

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF INDIANA  
FORT WAYNE DIVISION

IN THE MATTER OF: CASE NO. 16-12195

SILVER LAKE L.P. Chapter 11

Debtor.

**DISCLOSURE STATEMENT**

I.

**A. Introduction**

Silver Lake L.P., the Debtor-in-Possession, provides this Disclosure Statement to all of its creditors in order to disclose that information deemed by the Debtor to be important and necessary for exercising their right to vote for acceptance of the Plan of Reorganization filed with the Court on **January 23, 2017**.

Those creditors whose claims are impaired under the Plan may vote on the Plan by filling out and mailing to Daniel J. Skekloff and Scot T. Skekloff, Haller & Colvin, 444 East Main Street, Fort Wayne, Indiana, 46802, a Ballot which will be supplied by the Court. In order for the Plan to be accepted by Ballot, Ballots of voting creditors who hold at least two-thirds (2/3) in amount and more than one-half (1/2) in number of allowed claims of all Classes must be cast in favor of the acceptance of the Plan.

NO REPRESENTATIONS CONCERNING THE DEBTOR'S (PARTICULARLY AS TO THEIR FUTURE BUSINESS OPERATIONS, VALUE OF PROPERTY, OR THE VALUE OF ANY PROMISSORY NOTE TO BE ISSUED UNDER THE PLAN) ARE AUTHORIZED BY THE DEBTOR OTHER THAN AS SET FORTH IN THIS STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE WHICH ARE OTHER THAN AS CONTAINED IN THIS STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION, AND SUCH ADDITIONAL REPRESENTATIONS AND/OR INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR WHO IN TURN SHALL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE.

THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. THE RECORDS KEPT BY THE DEBTOR ARE DEPENDENT UPON INTERNAL ACCOUNTING PERFORMED BY THE DEBTOR. FOR THE FOREGOING REASON, AS WELL AS BECAUSE OF THE COMPLEXITY OF THE DEBTOR'S FINANCIAL MATTERS, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THE INFORMATION CONTAINED HEREIN IS WITHOUT ANY INACCURACY, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE.

### **B. General Information**

Essentially, the purpose of any reorganization or rehabilitation under chapter 11 is to preserve the assets of the Debtor and save it from disastrous or premature sales, such as at foreclosure, so that junior interests (junior mortgage holders and unsecured, general creditors, and Debtor) will receive the greatest possibility of preserving their right to recovery or equity in the Debtor's property. Plans of Reorganization providing for extensions of debt as a primary system of restructuring finances appear to be the most practical solution of the problem under chapter 11 of our present Bankruptcy Code.

There are limitations on what a debtor can do under a Chapter 11 Plan; primarily, a Plan may be confirmed over the objections of a Class of secured creditors only if the Court finds that those creditors are given fair and equitable treatment, and secured creditors must receive the "indubitable equivalent" of the value of their security. However, "indubitable equivalent" does not necessarily mean that secured creditors must receive payment right away; what it means is that the secured creditors, if they must wait, are entitled to a reasonable rate of interest on their money until they are paid. In other words, where a secured creditor is receiving payment in full over a reasonable period of time, with an appropriate interest or discount factor being paid, that creditor is receiving all the law requires, that is — full payment over a reasonable period of time. Under the new Bankruptcy Code, the term of any mortgage debt may be extended; payments required under the mortgage, of either principal or interest, may be postponed; and deferred or reduced payments of principal or interest may be added to the mortgage balance. Illustrative of this point is the case of In re Hollanger, 8 B.C.D. 365 (1981) involving farmers in which the Court allowed postponement of arrearages on mortgage debt for seven (7) years.

### **C. General Background**

Silver Lake, L.P. formerly d/b/a Silver Lake Group of Angola, L.P. (sometimes referred to herein as "Silver Lake", "Debtor" and/or "Debtor-in-Possession") owns a mobile home park known as Silver Lake Mobile Home Park located at 4305 W. Highway 20, Angola, Indiana 46703. The Debtor is a limited partnership, formed in 1997 for the purpose of acquiring the Silver Lake Mobile Home Park. The mobile home park has 146 licensed mobile home sites as well as 107 licensed recreational vehicle (RV) sites. The mobile home park is situated on approximately 30 acres with approximately 1,000 square feet of frontage on Silver Lake in Steuben County, Indiana.

Debtor's financial difficulties relate to issues involved with the financing of the Debtor as well as affiliate entities utilizing secured lending provided by Park Capital Investments, LLC. Certain affiliate entities have filed separate chapter 11 bankruptcy cases. See Section I. Part G. Affiliate Bankruptcy Cases below. A number of mobile home parks in which Debtor's General Partner representative, D. Mark Krueger, holds an interest experienced lower than expected occupancy which negatively affected their income and ability to make debt service payments. Ultimately, Park Capital Investments, LLC and/or assignees thereof brought actions to collect on outstanding loan obligations and for foreclosure of mortgage interests including, against the Debtor, Silver Lake. At the commencement of the case, the matter of *PCI Silver Lake LLC as assignee of Park Capital Investments, LLC vs. Silver Lake Group of Angola, L.P.* was pending in

the Steuben Superior Court in Steuben County, Indiana. Faced with the acceleration of the debt, together with an action for appointment of receiver and foreclosure, Debtor sought relief under chapter 11 of the Bankruptcy Code.

**D. Commencement of the Chapter 11 Case**

On October 17, 2016, Silver Lake, L.P. filed a Voluntary Petition Under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Indiana, Fort Wayne Division. Silver Lake continues in possession of its property and manages its business as Debtor-in-Possession under §§1107 (Rights, powers and duties of debtor-in-possession) and 1108 (Authorization to operate business) of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtor's reorganization case. The Bankruptcy Court entered its Notice of Status as, and Obligations of, Debtor-in-Possession in Chapter 11 on October 18, 2016.

**E. Creditors' Committee**

There has been no official committee of unsecured creditors appointed by the Office of the United States Trustee.

**F. Retention of Professionals**

At the commencement of the Debtor's reorganization case, the Debtor retained Daniel J. Skekloff and Scot T. Skekloff, as co-bankruptcy counsel, each of whom has been authorized to represent Silver Lake as Debtor-in-Possession by Order Authorizing Employment of Attorney dated December 6, 2016.

**G. Affiliate Bankruptcy Cases**

The General Partner of the Debtor is Angola Silver Investment, LLC. D. Mark Krueger is the sole owner of Angola Silver Investment, LLC. Mr. Krueger has, either directly or indirectly, an ownership interest in a number of entities which own mobile home parks located in Indiana and Michigan or are otherwise involved with the operation and/or management of mobile home parks in which Mr. Krueger has an interest. Certain of the entities (five in total) have filed chapter 11 bankruptcy proceedings in Michigan. These entities and the case identification is as follows:

<u>Debtor</u>	<u>Case No.</u>	<u>Court</u>	<u>Date Filed</u>
Battle Creek Realty, LLC	16-53192	Eastern District of Michigan (Detroit)	9/25/16
Denmark Management Company	16-53194	Eastern District of Michigan (Detroit)	9/25/16
Denmark Services, LLC	16-53195	Eastern District of Michigan (Detroit)	9/25/16
PC Acquisition, LLC	16-53191	Eastern District of Michigan (Detroit)	9/25/16
St. John/Battle Creek Owner, LLC	16-53193	Eastern District of Michigan (Detroit)	9/25/16

The cases have been consolidated and are presently pending under PC Acquisition, LLC, Case No. 16-53191.

Additionally, another affiliate (as that term is defined by the Bankruptcy Code) of the Debtor, El Rancho of Kalamazoo Limited Partnership d/b/a Meadowview Mobile Home Park, has filed a chapter 11 case in Indiana. It is presently pending in the United States Bankruptcy Court for the Northern District of Indiana Hammond Division under Case No. 16-23195.

Park Capital Investments, LLC or an assignee thereof is the largest secured lender in each of the referenced chapter 11 bankruptcy cases.

#### **H. Management of the Debtor/Mobile Home Park – Insider Compensation Information**

Silver Lake has an individual onsite manager of the mobile home park together with two maintenance personnel. The Silver Lake Mobile Home Park office serves as the residence of the onsite manager and is also utilized as the park office.

