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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
WESTERN DIVISION**

_____)	
In re)	
)	Chapter 11, No. 15-30263-HJB
RODERICK R. BARTON)	
)	
Debtor)	
_____)	

DEBTOR'S SECOND AMENDED DISCLOSURE STATEMENT
FOR PLAN OF REORGANIZATION

November 21, 2016

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**DEBTOR'S AMENDED DISCLOSURE STATEMENT UNDER SECTION 1125
OF THE BANKRUPTCY CODE FOR SOLICITATION
OF ACCEPTANCE TO PROPOSED PLAN OF REORGANIZATION**

I. INTRODUCTION

Roderick R. Barton (the "Debtor"), an individual residing at 65 Oak Grove Road, Springfield, Massachusetts, and a businessman/residential rental real estate owner of properties in the Springfield, Massachusetts area, filed a voluntary petition for reorganization under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §101 *et seq.* as amended (the "Bankruptcy Code"), in the United States Bankruptcy Court for the District of Massachusetts, Western Division (Springfield) ("Bankruptcy Court") on March 27, 2015, commencing the above captioned Chapter 11 case. The Debtor's Chapter 11 case is pending before the Honorable Frank J. Bailey, United States Bankruptcy Judge, as Case No. 15-30263-FJB. The Debtor, without interruption, has managed his affairs as a debtor in possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

This Disclosure Statement (the "Disclosure Statement") is provided pursuant to §1125 of the Bankruptcy Code to all known holders of claims against and interests in the Debtor, whose claims and interests are impaired under the Debtor's Plan of Reorganization ("Plan") and other parties in interest in the Debtor's solicitation of acceptances of the Plan. The principal purpose of the Disclosure Statement is to provide information to enable a hypothetical, reasonable investor, typical of the holders of such claims/interests, to make an informed judgment exercising its, his or her vote to accept or reject the Plan.

After a hearing on notice, the Bankruptcy Court approved this Disclosure Statement as containing information of a kind, and in sufficient detail, adequate to enable a hypothetical, reasonable investor typical of the classes being solicited to make an informed judgment about the Plan.

The information contained in this Disclosure Statement (including the attached exhibits) has been prepared by the Debtor and his agents unless specifically stated to be from other sources. No representations concerning the Debtor are authorized by the Debtor other than those set forth herein.

YOU ARE URGED TO READ CAREFULLY THE CONTENTS OF THIS DISCLOSURE STATEMENT, INCLUDING THE PLAN, BEFORE MAKING YOUR DECISION TO ACCEPT OR REJECT THE PLAN. Particular attention should be directed to the provisions of the Plan affecting or impairing your rights as they presently exist. A copy of the Plan is attached hereto as Exhibit "A". The description of the Plan in this Disclosure Statement is a summary only and is qualified by reference to the actual terms and conditions of the Plan itself. The terms used herein have the same meaning as in the Plan unless the context thereof requires otherwise.

The Debtor has made great efforts to be accurate in all material respects, but the Debtor is unable to warrant or represent that all the information contained herein is without inaccuracy. While the Debtor believes this Disclosure Statement to be accurate and complete, the Bankruptcy Court has not passed upon the factual accuracy of the information herein.

NO REPRESENTATIONS CONCERNING THE DEBTOR, INCLUDING, WITHOUT LIMITATION, FUTURE BUSINESS OPERATIONS, THE VALUE OF ITS ASSETS, OR THE AGGREGATE DOLLAR AMOUNT OF CLAIMS WHICH MAY BE ALLOWED OR FINALLY DETERMINED, ARE AUTHORIZED OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. Any representations or inducements made to secure acceptance or rejection of this Plan which are other than as contained in this Disclosure Statement should not be relied upon in voting on the Plan.

THE DEBTOR RECOMMENDS THAT YOU VOTE TO ACCEPT THE PLAN.

IT IS IMPORTANT THAT YOU VOTE. Subject to certain exceptions, in order to obtain confirmation of the Plan by the Bankruptcy Court, the Plan must be accepted by claimants in Class Three **WHO ACTUALLY VOTE** on the Plan, who hold at least two-thirds in amount, and a majority in number, of the claims in each respective class. In addition, the Bankruptcy Court must make various findings required by §1129 of the Bankruptcy Code, including, among others, that confirmation of the Plan is not likely to be followed by liquidation or further financial reorganization. These requirements are more fully discussed in this Disclosure Statement below.

