to Plan confirmation or by any time designated by the Court to the extent that the liens impair the Debtor's exemption. Any creditor's lien that is voided by the Court will then be treated as an unsecured claim and be paid according to Class 6 herein.</p> <p>3(B) shall be paid as follows:</p> <p>-The Internal Revenue Service will be paid on its allowed secured claim at the allowed statutory interest rate as provided by the Internal Revenue Service for the calendar month the plan is confirmed. The Internal Revenue Service has filed a secured claim in the amount of \$672,602.52 with the Court. The value of the Debtor's assets in which the Internal Revenue Service is \$401,601 (Real Estate located at 3300 E. 80th Place, Hobart, and the Debtor's personal property. The Debtor does not believe that the liquidation of the Real estate located in Crown Point will generate any funds for distribution beyond that owed to the mortgage holder therefore it was not used in calculated asset value).</p> <p>The Debtor calculates that the Internal Revenue Service has a secured claim in the amount of \$297,477.28 calculated as follows:</p> <table border="0"> <tr> <td><u>Collateral Value:</u></td> <td style="text-align: right;">\$401,601.00</td> </tr> <tr> <td><u>Less Prior Liens:</u></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Lake County Treasurer:</td> <td style="text-align: right;">\$ 14,931.17</td> </tr> <tr> <td style="padding-left: 20px;">Indiana Dept. Of Revenue:</td> <td style="text-align: right;">\$ 89,192.55</td> </tr> </table> <p>The Debtor will pay the Internal Revenue Service on its secured claim in the amount of \$297,477.28, or such other amount as determined and allowed by final order of this Court, at the statutory interest rate allowed</p>	<u>Collateral Value:</u>	\$401,601.00	<u>Less Prior Liens:</u>		Lake County Treasurer:	\$ 14,931.17	Indiana Dept. Of Revenue:	\$ 89,192.55
<u>Collateral Value:</u>	\$401,601.00								
<u>Less Prior Liens:</u>									
Lake County Treasurer:	\$ 14,931.17								
Indiana Dept. Of Revenue:	\$ 89,192.55								

Class 3 (continued)

at the time of confirmation, over a 5 year period with a lump sum being paid by December 2018, or such later date as agreed to in writing by the secured party and the Debtor from the sale of the commercial real estate in Hobart Indiana.

The Debtor will pay the secured claim monthly to the Internal Revenue service the sum of \$2,000.00/month starting within 20 days from Confirmation of the Plan until such time as the real estate in Hobart is sold which sell shall occur by December 2018 or such later date as agreed to by the secured parties and the Debtor. The Debtor will pay any remaining balance owed on the secured claim in the estimated amount of \$297,477.28. The Debtor will increase the monthly payment after payment of the lump sum to ensure that the allowed secured claim will be paid in full within 5 years.

-The Indiana Dept. Of Revenue is secured in the Debtor's interest in the real estate located at 3300 E. 80th Place, Hobart Indiana and the Debtor's personal property by virtue of its filed statutory liens which are subordinate to the Lake County Treasurer secured claim on the Commercial Real Estate and the portion of the Internal Revenue Service's secured claim on the Residential and Commercial Real Estate and Debtor's personal property which was assessed prior to the dates of the filing of the Indiana Department of Revenue's liens. The Debtor does not believe that the liquidation of the Real estate located in Crown Point will generate any funds for distribution beyond that owed to the mortgage holder therefore it was not used in calculated asset value.

The Debtor will pay the Indiana Dept. Of Revenue on its secured claim in the amount of \$89,192.55 or such other amount as determined and allowed by final order of this Court in full over a 6 year period. The Debtor will pay on the secured claim \$800.00/month with a lump sum being paid upon the sell of the real estate located at 3300 E. 80th Place Hobart Indiana. The Debtor will attempt to sell the real estate by December 2018 or such later date as agreed to by the secured parties and the Debtor. Any remaining secured claim owed to the Indiana Dept. Of Revenue shall be treated as unsecured and shall be paid according Class 6.

<p>Class 3(B) (cont.)</p>	<p>The Debtor will file a Motion/Complaint to Determine the Extent and priority of competing lien claims on the Debtor's property as Ordered by the Court if the parties do not agree and/or consent to the treatment/cramdown of their respective secured statutory liens as provided.</p>
<p>Class 4 - Unsecured Non-priority Claims: Class 4 shall consist of all unsecured claims and any deficiency claims of secured creditors in which the secured creditor has filed a claim for said deficiency after liquidation of its collateral.</p>	<p>Class 4 shall be paid as follows: Unsecured Non-priority, Non-Insider Allowed Claims including those claims arising from the rejection of executory contracts, and undersecured claims. The Debtor will pay a total of \$5,000.00 to this class. The Debtor will pay the sum of \$5,000.00 pro rata to allowed unsecured creditors within seven (7) year from the Confirmation Date of the Plan. At Debtor's discretion, partial quarterly payments may be made. Claims in this class will not receive interest. The first payment will be made on, or before, the five year anniversary of the Confirmation Date.</p>

ARTICLE 10 CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Federal Income Tax Consequences

The Debtor is not qualified to advise its creditors of the specific respective tax impact on each of them as a result of treatment provided in the Plan and therefore makes no representation as to the same. Each creditor is urged to consult with a tax advisor as to such matters

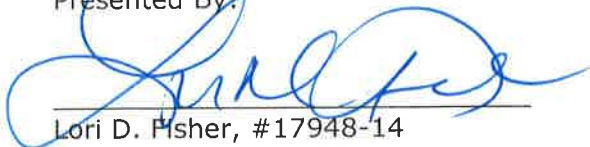
ARTICLE 11 EFFECT OF CONFIRMATION

The provisions of the Debtor's Plan of Reorganization, if confirmed, shall bind the Debtor, all Creditors, Interest holders, and any entity acquiring property under the Plan, whether or not the Claim or Interest of such Creditor, Interest holder, or entity is impaired under the Plan and whether or not such Creditor, Interest holder, or entity has accepted the Plan.

Dated: 7-8-2016


 ANTHONY TSIKOURIS

Presented By:



Lori D. Fisher, #17948-14
 Attorney for Debtor(s)
 8927 Broadway
 Merrillville, IN 46410
 (219)769-0783 phone
 ldf_law@att.net email

CERTIFICATE OF SERVICE

The undersigned hereby certifies that service of a true and complete copy of the Debtor's Chapter 11 Plan and Disclosure Statement was served upon the following parties in interest by placing same in the United States Mail, in envelopes, properly addressed and with sufficient postage affixed thereto, or electronically at the e-mail addresses set forth below on July 8, 2016.

Via Electronic Mail:

United States Trustee

Stephen K. Andrews, for Ocwen Loan Servicing, LLC, as servicer for Deutsche Bank National Trust Company, as Trustee for Securitized Asset Backed Receivables LLC Trust 2004-NC1

Steven D. Carpenter for Indiana Department of Revenue

Shawn D. Cox for Francine Carroll

Robin W. Morlock for Internal Revenue Service

Shaun T. Olsen for OlsenCampbell Ltd.

Via Regular U.S. Mail:

Cat 5 Restoration

18404 S. 116th Ave.

Orland Park, IL 60467

Dan & Rosemary Kachaturoff

3638 St. Andrews St

Crown Point, IN 46307

Robert Habenicht

4733 E. 101st Ave.

Crown Point, IN 46307

Diann Tsikouris

3638 St. Andrews Court

Crown Point, IN 46307

Anthony Tsikouris

3638 St. Andrews Court

Crown Point, IN 46307