Pursuant to the Statement of Insider Compensation filed (Doc. No. 4) Debtor employed an insider entity (as defined by 11 U.S.C. §101) known as Denmark Management Company. Denmark Management Company was utilized by the Debtor for the function of the oversight and management of onsite employees, oversight and management of the collection of rents/revenue together with all bookkeeping and accounting functions for the Debtor. Pre-petition, Denmark Management Company received compensation pursuant to a management contract based upon a management fee of eight percent (8%) of collected rents (revenue) per month. On a post-petition basis, pursuant to the Statement of Insider Compensation, Denmark Management Company has continued to provide those same duties and functions as pre-petition with the same management fee of eight percent (8%) of collected rents/revenue per month.

In addition, pursuant to the Statement of Insider Compensation, Progressive Capital Partners, LLC (also an insider entity as defined by 11 U.S.C. §101) has twenty (20) mobile homes that it owns and rents to the Debtor under a master lease. Debtor leases these mobile homes for a total of approximately \$5,000.00 per month. Debtor subsequently rents these mobile homes to residents/tenants at the Silver Lake Mobile Home Park. Also, another insider entity, PC Acquisitions, LLC (PCA) has twenty-five (25) mobile homes at the Silver Lake Mobile Home Park and further, Denmark Services, LLC (also an insider entity) has twenty-one (21) mobile homes there as well. Both PCA and Denmark Services, LLC lease these mobile homes to tenants. The Debtor collects these rents (through Denmark Management Services) and pays over these rents to PCA and Denmark Services, LLC respectively, as the applicable mobile homes are leased and the rents are collected. Post-petition, Debtor has continued with this master lease arrangement with Progressive Capital Partners, LLC as well as the arrangement with both PCA and Denmark Services whereby those entities have mobile homes at the site for which the Debtor (through Denmark Management Services) collects the rents and remits to those entities respectively. Debtor sets forth that this arrangement allows for the collection of lot rent with respect to mobile homes for those tenants which do not own or purchase a mobile home for use in residency at the mobile home park.

**I. Pre-Petition Equity Security Holders**

At the commencement of the case, Debtor submitted the list of equity security holders. Pursuant to the most recently filed tax return of the Debtor (for the year 2015), the ownership interest in the Debtor is as follows:

<u>General Partner:</u>	<u>Partner Share of Interest:</u>
Angola Silver Investment, LLC <sup>1</sup>	50.120000%
<u>Limited Partners:</u>	<u>Partner Share of Interest:</u>
Carl Reid	3.440000%
Consolidated Group Investments, LLC	13.760000%
Frederick Minturn	1.720000%
Jennifer Pounds	6.880000%
Krueger Companies, LLC	2.580000%
MPI-SLGA, LLC	15.480000%
Rosemarie Huber	1.720000%
Steven L. Rayman	1.720000%
William Birch	2.580000%

Silver Lake is a limited partnership with Angola Silver Investment, LLC serving as the general partner of the Debtor.

**J. Synopsis of Tax Implication for Reorganization**

For income taxation purposes, Silver Lake has been taxed as a limited partnership and treated as a pass-through entity such that the income and expenses thereof were reported on Schedule K-1 Partner's Share of Income, Deductions, Credits, etc. as to each of the partners in the limited partnership. As such, prior to the commencement of the case, Debtor had no net operating losses (or "NOL's") that were available to it. As such, Debtor has been advised that the potential impact of Debtor's reorganization involves possible reduction of Debtor's future ability to recognize depreciation expense inasmuch as Debtor's tax basis in Assets of the reorganized Debtor is subject to reduction by the amount of actual discharged debt, if any, realized through the bankruptcy proceeding. As such, to the best of Debtor's current knowledge, information and belief, the impact of reorganization and any discharge of debt as may be provided under the

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<sup>1</sup> D. Mark Krueger is the 100% owner of Angola Silver Investment, LLC.

proposed Chapter 11 Plan would be to reduce Debtor's tax basis of Assets, such reduction being no greater than the amount of Debtor's discharged debt through confirmation of the Chapter 11 Plan.

The Debtor's proposed Plan provides for the restructuring of the debt obligations of the Debtor with the potential for discharge of certain indebtedness existing at the commencement of the case. As such, the federal income tax consequences of the reorganization are complex and are subject to significant uncertainties. The Debtor has not requested a ruling from the Internal Revenue Service or an opinion of counsel concerning same.

By this statement, Debtor and Debtor's counsel are not and should not be construed to be rendering tax advice to any creditor, party in interest or recipient of this Disclosure Statement. Notwithstanding the foregoing, should anything contained herein be deemed to be now or at a later time tax advice, the following disclosure is made: To ensure compliance with the requirements imposed by the Internal Revenue Service under Circular 230, Debtor informs you that any U.S. federal tax advice contained in this communication (including attachments), unless otherwise specifically stated, was not intended or written to be used, and cannot be used, for the purpose of (1) avoiding penalties under the Internal Revenue Code, or (2) promoting, marketing or recommending to another party any matters addressed herein.

Accordingly, any person who may be affected by implementation of the Plan, including creditors and equity interest holders of the Debtor, should consult their own tax advisors with respect to and/or regarding the tax consequences under federal and any applicable state, local, commonwealth or foreign law.

#### **K. Current (Post-Petition) Operations**

Silver Lake has since the filing of the Petition, continued in its operation. Since the date of filing, Silver Lake, pursuant to operating reports filed, have had the following operating income and expenses from its operation:

##### **October 17-31, 2016:**

Total Income:	6,129.67
Total Expenses:	<u>9,805.10</u>
Net Profit (Loss):	(3,675.43)

Total Cash Receipts:	6,129.67
Total Cash Disbursements:	<u>4,382.97</u>
Net Cash Flow:	1,746.70

##### **November 2016:**

Total Income:	32,442.59
Total Expenses:	<u>34,158.21</u>
Net Profit (Loss):	(1,715.62)

Total Cash Receipts:	35,296.66
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Total Cash Disbursements:	19,861.97
Net Cash Flow:	<u>15,434.69</u>

**December 2016:**

Total Income:	23,167.70
Total Expenses:	<u>37,875.57</u>
Net Profit (Loss):	(14,707.87)

Total Cash Receipts:	23,167.70
Total Cash Disbursements:	<u>23,680.08</u>
Net Cash Flow:	(512.38)

**II.****Debts and Assets Analysis****A. Assets**1. **Real Estate:**

The Debtor owns the following parcels of real estate:

Mobile Home Park located at 4305 W. Highway 20, Angola, Indiana	\$3,000,000.00
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2. **Personal Property:**

The amounts listed in Schedule "B" of the Schedules of Assets and Liabilities (filed November 9, 2016) were accurate to the best of the Debtor's knowledge. Accordingly, the Debtor's personal property at the time of the Chapter 11 filing had a value as follows:

First State Bank – checking account	3,319.49
Accounts Receivable	13,302.88
Office furniture: Desks, copier, telephones, file cabinets, etc.	6,456.14
Sewer machine, hand tools, lawn mowing equipment	19,810.71
Five (5) mobile homes	<u>50,000.00</u>
TOTAL:	92,889.22

**B. Debts**

The following information is a summary of the Debtor's debt obligations pursuant to information as set forth in the Schedules filed in the case. These amounts are presented as an indication of the Debtor's financial status as of the commencement of the case.

1. **Secured Creditors:**

The following are the creditors scheduled by the Debtor claiming security interests (secured in whole or in part) and the estimated amount of the claim:

Camco Management, LLC (5 mobile homes)	50,000.00
Park Capital Investments, LLC (4305 W. Highway 20, Angola, IN)	1,880,398.00
PC Acquisition, LLC (4305 W. Highway 20, Angola, IN)	391,434.52
Capital Investments, LLC	0.00
Progressive Capital Partners, LLC (4305 W. Highway 20, Angola, IN)	189,473.01
Steuben County Treasurer	9,612.89
TOTAL:	<u>2,250,918.42</u>

2. Unsecured Creditors:

All creditors of the Debtor not listed above are considered unsecured. The total of all claims listed by the Debtor in its Schedule "F" as unsecured is \$373,841.16.

3. Priority Claims:

Debtor in the schedules filed, indicated the following claims: None.

4. Summary:

Creditors claiming security	2,250,918.42
Unsecured creditors	373,841.16
Priority Tax Claims	0.00
TOTAL:	<u>2,624,759.58</u>

It is expected that there will be some adjustment to these amounts when exact amounts of claims become known.

**C. Liquidation Analysis**

The Liquidation Analysis is provided for a comparison of what creditors would receive in a chapter 7 liquidation as opposed to what is provided under the proposed Chapter 11 Plan. In a liquidation, secured creditors are entitled to distribution from proceeds of their collateral prior to distribution to other creditors.