The statements contained in this Disclosure Statement are made as of the date hereof. The delivery of this Disclosure Statement shall not under any circumstances create an implication that there has not been any change in the facts set forth herein after the date of this Disclosure Statement.

II. DESCRIPTION OF THE DEBTOR

A. General Background and Prepetition History of the Debtor

The Debtor, Roderick Barton, born in Ocilla, Georgia, in 1956, moved to the Springfield area in 1987. In Springfield, initially, he worked in construction and starting buying residential rental real estate in 1998. At the commencement of this Chapter 11 case, he owned 13 properties in Springfield and West Springfield. The rents he receives is approximately \$600 - \$700 for a one bedroom, \$750 to \$900 for a two bedroom, and more for larger units. The Debtor receives housing subsidies for the rental of many of his units. A complete description of his properties is provided in Section II C of this Disclosure Statement, pages 6 - 9, and in the exhibits.

The Debtor manages all of his units. On occasion, he contracts others for certain repairs and assistance, although the Debtor does the vast majority of the work personally.

Through until about 2008, the Debtor operated profitably, at least on a cash flow basis, sometimes aided by refinancing of mortgages. In 2008, with the worsening economy, the Debtor suffered a loss of rental income because some tenants were unable to pay their rent on a current basis, he lost tenants, and the Debtor was unable to rent unoccupied units.

B. Debtor's First Chapter 11, Chapter 11 Case No. 10-30273

As the Debtor suffered with the financial crisis that the country endured starting in 2008, the Debtor faced increasing accruals of debt and arrears on mortgage payments. In some cases, judgments/executions were filed against the Debtor, including one by Bay State Gas Company for over \$20,000 in September, 2008. In some cases, foreclosure proceedings were commenced. As a result, the Debtor filed a petition under Chapter 13 of the Bankruptcy Code on February 18, 2010, which the Debtor converted to Chapter 11 on May 10, 2010 (as he did not qualify under Chapter 13 but did under Chapter 11). Debtor's Chapter 13 counsel was Thomas A. Bessette, Esq., of Springfield, Massachusetts; the Debtor was represented by Bacon & Wilson in the Chapter 11 case. Bacon & Wilson withdrew from representation

of the Debtor in 2015, and Louis S. Robin, Esq. commenced representation of the Debtor. The earlier Chapter 13/11 cases will be referred to as the "2010 Case".

The Bankruptcy Court confirmed the Chapter 11 plan of the Debtor in the 2010 Case on May 5, 2011. In hindsight, this earlier plan was not feasible for the following reasons: (i) the plan's projections were based upon higher occupancy rates and rental rates than at confirmation and were unrealistic; (ii) the plan did not adjust the mortgages for the true values of the collateral (or did not abandon certain properties that were significantly "underwater" when the value was compared with the mortgage), and (iii) the confirmed plan provided for interest rates at above market rates. Three specific examples concerned the Debtor's properties at 77-79 King Street, Springfield, Massachusetts, 63 King Street, Springfield, Massachusetts, and 45 Ladd Street, Springfield, Massachusetts: all three were purchased in the years 2006 - 2008 at the height of the real estate market, all three had significant values less than the mortgages, and all three generated minimal rental income after confirmation of the Debtor's plan of reorganization in the 2010 Case. In retrospect, the Debtor should have abandoned or taken similar action in regards to these three properties as they acted as a hindrance to, not a facilitator of, financial success.