Real Estate:

Debtor owns the Silver Lake Mobile Home Park located in Angola, Indiana. Debtor scheduled the mobile home park with a value of \$3,000,000.00 based upon Debtor's opinion of value in consideration of the property and comparison with other mobile home park valuations as



well as a broker's price opinion obtained as to this subject property in 2016 setting forth a value in approximately this amount. In a hypothetical liquidation, considering short term sale and costs associated with sale, Debtor estimates sale of the mobile home park real estate would likely result in proceeds of approximately ninety percent (90%) of the real estate's scheduled value or approximately \$2,700,000.00.

Debtor scheduled claims secured by the real estate totaling \$2,200,918.42. As such, in hypothetical liquidation, given the above values, assumptions and claim amounts, Debtor sets forth that, in light of the secured claims, potential interest accruals and amounts, there would be sufficient proceeds to pay in full the secured claims secured by the real estate resulting in remaining proceeds thereafter at or around approximately \$450,000.00 for application to unsecured claims.

Personal Property:

Debtor scheduled personal property which may be categorized as follows:

- a. Bank account and accounts receivable;
- b. Equipment; office furniture and furnishings;
- c. Mobile homes.

- a. Bank account and accounts receivable:

Debtor scheduled bank account and accounts receivable totaling \$16,622.37. These bank account and accounts receivable result from rents generated by the mobile home park and would be subject to the lien of Park Capital, Inc., Debtor's largest secured creditor. Presuming a hypothetical liquidation in which the sale of the mobile home park real estate would be sufficient to pay in full the claim of Park Capital and other secured claims associated with the property, these proceeds from the bank account and accounts receivable would be available for distribution to unsecured claims.

- b. Equipment; office furniture and furnishings:

Debtor scheduled equipment, office furniture and furnishings totaling \$26,266.85. In a hypothetical liquidation, considering short term sale and cost associated with sale, Debtor believes the sale of these assets would likely result in no more than fifty percent (50%) of the scheduled value thereof or approximately \$13,100.00. There are no liens indicated as to this personal property and as such, in hypothetical liquidation, the proceeds from the sale of this property would be available for distribution to unsecured creditors.

- c. Mobile homes:

Debtor scheduled an interest in five (5) mobile homes based upon the purchase cost and condition of the mobile homes. In a hypothetical liquidation, Debtor estimates that the sale of these mobile homes would likely result in net proceeds of approximately seventy percent (70%) to eighty percent (80%) of the scheduled value or approximately \$37,500.00. These mobile

homes are subject to the lien of Camco Management, LLC securing a claim as scheduled by the Debtor of \$50,000.00. Accordingly, in a hypothetical liquidation, no proceeds would be available for payment towards unsecured claims as the proceeds from the sale of these mobile homes would be paid to the lien holder thereon, Camco Management, LLC.

Summary:

Debtor estimates, given the above values and assumptions, that in a hypothetical liquidation, after payment of secured claims, proceeds for payment to unsecured claims would be as follows:

Real Estate	\$450,000.00
Personal Property:	
a. Bank account and accounts receivable	\$16,600.00
b. Equipment, office furniture and furnishings	\$13,100.00
c. Mobile homes	\$0.00

Debtor scheduled unsecured claims totaling \$373,841.16.

Given the above values, liens, claims and encumbrances as well as the assumptions regarding proceeds from the sale of assets in a hypothetical liquidation, Debtor sets forth that there would be sufficient proceeds from the liquidation of all assets for payment in full of unsecured claims.

In a liquidation, certain claims are entitled to priority prior to distribution to general unsecured creditors. These claims consist of administrative and priority claims pursuant to the priorities set forth in the Bankruptcy Code.

**Administrative Expenses:** Certain entities including Debtor's attorneys, accountants, appraisers, or other professionals authorized to be employed by the Debtor and professionals employed by the Unsecured Creditors' Committee, if any, may file Applications with the Bankruptcy Court for the allowance of compensation and reimbursement of expenses. Requests for compensation are subject to approval by the Bankruptcy Court after a hearing on notice at which the Debtor and other parties in interest may participate and, if appropriate, object to the allowance of any compensation and reimbursement of expenses. Attorney fees are not known at present, but are estimated to be \$20,000.00 at Confirmation. This amount may be greater or lesser depending upon matters involved in the chapter 11 proceeding, including issues relating to claims and the confirmation of the Plan. Additional administrative expenses would include U.S. Trustee fees unsatisfied at the time of the Plan Confirmation, which at this time are estimated to be \$975.00. U.S. Trustee fees continue to accrue until the case is closed.

**Priority Tax Claims:** Certain claims, including certain government taxing authority claims are entitled to a priority position over general unsecured creditors. The Bankruptcy Code requires payment of these priority claims before distribution to general unsecured creditors or interest holders. Debtor scheduled no priority tax claims.

Administrative and priority claims (if any) would be entitled to payment prior to payment to general unsecured creditors.

**D. Projections**

The Debtor has in accordance with its experience and expertise, formulated projections of income and expenses for the continued operation of the Debtor.

These projections, based upon the Debtor's most current information reflect the present opinion of the income to be generated by the operation of the Silver Lake mobile home park, as well as the costs and expenses associated with its operation over the next four (4) years.

The projections, attached hereto as Exhibit "A", provide information on the continued operation of the Debtor based upon its experience and current information and opinion regarding anticipated sales and expenses from the operation of the business. It is cautioned that no representation can be made with respect to the accuracy of these projections or the ability to achieve the projected results. Certain of the business assumptions used in the preparation of the projections may not materialize. The conclusions described herein are subject to numerous assumptions regarding tenancy, rental rents and associated expenses of the mobile home park. Moreover, unanticipated and uncontrollable events and circumstances may occur after the date of the forecast which would affect the business and operation of the Silver Lake mobile home park. Accordingly, although the Debtor believes that these projected results are achievable, actual results achieved during the period covered by the projections will undoubtedly vary from the projections and such variations may be material. The financial information set forth herewith should be reviewed in conjunction with other information regarding the Debtor's business and operation and with such other information contained elsewhere in this Disclosure Statement.

**III.**

**Bankruptcy Code Requirements for Confirmation**

The Bankruptcy Court will confirm the Plan only if it finds that all of the requirements of §1129 (Confirmation of plan) of the Bankruptcy Code are met. Among the requirements for confirmation of a Plan are that the Plan: (i) is accepted by all impaired classes of claims and equity interests, or if rejected or deemed rejected by an impaired Class, satisfies the "cramdown" standard; (ii) is feasible; and (iii) is in the "best interests" of creditors and stockholders (interest holders) impaired under the Plan.

Section 1129 of the Bankruptcy Code which sets forth the requirements that must be satisfied in order for the Plan to be confirmed, lists the following requirements for the approval of any plan of reorganization:

1. A plan must comply with the applicable provisions of the Bankruptcy Code.
2. The proponent of a plan must comply with the applicable provisions of the Bankruptcy Code.

3. A plan must be proposed in good faith and not by any means forbidden by law.
4. Any payment made or to be made by the proponent, by the debtor, or by a person issuing securities or acquiring property under a plan, for services or for costs and expenses in or in connection with the case, or in connection with such plan and incident to the case, must be approved by, or be subject to the approval of, the court as reasonable.
5. (i)(A) The proponent of a plan must disclose the identity and affiliations of any individual proposed to serve, after confirmation of such plan, as a director, officer, or voting trustee of the Debtor, an affiliate of the Debtor participating in a joint plan and the Debtor, or a successor to the Debtor under such plan; and  
  
(B) The appointment to, or continuance in, such office of such individual, must be consistent with the interests of creditors and equity security holders and with public policy; and  
  
(ii) The proponent of a plan must disclose the identity of any insider that will be employed or retained by the reorganized debtor, and the nature of any compensation for each inside.
6. Any governmental, regulatory commission with jurisdiction, after confirmation of a plan, over the rates of the debtor must approve any rate change provided for in such plan, or such rate change is expressly conditioned on such approval.
7. Each holder of a claim or interest in an impaired class of claims or interests must have accepted the plan or must receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code on such date, or, if the class is a class of secured claims that elects non-recourse treatment of the claims under §1111(b) of the Bankruptcy Code (§1111 is entitled “Claims and interests”), each holder of a claim in such class will receive or retain under the plan on account of such claim property of a value, as of the effective date of the plan, that is not less than the value of such holder’s interest in the estate’s interest in the property that secures such claims. This is the so-called “best interests” test.
8. With respect to each class of claims or interests, such class must accept the plan or not be impaired under the plan (subject to the “cramdown” provisions discussed herein.)

9. Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, a plan must provide that:
  - (i) with respect to an administrative claim and certain claims arising in an involuntary case, on the effective date of the plan, the holder of the claim will receive on account of such claim cash equal to the allowed amount of the claim;
  - (ii) with respect to a class of priority wage, employee benefit, consumer deposit and certain other claims described in §507(a)(3)-(6) of the Bankruptcy Code (§507 is entitled “Priorities”), each holder of a claim of such class will receive:
    - (A) if such class has accepted the plan, deferred cash payments of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or
    - (B) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim; and;
  - (iii) with respect to a priority tax claim of a kind specified in §507(a)(8) of the Bankruptcy Code, the holder of such claim will receive on account of such claim deferred cash payments, over a period not exceeding five (5) years after the date of the order for relief, of a value, as of the date of assessment of such claim of a value, as of the effective date of the plan equal to the allowed amount of such claim, and such treatment must be in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the Plan (other than cash payments made to a class of creditors under §1122(b)). (§1122 is entitled “Classification of Claims or interests”).
10. If a class of claims is impaired under a plan, at least one class of claims that is impaired under such plan must have accepted the plan, determined without including any acceptance of the plan by any insider; except that in a case in which the debtor is an individual, the debtor may retain property included in the estate subject to the requirements of 11 U.S.C. §1129(a)(14) described in ¶15 below.
11. Confirmation of a plan must not be likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan unless such liquidation or reorganization is proposed in the plan. This is the so-called “feasibility” requirement.

12. All fees payable under §330 of the Bankruptcy Code, as determined by the court at the hearing on confirmation of the plan, must have been paid or the plan must provide for the payment of all such fees on the effective date of the plan.
13. A plan must provide for the continuation after its effective date of payment of all retiree benefits, as that term is defined in §1114 (Payment of insurance benefits to retired employees) of the Bankruptcy Code, at the level established pursuant to either subsection (e)(1)(B) or (g) of §1114 of the Bankruptcy Code, at any time prior to confirmation of such plan, for the duration of the period the debtor has obligated itself to provide such benefits.
14. An individual debtor may not obtain confirmation unless post-petition domestic support obligations are paid in full.
15. In those chapter 11 cases in which the debtor is an individual, and in which the holder of an allowed unsecured claim objects to the confirmation of the Plan, the court will confirm the Plan only if the value, as of the effective date of the Plan, of the property to be distributed under the Plan on account of such claim is not less than the amount of such claim; or the value of the property to be distributed under the Plan is not less than the projected disposable income of the debtor (as defined in 11 U.S.C. §1325(b)(2) to be received during the five (5) year period beginning on the date that the first payment is due under the Plan, or during the period for which the Plan provides payments, whichever is longer.

This Disclosure Statement discusses three of these requirements: (a) the feasibility of the Plan; (b) acceptance by impaired classes; and (c) the “best interests” standard. The Debtor believes that the Plan meets all the requirements of §1129(a) of the Bankruptcy Code (other than as to voting, which has not taken place) and will seek a ruling of the Court to this effect at the hearing on confirmation of the Plan. You are urged to consult your own attorneys to evaluate each of the standards for confirmation of the Plan under the Bankruptcy Code.

**Vote Required for Acceptance; Confirmation**

The Bankruptcy Code defines acceptance of a plan by an impaired class of claims as acceptance by holders of at least two-thirds in dollar amount, and more than one-half in number, of the claims of that class which actually cast ballots (other than any holders who are found by the Bankruptcy Court to have cast their ballots in bad faith). The Bankruptcy Code defines acceptance of a plan by an impaired class of equity interests as acceptance by holders of at least two-thirds in number of the equity interests of that class that actually cast ballots other than any holders who are found by the Bankruptcy Court to have cast their ballots in bad faith.

In addition to this voting requirement, §1129 of the Bankruptcy Code requires that a plan be accepted by each holder of a claim or interest in an impaired class or that the plan otherwise be found by the Court to be in the best interests of each holder of a claim or interest in an impaired class. See “Best Interests Test” below.

If one Class of impaired Claims or Interests accepts the Plan, the Court may confirm the Plan under the “cramdown” provisions of §1129(b) of the Bankruptcy Code, which permits the confirmation of a plan over the dissenting votes of creditors or equity interest holders that have voted, as a Class, to reject the plan, provided that certain standards are met. See “Cramdown” below.

In the event any Voting Class votes against the Plan, and the Plan is not withdrawn, the terms of the Plan may be modified by the Debtor, as necessary to effect a “cramdown” on such dissenting Class or Classes by reallocating value from all Classes Junior to the objecting Class or Classes to any impaired senior Classes until such impaired senior Classes are paid in accordance with the absolute priority rule of §1129(b) of the Bankruptcy Code. Any such modifications or amendments shall be filed with the Bankruptcy Court and served on all parties in interest entitled to receive notice of the hearing on the confirmation of the affected Plan. Subject to the conditions set forth in the Plan, a determination by the Bankruptcy Court that the Plan is not confirmable pursuant to §1129 of the Bankruptcy Code will not limit or affect the Debtor’s ability to modify the Plan to satisfy the provisions of §1129 of the Bankruptcy Code.

### **Best Interests Test**

Notwithstanding acceptance of the Plan by each impaired Class, in order to confirm the Plan the Bankruptcy Court must determine that the Plan is in the best interests of each Holder of a Claim or Interest that has not accepted the Plan. Accordingly, if an impaired Class does not unanimously accept the Plan, the “best interests” test of §1129(a)(7) of the Bankruptcy Code requires that the Court find that the Plan provides to each Holder of a claim or interest in such impaired Class a recovery on account of the Holder’s Claim or Interest that has a value of at least equal to the value of the Distribution that each such Holder would receive if the Debtor were liquidated under chapter 7 of the Bankruptcy Code.

To estimate what members of each impaired Class of Claims or Interests would receive if the Debtor were liquidated in a chapter 7 case, the Bankruptcy Court must first determine the aggregate dollar amount that would be available if the Debtor’s case were converted to a chapter 7 liquidation by a chapter 7 trustee (the “Liquidation Value”). The Liquidation Value would consist of the net proceeds from the disposition of the assets of the Debtor, augmented by the Cash held by the Debtor and reduced by certain increased costs and Claims that arise in a chapter 7 liquidation case that do not arise in a chapter 11 reorganization case including sale costs. Debtor believes that a chapter 7 liquidation would have a material and adverse effect upon the values which would be received by its creditors when measured against such values assuming consummation of the Plan.

The Liquidation Value available to general creditor would be reduced by: (a) the Claims of secured creditors to the extent of the value of their collateral; and (b) the costs and expenses of

the liquidation under chapter 7, which would include: (i) the compensation of a trustee and its counsel and other professionals retained; (ii) disposition expenses; (iii) all unpaid expenses incurred by the Debtor during its Reorganization Case (such as compensation for attorneys, auctioneers and accountants) which are allowed in the chapter 7 case; (iv) litigation costs; and (v) Claims arising from the operation of the Debtor during the pendency of the chapter 11 and chapter 7 liquidation cases. The liquidation itself would cause the realization of additional Priority Claims and would accelerate other priority payments which would otherwise be payable in the ordinary course. These Priority Claims would be paid in full out of the liquidation proceeds before the balance would be made available to pay most other Claims or to make any Distribution in respect of Interests. A discussion concerning liquidation of the Debtor's assets is set forth above, See II. C. Liquidation Analysis.

Once the percentage liquidation recoveries for each Class are ascertained, the value of the Distribution available out of the Liquidation Value is compared with the value of the property offered to such Class under the Plan to determine if it is in the best interests of Holders of Allowed Claims or Allowed Interests, as the case may be, in such Class.

After considering the effect that a chapter 7 liquidation would have on the value of the Debtor, including the costs of an Claims resulting from a chapter 7 liquidation, the adverse effect of a forced sale on the prices of the Debtor's assets, the potentially adverse impact on the Debtor's business and the delay in the distribution of liquidation proceeds, the Debtor has determined estimated Liquidation Values for its Reorganization Case, which are set forth above. Based on the analysis set forth therein, and subject to the assumptions and qualifications therein expressed, the Debtor believes that the Plan as proposed herein satisfies the requirements of the "best interests" test of §1129(a)(7) of the Bankruptcy Code.