In mid-2014 the Debtor was contacted by the New England Farm Counsel (the "NEFC") concerning the availability of units. The NEFC intended to renovate a set of residential rental properties in the North End of Springfield, and needed units to place the tenants during the renovations. The NEFC needed at least 12 units, although the exact timing of the rental depended upon the NEFC completing its financing. At the time of the initial discussions with the NEFC, the Debtor had some available units, and anticipated other tenants leaving over the next few months. In October, 2014, the Debtor and the NEFC entered into an agreement where the Debtor would provide 12 units, for a monthly rental of \$10,200.00 per month, effective on October 1, 2014. Although an initial payment of \$6,475.00 was made in October, 2014, the balance of the rental for October and subsequent months were not due until the actual closing by NEFC on its financing; accordingly, even though the apartments were empty and available at this time, the Debtor would not be paid for these initial months until the actual closing. Having empty apartments during the initial discussions, with other apartments being vacated in anticipation of the contract, caused loss of income because the Debtor did not fill apartments in anticipating an agreement with the NEFC. After Debtor entered into the agreement with the NEFC, the Debtor suffered cash flow issues because the receipt of

income was dependent upon the NEFC completing its financing of his project, which encountered continued delays. In all due candor, the Debtor understood that he might lose income and cash flow as a result of the NEFC agreement, but believed that the certainty of receiving rents for a specified number of units from an established organization, compared to the uncertainty of renting out all these units at any given time from a number of renters, was a risk well justified. Although there was a delay in the financing in the NEFC was seeking (as discussed below), in retrospect, the Debtor still believes that this was justified.

As a result of the terms of the unrealistic confirmed plan, the Debtor began to fall behind in payments of mortgages and other expenses. The Debtor, during this time, took care to pay his three (first) mortgages with the Hampden Bank for Savings (concerning four properties) because (i) the Debtor believed these mortgaged properties had equity, (ii) these were fifteen (15) year amortized mortgages, and (iii) the Debtor was more than halfway through the amortization period. Still, with the NEFC agreement being negotiated and executed, and the Debtor foregoing rent and/or cash flow during this period, the Debtor began to fall behind on his Hampden Savings Bank mortgages in mid-2014.

Although the Debtor's Chapter 11 plan in the 2010 Case was confirmed in May, 2011, the 2010 case remained open for an extended time. In March, 2014, Bacon & Wilson, P.C., filed a Motion to Withdraw (Docket No. 276), and the U.S. Trustee filed a Motion to Convert (Docket No. 279) (for failure to pay U.S. Trustee fees after confirmation of the plan). Louis S. Robin, Esq., appeared for the Debtor in April, 2014, and Bacon & Wilson was permitted to withdraw. The Debtor, through new counsel, negotiated a series of continuances with the U.S. Trustee so that the Debtor became current on the U.S. Trustee fees. Further, the IRS filed a motion to convert due to failure to pay post petition income taxes and plan payments (Docket No. 315), and the Debtor was able to negotiate a stipulation with the IRS (Docket No. 331). As a result, upon request of the Debtor, the Court closed the Debtor's 2010 (Chapter 11) Case on March 11, 2015.

During this time, new counsel attempted to negotiate an agreement with Hampden Savings Bank regarding its arrears. The amount on these three first mortgage debts totaled about \$400,000, but the Debtor believed that there could be some equity in these properties. It is also noteworthy that the rates on two of the three mortgages were 8% and 8.22%, which were higher than market rates (at least in the Debtor's opinion), particularly given that these were 15 year amortization loans (which usually have lower interest rates). Although Debtor's counsel often has

had some success in negotiating modifications (even though mortgage holders are under no obligation, particularly concerning mortgages concerning rental units), the Debtor had little, if any, success in conducting discussions with Hampden Savings Bank.

The Debtor attributes these failures as a result of Hampden Savings Bank entering its own discussions concerning a sale or merger of the bank during mid-2014, and its announced intended merger with Berkshire Bank in November, 2014 (which took place in mid-2015). The Debtor believes that these discussions and the actual merger prevented the modification of this mortgage as a practical matter. In any event, in March, 2015, the Debtor was informed that Hampden Savings Bank had sold these mortgages to Orange Park Management, LLC. In mid-March, 2015, the Debtor was informed that Orange Park Management, LLC, under assignments of leases and rents, informed certain tenants that they were to pay future lease payments to them, rather than the Debtor. This effort to collect rents resulted in the Debtor commencing his pending Chapter 11 Case, Case No. 15-30263 on March 27, 2016.