#### **Fair and Equitable Test; Cramdown**

Any Voting Class that fails to accept the Plan will be deemed to have rejected the Plan. Notwithstanding such rejections, the Bankruptcy Court may confirm the Plan and the Plan will be binding upon all Classes, including the Classes rejecting the Plan, if the Debtor demonstrates to the Bankruptcy Court that at least one impaired Class of Claims has accepted the Plan and that the Plan "does not discriminate unfairly" and is "fair and equitable" with respect to each non-accepting Class. A plan does not discriminate unfairly if the legal rights of a dissenting class are treated in a manner consistent with the treatment of other classes whose legal rights are similar to those of the dissenting class and if no class receives more than it is entitled to for its claims or interests.

The Bankruptcy Code establishes different "fair and equitable" tests for the secured and unsecured creditors as follows:

1. Secured Creditors. Either (i) each secured creditor in a non-accepting impaired class retains the liens securing its secured claim and receives on account of its secured claim deferred cash payments having a present value equal to the amount of its allowed secured claim, (ii) each secured creditor in a non-accepting impaired class realizes the indubitable



equivalent of its allowed secured claim or (iii) the property securing the claim is sold free and clear of liens with such liens to attach to the proceeds and the treatment of such liens on proceeds as provided in clause (i) or (ii) of this subparagraph.

2. Unsecured Creditors. Either (i) each unsecured creditor in a non-accepting impaired class receives or retains under the plan property having a present value equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive or retain any property under the Plan, unless new value is given by and through the operation of the Chapter 11 Plan; additionally, with respect to those cases in which the Debtor is an individual and in which the holder of an allowed unsecured claim objects to the confirmation of the Plan, the court will confirm the Plan only if the value, as of the effective date of the Plan, of the property to be distributed under the Plan on account of such claim is not less than the amount of such claim; or the value of the property to be distributed under the Plan is not less than the projected disposable income of the debtor (as defined in 11 U.S.C. §1325(b)(2) to be received during the five (5) year period beginning on the date that the first payment is due under the Plan, or during the period for which the Plan provides payments, whichever is longer.

THE DEBTOR BELIEVES THAT THE PLAN DOES NOT DISCRIMINATE UNFAIRLY WITH RESPECT TO ANY CLASS AND IS FAIR AND EQUITABLE WITH RESPECT TO EACH IMPAIRED CLASS, THEREFORE, THE DEBTOR INTENDS TO SEEK CONFIRMATION OF THE PLAN EVEN IF LESS THAN THE REQUISITE NUMBER OF FAVORABLE VOTES ARE OBTAINED FROM ANY VOTING CLASS.

### *Feasibility*

The Bankruptcy Code requires that the Bankruptcy Court, in order to confirm the Plan must find that confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization of the Debtor (the “Feasibility Test”). For the Plan to meet the Feasibility Test, the Bankruptcy Court must find that reorganized Debtor, subsequent to the Effective Date, will have a reasonable expectation of generating, through their own operations or access to sources of debt and/or equity capital, funds sufficient to satisfy their obligations under the Plan and otherwise.

Assuming consummation of the Plan substantially as described herein, the Debtor believes that the Plan meets the requirements of the Feasibility Test. The Debtor has prepared projections of the expected operating and financial results of reorganized Debtor. Based on those projections, Debtor believes that the Plan complies with the financial feasibility standard for confirmation. The Debtor believes the results set forth in these projections are attainable and that it will have sufficient funds to met its obligations under the Plan and otherwise.

The Debtor cautions that no representations can be made with respect to the accuracy of these projections or the ability to achieve the projected results. Certain of the business assumptions used in the preparation of the Projections may not materialize. The conclusions described herein are subject to numerous assumptions regarding continuing operations, many of which are the subject of continuing review and modification. Moreover, unanticipated and uncontrollable events and circumstances may occur after the date of the forecasts which could affect the business and property. Accordingly, although the Debtor believes that these projected results are achievable, actual results achieved during the period covered by the Projections will undoubtedly vary from the Projections, and such variations may be material.

#### IV.

##### Legal Effect of Plan Confirmation

1. As to Cases Other than Individual Debtors. In cases in which the Debtor is not an individual, except as otherwise provided in the Plan or Confirmation Order, in accordance with §1141(d)(1) of the Bankruptcy Code (§1141 is entitled “Effect of confirmation”), entry of the Confirmation Order acts as a discharge effective as of the effective date of all debts of, claims against, liens on, and interest in the Debtor, its assets or properties which debts, claims, liens and interest arose at any time before the entry of the Confirmation Order.

2. As to cases in which Debtor is an Individual. Unless after notice and hearing the Court orders otherwise for cause, confirmation of an individual Debtor’s Chapter 11 Plan does not discharge any debt provided for in the Plan until the Court grants a discharge on completion of all payments under the Plan under 11 U.S.C. §1141(d)(5)(A) except that the Court may grant a discharge prior to Plan completion under sub-part (b) of that Section if there exists a lack of practical ability to modify the confirmed Plan and the distribution of all property under the Plan is no less than unsecured creditors would have received in a chapter 7 liquidation.

3. Scope of Discharge. The discharge of the Debtor shall be effective as to each claim, regardless of whether a Proof of Claim therefor was filed, whether the claim is an allowed claim or whether the holder thereof votes to accept the Plan. On the effective date as to every discharge claim and interest any holder of such claim or interest shall be precluded from asserting against the reorganized Debtor or against *their* respective assets or properties any other or further claim or interest based upon any document, instrument, act, omission, transaction, or other activity of any kind or nature that occurred before the Confirmation date. Further, any holder of a claim or interest shall be precluded from asserting the same against the Debtor or the reorganized Debtor, except as specifically provided for in the Plan.

4. Injunction. In accordance with §524 (“Effect of discharge”) of the Bankruptcy Code, the discharge provided by the Plan and §1141 of the Bankruptcy Code, inter alia acts as an injunction against the commencement or continuation of any action, employment of process or act to collect, offset or recover the claims discharged hereby.

5. Applicability. Except as otherwise may be set forth in the Plan, the discharge provisions of the Plan do not apply to rights, claims or causes of action whether asserted or yet to

be asserted against a non-Debtor except that no rights, claims or causes of action against Debtor can be asserted against the Debtor or reorganized Debtor.

6. Retention of Claims. Except as otherwise provided in the Plan including without limitation any contract, instrument, release or other agreement entered into in connection with the Plan or by Order of the Bankruptcy Court in accordance with §1123(b) of the Bankruptcy Code (§1123 is entitled “Contents of plan”), the reorganized Debtor shall retain and may enforce any claims, rights and causes of action that the Debtor or their estate may hold including without limitation any claims, rights or causes of action under §544 through §550 inclusive of the Bankruptcy Code (these Bankruptcy Code sections set forth avoidance powers of a trustee) or any other applicable law. After the effective date, reorganized Debtor may pursue any such claims, rights and causes of action in accordance with what is in their best interest.

7. Revesting and Vesting. Except as otherwise provided expressly in the Plan, on the effective date, all property comprising the estate of the Debtor shall revert in reorganized Debtor and shall become property of the reorganized Debtor free and clear of all claims, liens, charges, encumbrances and interests of creditors and equity security holders (other than as expressly provided in the Plan). As of the effective date reorganized Debtor shall operate the business and use, acquire and dispose of property including any post-petition cash collateral and settle or compromise claims or interests without supervision of the Court free of any restrictions of the Bankruptcy Code or Bankruptcy Rules other than those restrictions expressly imposed by the Plan and Confirmation Order.

8. Retention of Jurisdiction by the Bankruptcy Court. Notwithstanding Confirmation of the Plan or occurrence of the effective date, the Court shall retain jurisdiction over the reorganization case. Prior to the entry of a Final Order pursuant to Bankruptcy Rule 3022, the Bankruptcy Court shall retain jurisdiction:

- a. Over all claims against or interests in the Debtor;
- b. To determine the allocability of claims and interests upon objection to such claims by the Debtor or reorganized Debtor or the Creditors’ Committee;
- c. To determine any tax liability pursuant to §505 (Determination of tax liability) of the Bankruptcy Code;
- d. To adjudicate any dispute under any executory lease or contract assumed during the reorganization case pursuant to §365 (Executory contracts and unexpired leases) of the Bankruptcy Code;
- e. To resolve all matters related to the assumption, assumption and assignment, or rejection of any executory contract or unexpired lease of the Debtor;

- f. To determine requests for payment of administrative claims;
- g. To resolve controversies and disputes regarding the interpretation of the Plan including the determination of the priorities of distribution required by the Articles of the Plan.
- h. To implement the provisions of the Plan and enter orders in aid of Confirmation in consummation of the Plan including without limitation, appropriate orders to enforce the right, title and powers of reorganized Debtor from actions by holders of claims against or interests in the Debtor;
- i. To determine classification voting treatment allowance estimation withdrawal disallowance or reconsideration of claims and interests and any objections relating thereto;
- j. To fix, liquidate or estimate claims or interests;
- k. To modify the Plan pursuant to §1127 (Modification of plan) of the Bankruptcy Code;
- l. To correct any defect, to cure any mistake or omission or reconcile any inconsistency in the Plan or the Confirmation Order as may be necessary or appropriate to carry out the purposes and intent of the Plan;
- m. To adjudicate any causes of action that arose prior to the Confirmation date or in connection with the implementation of the Plan including avoidance actions brought by the Debtor or reorganized Debtor as the representation of Debtor's estate or party in interest (as a representative of the Debtor's estate);
- n. To resolve disputes concerning any disputed claims reserve or the administration thereof and claims for disputed distribution;
- o. To resolve any disputes concerning any release of the Debtor under the Plan or the injunction against acts of employment of process, or actions against the Debtor arising under the Plan;
- p. To resolve any disputes concerning whether a personal entity had sufficient notice of the reorganization case, the applicable claims bar date, the hearing on the approval of the disclosure statement as containing adequate information, the hearing on the Confirmation of the Plan for the purpose of determining whether a claim of interest is discharged under the Plan or for any other purpose;

- q. To order the removal pursuant to §1452 (Removal of claims related to bankruptcy cases) of Title 28 of the United States Code of any suit instituted against the Debtor, the estate, the reorganized Debtor or any person released pursuant to the Plan and to hear and determine any action so removed;
- r. To enter a Final order closing the reorganization case; and
- s. To hear and determine such other matters as may be provided for under Title 28 or any other title of the United States Code and any reference to the Bankruptcy Code, the Bankruptcy Code, the Bankruptcy Rules, other applicable law, the Plan or the Confirmation Order.

#### IV.

##### Summary of the Plan

The Classes created by the Plan and their respective treatment are summarized below. The obligations under the Plan may be reduced to promissory notes within approximately six (6) months from the date of Confirmation of the Plan. The terms of such promissory notes shall not vary the terms of the Plan.

1. Class 1 will constitute holders of administrative expenses claims, including Debtor's attorneys. This Class will be paid in full within thirty (30) days after Confirmation unless earlier payment is authorized by the Court. The U.S. Trustee fees shall be paid in full in timely fashion pursuant to the quarterly fee payments schedule until such time as this chapter 11 case is closed. This Class is not impaired.

2. Class 2 will consist of the Camco Management, LLC Allowed Secured Claim. The Allowed Secured Claim of this Class shall be paid in full, With Interest. Payments to this Class shall be monthly commencing thirty (30) days after Confirmation of the Plan. Said payments shall be based upon a ten (10) year amortization. The estimated monthly payments to this Class is approximately \$510.00. The prepetition security interest of this Class shall continue in effect. This Class is impaired.

3. Class 3 will consist of the Park Capital Investments, LLC / PCI Silver Lake LLC as assignee Allowed Secured Claim. The Allowed Secured Claim of this Class shall be paid in full, With Interest. Payments to this Class shall be monthly commencing thirty (30) days after Confirmation of the Plan. Said payments shall be based upon a twenty (20) year amortization. The estimated monthly payment to this Class is approximately \$13,940.00. The prepetition security interest of this Class shall continue in effect. This Class is impaired.

4. Class 4 will consist of the PC Acquisitions, LLC Allowed Secured Claim. The Allowed Secured Claim of this Class shall be paid in full, With Interest. Payments to this Class shall be monthly commencing thirty (30) days after Confirmation of the Plan. Said payments

shall be based upon a twenty (20) year amortization. The estimated monthly payment to this Class is approximately \$2,380.00. The prepetition security interest of this Class shall continue in effect. This Class is impaired.

5. **Class 5** will consist of the Progressive Capital Partners, LLC Allowed Secured Claim. The Allowed Secured Claim of this Class shall be paid in full, With Interest. Payments to this Class shall be monthly commencing thirty (30) days after Confirmation of the Plan. Said payments shall be based upon a twenty (20) year amortization. The estimated monthly payment to this Class is approximately \$1,150.00. The prepetition security interest of this Class shall continue in effect. This Class is impaired.

6. **Class 6** will consist of the Steuben County Treasurer. The Allowed Secured Claim of this Class, if any, shall be paid in full, With Interest, on or before November 10, 2017 or sixty (60) days after Confirmation of the Plan, whichever is later. The annual real estate taxes are approximately \$18,000.00. The security interest of this Class shall continue in effect. This Class is impaired.

7. **Class 7** will consist of Individuals with Allowed Deposit Claims pursuant to 11 U.S.C. §507(a)(7). The Allowed Claims of this Class shall be paid in full in the normal and ordinary course of business after the Confirmation of the Plan as and when such claims of individuals become due. The actual amounts of the claims of this Class are unknown at present, but one anticipated to be nominal. This Class is not impaired.

8. **Class 8** will consist of Allowed Priority Tax Claims. The Allowed Claims of this Class, if any, shall be paid in full, With Interest, accruing from and after the Confirmation of the Plan at the I.R.C. rate in effect as of the Confirmation of the Plan. Payments to this Class shall be quarterly based upon a one (1) year amortization. The first quarterly payment to the Class shall be due ninety (90) days after Confirmation of the Plan. The Debtor believes the claims of this Class are zero or nominal. This Class is not impaired.

9. **Class 9** will consist of Unsecured Claims. The Allowed Claims of this Class shall be paid in full, With Interest, upon the sale of the Debtor's real estate (the mobile home park) or one (1) year after the full payment of Class 3, whichever occurs first. The scheduled claims of this Class total \$373,841.16. This Class is impaired.

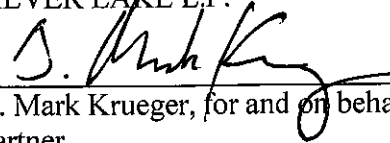
10. **Class 10** will consist of Interest Holders. Class 10 will consist of the interest holders. All pre-petition equity security interests of Debtor shall be canceled. This Class is impaired.

**THE FOREGOING IS A BRIEF SUMMARY OF THE PLAN AND SHOULD NOT BE RELIED UPON FOR VOTING PURPOSES. CREDITORS ARE FURTHER URGED TO CONSULT WITH COUNSEL, OR WITH EACH OTHER, IN ORDER TO FULLY UNDERSTAND THE PLAN.**

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**ADDITIONALLY, ANY CREDITOR DESIRING INFORMATION REGARDING THE DEBTOR THAT SUCH CREDITOR BELIEVES IS NOT SUPPLIED BY THE DISCLOSURE STATEMENT IS REQUESTED TO CONTACT THE ATTORNEYS FOR THE DEBTOR.**

SILVER LAKE L.P.



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D. Mark Krueger, for and on behalf of General Partner

**CERTIFICATE OF SERVICE**

The undersigned, who is duly admitted to practice in the State of Indiana and before the Court, hereby certifies that a copy of the above and foregoing was transmitted electronically through the Bankruptcy Court's ECF System, on January 23, 2017, to the following:

Leonard W. Copeland  
Nancy J. Gargula  
Office of the United States Trustee  
One Michiana Square, Suite 555  
100 E. Wayne Street  
South Bend, IN 46601

Maria A. Diakoumakis  
DYKEMA GOSSETT PLLC  
10 S. Wacker Drive, Suite 2300  
Chicago, IL 60606  
Attorney for PCI Silver Lake, LLC

The undersigned further certifies that a copy of the above and foregoing was sent by first class United States mail, postage prepaid on January 23, 2017, to the following:

Silver Lake L.P.  
c/o D. Mark Krueger, General Partner  
42815 Garfield Road, Suite 213  
Clinton Township, MI 48038

/s/ Scot T. Skekloff  
\_\_\_\_\_  
Scot T. Skekloff (#15849-02)