C. The Debtor's Assets and Liabilities upon Commencement of their Chapter 11 cases

Upon commencement of the within Chapter 11 Case, the Debtor owned thirteen (13) rental properties (which includes the Debtor's residence). A description of each, with the principal mortgages and values for each, are described immediately following this paragraph. The values listed for each are the Debtor's opinions as of the date of the filing of the pending Chapter 11; they are based in part on broker's opinions from the Spring of 2014. There may have been some increases, based upon perceived changes in the market place such as the approval of a casino for Springfield - the Debtor noticed an increase in sale prices of real estate after this approval, although the delay in the construction of the casino may have also worked to level or reverse any increases. Further, the Debtor has utilized a market approach (what a willing buyer and seller would negotiate); it is the Debtor's opinion that a perception that properties are "troubled" properties may result in lower sales prices, and this is often the case in a Chapter 11 bankruptcy case.

REAL PROPERTIES

- (i) 397-399 Oakland Street, Springfield and 96 Central Street, Springfield

397-399 Oakland Street, Springfield, Massachusetts is a three (3) unit residential rental, which the Debtor values at approximately \$135,000. 96 Central Street, Springfield,

Massachusetts, is also a 3 unit residential rental building that the Debtor believes is worth approximately \$100,000.¹ 397-399 Oakland Street's 3 units are all rented (for \$925 per month for two units and the third at \$864). 96 Central Street's 3 units have only 2 occupied, with one at \$900 per month, and the other at \$450. Orange Park Management, LLC, has a first mortgage on these two properties securing one promissory note with an outstanding balance of approximately \$110,000, which includes principal outstanding, interest, and other charges.

(ii) 16 - 18 Elmdale Street, West Springfield

16 - 18 Elmdale Street, West Springfield, is a three family home that the Debtor values at approximately \$160,000. All three units are occupied at \$850 per month, \$925 per month, and \$750 per month. Orange Park Management, LLC, has a mortgage on this property in the amount of approximately \$102,000, including principal, interest, and other charges.

(iii) 942-946 Worthington Street and
76 Armory Street, Springfield

942 - 946 Worthington Street/76 Armory Street is a multi-use building, with 10 residential units and 2 commercial units. Although the Debtor, in his schedules filed with the Bankruptcy Court, listed the value for this property as \$250,000, the Debtor believes this is a conservative figure as the Debtor had a broker's opinion of nearly \$300,000 in May, 2014. Eight of the ten units are rented from \$550 to \$775 per month. Orange Park Management, LLC, has a mortgage in the amount of approximately \$190,000, including, interest, and other charges.

(iv) 35-37 Dexter Street, Springfield

This property is a two-unit residential rental property that the Debtor believes is worth approximately \$100,000. Both units are occupied at \$800 and \$1,300 per month. Ocwen Loan Servicing has a mortgage in the approximate amount of \$100,000 including outstanding principal, interest, and other charges.

(v) 67 Alden Street, Springfield

This is a two-unit residential rental property that the Debtor believes is worth approximately \$50,000. Both units are occupied at \$775 and \$700 per month. TD Bank has a mortgage on

¹ In the Schedules filed with the Petition the Debtor misstates the value of this property as \$2,250.00.

this property in the amount of approximately \$50,000 in outstanding principal, interest and other charges.

(vi) 65 Oak Grove Street, Springfield

This is a three-unit residential building. The Debtor uses one unit as his residence, and leases the other two units. The Debtor believes that this property is worth about \$100,000 (a broker's opinion in 2014 listed a value of \$108,000). The two rental units are occupied, at \$720 and \$900 per month. Citi Financial is listed as the first mortgagee in the approximate amount of \$105,000, including principal, interest and other charges; the Debtor understands that this mortgage is now held by Wilmington Savings Funds Society, FSB. Orange Park Management, LLC, has a second mortgage for about \$30,000.

(vii) 178 Bowdoin Street, Springfield

This is a two-unit residential rental building that the Debtor listed in his schedules with a value of \$50,000. Only one unit is rented at \$1,100 per month. Ocwen Servicing, LLC, has a mortgage on this property the approximate amount of \$120,000 in outstanding principal, and interest and other charges.