# EXHIBIT A

## Silver Lake Group of Angola, LP Forecast January through December 2017

	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	TOTAL
<b>Ordinary Income/Expense</b>													
<b>Income</b>													
4000 - Income Rent	25,350	26,640	26,640	27,380	28,490	28,490	28,490	28,490	28,490	28,490	28,490	28,490	333,930
41 - Progressive pass thru	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	38,400
42 - PCA Home income	5,480	5,480	5,480	5,480	5,480	5,480	5,480	5,480	5,480	5,480	5,480	5,480	65,760
43 - DMS pass thru	383	383	383	383	383	383	383	383	383	383	383	383	4,596
4010 - Income RV	950	-	-	35,750	-	35,750	-	35,750	-	-	-	-	108,200
4030 - Income Electric	324	-	-	340	340	340	340	340	340	340	340	340	2,704
4090 - Income Miscellaneous	1,025	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	19,780
Delinquency	(2,104)	(1,870)	(1,870)	(3,712)	(1,980)	(1,980)	(3,767)	(1,980)	(3,767)	(1,980)	(1,963)	(2,748)	(29,722)
<b>Total Income</b>	<b>34,608</b>	<b>35,538</b>	<b>35,538</b>	<b>70,526</b>	<b>37,618</b>	<b>37,618</b>	<b>71,581</b>	<b>37,618</b>	<b>71,581</b>	<b>37,618</b>	<b>37,295</b>	<b>36,510</b>	<b>543,648</b>
<b>Expense</b>													
6010 - Advertising	-	-	150	-	-	-	150	-	-	-	-	-	300
6030 - Auto	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
6115 - Computer Services	489	489	489	489	489	489	489	489	489	489	489	489	5,873
6120 - Contracted Maintenance	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
6210 - Equipment	216	30	113	92	969	250	250	250	250	250	250	250	3,169
6220 - Fees	1,401	325	581	509	487	300	300	300	300	300	300	300	5,403
6300 - Insurance	6,194	2,513	2,513	2,513	1,710	1,710	1,710	1,710	1,710	1,710	-	-	23,994
63 - DMS pass thru	383	383	383	383	383	383	383	383	383	383	383	383	4,596
61 - Progressive pass thru	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	38,400
6420 - Leased Employee	7,200	4,800	4,800	4,800	4,800	7,200	4,800	4,800	4,800	4,800	4,800	4,800	62,400
6350 - Management Fee	2,675	2,775	2,775	5,735	3,140	3,175	5,890	3,175	5,890	3,175	3,150	3,080	44,635
6360 - Miscellaneous	100	100	100	100	100	100	100	100	100	100	100	100	1,200
6390 - Office Supplies	159	220	487	249	201	200	200	200	200	200	200	200	2,716
6465 - Eviction Services	700	700	700	700	700	700	700	700	700	700	700	700	8,400
6470 - Rubbish	418	413	425	64	420	425	425	425	425	425	425	425	4,716
6540 - Supplies	875	788	277	303	152	200	200	200	200	200	200	200	3,794
6570 - Taxes	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
6630 - Telephone	137	164	166	166	128	165	165	165	165	165	165	165	1,915
6661 - Travel	13	223	83	472	1,671	-	-	-	-	-	-	-	2,462
6670 - Utilities	2,565	3,302	3,489	2,447	2,158	2,785	2,785	2,785	2,785	2,785	2,785	2,785	33,437
<b>Total Expense</b>	<b>32,725</b>	<b>26,424</b>	<b>26,711</b>	<b>28,223</b>	<b>26,709</b>	<b>27,283</b>	<b>27,748</b>	<b>24,883</b>	<b>27,598</b>	<b>24,883</b>	<b>23,147</b>	<b>23,077</b>	<b>319,411</b>
<b>Net Ordinary Income</b>	<b>1,883</b>	<b>9,113</b>	<b>8,827</b>	<b>42,304</b>	<b>10,909</b>	<b>10,335</b>	<b>43,833</b>	<b>12,735</b>	<b>43,983</b>	<b>12,735</b>	<b>14,148</b>	<b>13,432</b>	<b>224,238</b>

**Silver Lake Group of Angola, LP  
Forecast**

January through December 2018

	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	TOTAL
<b>Income</b>													
Average Monthly Site Rent	395	395	395	395	395	395	395	395	395	395	395	395	379,200
Average Monthly RV Rent	0	0	0	0	0	0	0	0	0	0	0	0	50,760
Monthly Occupied Sites	80	80	80	80	80	80	80	80	80	80	80	80	65,760
Monthly Occupied RV Sites	0	0	0	0	0	0	0	0	0	0	0	0	4,596
Monthly Occupied PCA Homes	22	22	22	22	22	22	22	22	22	22	22	22	126,950
Monthly Occupied DMS Homes	3	3	3	3	3	3	3	3	3	3	3	3	2,704
Monthly Occupied PRO Homes	18	18	18	18	18	18	18	18	18	18	18	18	19,780
Average Monthly PCA Rent	300	300	300	300	300	300	300	300	300	300	300	300	(33,898)
Average Monthly DMS Rent	128	128	128	128	128	128	128	128	128	128	128	128	615,852
Average Monthly PRO Rent	235	235	235	235	235	235	235	235	235	235	235	235	
Delinquency %	7%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
<b>Ordinary Income/Expense</b>													
<b>Income</b>													
4000 - Income Rent	31,600	31,600	31,600	31,600	31,600	31,600	31,600	31,600	31,600	31,600	31,600	31,600	379,200
41 - Progressive pass thru	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	50,760
42 - PCA Home income	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	65,760
43 - DMS pass thru	383	383	383	383	383	383	383	383	383	383	383	383	4,596
4010 - Income RV	950	-	-	42,000	-	-	42,000	-	42,000	-	-	-	126,950
4030 - Income Electric	324	-	-	340	340	340	340	340	340	340	340	340	2,704
4090 - Income Miscellaneous	1,025	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	19,780
Delinquency	(2,104)	(2,226)	(2,226)	(4,343)	(2,243)	(2,243)	(4,343)	(2,243)	(4,343)	(2,243)	(2,226)	(3,116)	(33,898)
<b>Total Income</b>	<b>43,008</b>	<b>42,292</b>	<b>42,292</b>	<b>82,515</b>	<b>42,615</b>	<b>42,615</b>	<b>82,515</b>	<b>42,615</b>	<b>82,515</b>	<b>42,615</b>	<b>42,292</b>	<b>41,402</b>	<b>615,852</b>
<b>Expense</b>													
6010 - Advertising	-	-	150	-	-	-	150	-	-	-	-	-	300
6030 - Auto	2,101	2,041	4,472	1,861	1,786	1,500	1,500	1,500	1,500	1,500	1,500	1,500	22,761
6115 - Computer Services	489	489	489	489	489	489	489	489	489	489	489	489	5,873
6120 - Contracted Maintenance	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
6210 - Equipment	216	30	113	92	969	250	250	250	250	250	250	250	3,189
6220 - Fees	1,401	325	581	509	487	300	300	300	300	300	300	300	5,403
6300 - Insurance	6,194	2,513	2,513	2,513	1,710	1,710	1,710	1,710	1,710	1,710	-	-	23,994
63 - DMS pass thru	383	383	383	383	383	383	383	383	383	383	383	383	4,596
61 - Pass thru Progressive	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	50,760
6420 - Leased Employee	7,200	4,800	4,800	4,800	4,800	7,200	4,800	4,800	4,800	4,800	4,800	4,800	62,400
6350 - Management Fee	2,675	2,775	2,775	5,735	3,140	3,175	5,890	3,175	5,890	3,175	3,150	3,080	44,635
6360 - Miscellaneous	100	100	100	100	100	100	100	100	100	100	100	100	1,200
6390 - Office Supplies	159	220	487	249	201	200	200	200	200	200	200	200	2,716
6465 - Eviction Services	750	750	750	750	750	750	750	750	750	750	750	750	9,000
6470 - Rubbish	418	413	425	64	420	425	425	425	425	425	425	425	4,716
6540 - Supplies	875	788	277	303	152	200	200	200	200	200	200	200	3,794
6570 - Taxes	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
6630 - Telephone	137	164	166	166	128	165	165	165	165	165	165	165	1,915
6661 - Travel	13	223	83	472	1,671	-	-	-	-	-	-	-	2,462
6670 - Utilities	2,565	3,302	3,469	2,447	2,158	2,785	2,785	2,785	2,785	2,785	2,785	2,785	33,437
<b>Total Expense</b>	<b>34,407</b>	<b>28,045</b>	<b>30,762</b>	<b>29,664</b>	<b>28,075</b>	<b>28,363</b>	<b>28,828</b>	<b>25,963</b>	<b>28,678</b>	<b>25,963</b>	<b>24,227</b>	<b>24,157</b>	<b>337,131</b>
<b>Net Ordinary Income</b>	<b>8,602</b>	<b>14,247</b>	<b>11,530</b>	<b>52,851</b>	<b>14,540</b>	<b>14,252</b>	<b>53,687</b>	<b>16,652</b>	<b>53,837</b>	<b>16,652</b>	<b>18,065</b>	<b>17,244</b>	<b>278,721</b>

Silver Lake Group of Angola, LP  
Forecast

January through December 2019

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	TOTAL
<b>Ordinary Income/Expense</b>													
<b>Income</b>													
4000 · Income Rent	33,575	33,575	33,575	33,575	33,575	33,575	33,575	33,575	33,575	33,575	33,575	33,575	402,900
41. Progressive pass thru	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	50,760
42. PCA Home income	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	65,760
43. DMS pass thru	383	383	383	383	383	383	383	383	383	383	383	383	4,596
4010 · Income RV	950	-	-	42,000	-	340	42,000	-	42,000	-	-	-	126,950
4030 · Income Electric	324	-	-	340	340	340	340	340	340	340	-	-	2,704
4090 · Income Miscellaneous	1,025	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	19,780
Delinquency	(2,104)	(2,325)	(2,325)	(4,442)	(2,342)	(2,342)	(4,442)	(2,342)	(4,442)	(2,342)	(2,325)	(3,255)	(35,024)
<b>Total Income</b>	<b>44,983</b>	<b>44,168</b>	<b>44,168</b>	<b>84,391</b>	<b>44,491</b>	<b>44,491</b>	<b>84,391</b>	<b>44,491</b>	<b>84,391</b>	<b>44,491</b>	<b>44,168</b>	<b>43,238</b>	<b>638,426</b>
<b>Expense</b>													
6010 · Advertising	-	-	150	-	-	-	150	-	-	-	-	-	300
6030 · Auto	2,101	2,041	4,472	1,861	1,786	1,500	1,500	1,500	1,500	1,500	1,500	1,500	22,761
6115 · Computer Services	489	489	489	489	489	489	489	489	489	489	489	489	5,873
6120 · Contracted Maintenance	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
6210 · Equipment	216	30	113	92	969	250	250	250	250	250	250	250	3,169
6220 · Fees	1,401	325	581	509	487	300	300	300	300	300	300	300	5,403
6300 · Insurance	6,194	2,513	2,513	2,513	1,710	1,710	1,710	1,710	1,710	1,710	-	-	23,994
63. DMS pass thru	383	383	383	383	383	383	383	383	383	383	383	383	4,596
61. Pass thru Progressive	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	50,760
6420 · Leased Employee	7,200	4,800	4,800	4,800	4,800	7,200	4,800	4,800	4,800	4,800	4,800	4,800	62,400
6350 · Management Fee	2,675	2,775	2,775	5,735	3,140	3,175	5,890	3,175	5,890	3,175	3,150	3,080	44,635
6360 · Miscellaneous	100	100	100	100	100	100	100	100	100	100	100	100	1,200
6390 · Office Supplies	159	220	487	249	201	200	200	200	200	200	200	200	2,716
6465 · Eviction Services	800	800	800	800	800	800	800	800	800	800	800	800	9,600
6470 · Rubbish	418	413	425	64	420	425	425	425	425	425	425	425	4,716
6540 · Supplies	875	788	277	303	152	200	200	200	200	200	200	200	3,794
6570 · Taxes	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
6630 · Telephone	137	164	166	166	128	165	165	165	165	165	165	165	1,915
6661 · Travel	13	223	83	472	1,671	-	-	-	-	-	-	-	2,462
6670 · Utilities	2,565	3,302	3,469	2,447	2,158	2,785	2,785	2,785	2,785	2,785	2,785	2,785	33,437
<b>Total Expense</b>	<b>34,457</b>	<b>28,095</b>	<b>30,812</b>	<b>29,714</b>	<b>28,125</b>	<b>28,413</b>	<b>28,878</b>	<b>26,013</b>	<b>28,728</b>	<b>26,013</b>	<b>24,277</b>	<b>24,207</b>	<b>337,731</b>
<b>Net Ordinary Income</b>	<b>10,527</b>	<b>16,073</b>	<b>13,356</b>	<b>54,678</b>	<b>16,367</b>	<b>16,079</b>	<b>55,514</b>	<b>18,479</b>	<b>55,664</b>	<b>18,479</b>	<b>19,891</b>	<b>19,031</b>	<b>300,695</b>

**Silver Lake Group of Angola, LP  
Forecast**

**January through December 2020**

	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	TOTAL
<b>Income</b>													
Average Monthly Site Rent	395	395	395	395	395	395	395	395	395	395	395	395	395
Average Monthly RV Rent	0	0	0	700	0	0	700	0	700	0	0	0	0
Monthly Occupied Sites	90	90	90	90	90	90	90	90	90	90	90	90	90
Monthly Occupied RV Sites	0	0	0	65	0	0	65	0	65	0	0	0	0
Monthly Occupied PCA Homes	22	22	22	22	22	22	22	22	22	22	22	22	22
Monthly Occupied DMS Homes	3	3	3	3	3	3	3	3	3	3	3	3	3
Monthly Occupied PRO Homes	18	18	18	18	18	18	18	18	18	18	18	18	18
Average Monthly PCA Rent	300	300	300	300	300	300	300	300	300	300	300	300	300
Average Monthly DMS Rent	128	128	128	128	128	128	128	128	128	128	128	128	128
Average Monthly PRO Rent	235	235	235	235	235	235	235	235	235	235	235	235	235
Delinquency %	7%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	7%	7%
<b>Ordinary Income/Expense</b>													
Income													
4000 · Income Rent	35,550	35,550	35,550	35,550	35,550	35,550	35,550	35,550	35,550	35,550	35,550	35,550	426,600
41 · Progressive pass thru	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	50,760
42 · PCA Home income	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	65,760
43 · DMS pass thru	383	383	383	383	383	383	383	383	383	383	383	383	4,596
4010 · Income RV	950	-	-	45,500	-	45,500	-	45,500	-	45,500	-	45,500	137,450
4030 · Income Electric	324	-	-	340	340	340	340	340	340	340	340	340	2,704
4090 · Income Miscellaneous	1,025	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	1,705	19,780
Delinquency	(2,104)	(2,423)	(2,423)	(4,715)	(2,440)	(2,440)	(4,715)	(2,440)	(4,715)	(2,440)	(2,423)	(3,393)	(36,675)
Total Income	46,958	46,045	46,045	89,593	46,368	46,368	89,593	46,368	89,593	46,368	46,045	45,075	670,976
Expense													
6010 · Advertising	-	-	150	-	-	-	150	-	-	-	-	-	300
6030 · Auto	2,101	2,041	4,472	1,861	1,786	1,500	1,500	1,500	1,500	1,500	1,500	1,500	22,761
6115 · Computer Services	489	489	489	489	489	489	489	489	489	489	489	489	5,873
6120 · Contracted Maintenance	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
6210 · Equipment	216	30	113	92	969	250	250	250	250	250	250	250	3,169
6220 · Fees	1,401	325	581	509	487	300	300	300	300	300	300	300	5,403
6300 · Insurance	6,194	2,513	2,513	2,513	1,710	1,710	1,710	1,710	1,710	1,710	-	-	23,994
63 · DMS pass thru	383	383	383	383	383	383	383	383	383	383	383	383	4,596
61 · Pass thru Progressive	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	50,760
6420 · Leased Employee	7,200	4,800	4,800	4,800	4,800	7,200	4,800	4,800	4,800	4,800	4,800	4,800	62,400
6350 · Management Fee	2,675	2,775	2,775	5,735	3,140	3,175	5,690	3,175	5,690	3,175	3,150	3,080	44,635
6360 · Miscellaneous	100	100	100	100	100	100	100	100	100	100	100	100	1,200
6390 · Office Supplies	159	220	487	249	201	200	200	200	200	200	200	200	2,716
6465 · Eviction Services	800	800	800	800	800	800	800	800	800	800	800	800	9,600
6470 · Rubbish	418	413	425	64	420	425	425	425	425	425	425	425	4,716
6540 · Supplies	875	788	277	303	152	200	200	200	200	200	200	200	3,794
6570 · Taxes	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
6630 · Telephone	137	164	166	166	128	165	165	165	165	165	165	165	1,915
6661 · Travel	13	223	83	472	1,671	-	-	-	-	-	-	-	2,462
6670 · Utilities	2,565	3,302	3,469	2,447	2,158	2,785	2,785	2,785	2,785	2,785	2,785	2,785	33,437
Total Expense	34,457	28,095	30,812	29,714	28,125	28,413	28,878	26,013	28,728	26,013	24,277	24,207	337,731
Net Ordinary Income	12,502	17,949	15,232	59,879	18,243	17,955	60,715	20,355	60,865	20,355	21,767	20,868	333,244