(viii) 12 - 14 Coomes Street, Springfield

This is a three-unit residential rental building that the Debtor believes is worth approximately \$125,000. Two units are rented at \$725 and \$900 per month. TD Bank has a mortgage in the amount of approximately \$80,000 in outstanding principal, interest and other charges. Orange Park Management, LLC, has a second mortgage on this property for approximately \$30,000.

(ix) 968-970 Worthington Street, Springfield

This is a two-unit building that the Debtor believes is worth approximately \$75,000. Both units are occupied for \$1,100 and \$750 per month. TD Bank has a mortgage on this property in the amount of approximately \$75,000 in outstanding principal, interest and other charges.

(x) 45 Ladd Street, Springfield

This is a single unit rental unit that the Debtor believes is worth no more than \$60,000. Bank of America has a mortgage on this property in the amount of approximately \$150,000 in outstanding principal, and interest and other charges. See Page 11, last paragraph, for the disposition of this property.

(xi) 63 King Street and 77-79 Armory Street, Springfield

The Debtor has included these two separate properties under one heading for simplicity. Each consists of two residential rental units. Their combined value is no more than \$90,000 (although the Bankruptcy Schedules list a total value of \$110,000). Value Realty Trust has a mortgage on each of these two properties, and the Debtor believes that these two mortgages are "cross collateralized". The mortgages total approximately \$120,000. The mortgage holder took possession of these properties approximately 3 years ago, and has been managing these properties and collecting rents (which are only from the King Street property while the other property has no tenants). See Page 11, last paragraph, for the disposition of these properties.

PERSONAL PROPERTY

As of the commencement of this Chapter 11 case, the Debtor listed various items of personal property in his schedules filed with the Bankruptcy Court totaling \$10,475. These included a bank account with an estimated balance of \$2,250, three vehicles with a total value of \$4,250, various tools having a value of about \$1,000, and rentals owed of \$1,500 (the total amount owed is much higher, but the amount of \$1,500 is an estimated value of the amount collectible).

Other Liens and Priority Claims

Raymond Houle holds a secured claim based upon an execution in the Hampden County Registry of Deeds. Under the plan in the 2010 Case, he received some payments against his claim of over \$17,000. In this Case, he filed a proof of claim for \$13,400.60. This judgment lien is against all the Debtor's real properties.

Bay State Gas Company has an execution for \$20,817.92, but the Debtor has been informed that this claim, with interest, is approximately \$41,250. Bay State Gas Company is now under the name Columbia Gas Company of Massachusetts, and future references will be to "Columbia Gas". Columbia Gas filed a proof of claim for \$88,410.76, but this includes both the secured claim and unsecured claim, and the Debtor has been informed that this does not include interest accrued on the execution.

The Commonwealth of Massachusetts, Department of Revenue, was listed in the schedules for an unliquidated amount, but has filed a proof of claim listing a secured claim in the amount of \$15,903.19, a priority claim of \$2,495.96, and a general unsecured claim of \$381.92.

The Internal Revenue Service was listed in the Debtor's schedules as having a lien in an unliquidated amount, but the Internal Revenue Service has filed an amended proof of claim claiming a total amount owed of \$24,187.19, with \$17,812.54 owed as a priority claim and a general unsecured claim of \$6,374.65.

The Debtor listed in his schedule a secured claim to the Water Department, City of Springfield, in an unknown amount. Although no proof of claim was filed, there may still be an amount owed, and this is addressed in the Plan.

There is also a mortgage, based upon the records at the Hampden County Registry of Deeds, to Michael Torcia, which is a junior mortgage on the Debtor's King Street property as of the commencement of this Chapter 11 case. The Debtor understands that this mortgage should have been discharged; no proof of claim has been filed.

General Unsecured Claims

The Debtor has two principal general unsecured claims; first, it has the claim of Columbia Gas, discussed above (which, is approximately \$70,000 based upon the Debtor's calculations), and a proof of claim filed by Western Massachusetts Electric for \$21,168.74. In addition, the Debtor, between proofs of claims filed and claims listed as undisputed, liquidated, and noncontingent in his schedules, has another seven creditors whose claims total about \$5,000.00.

D. The Debtor's Chapter 11 Operations

After filing of the Chapter 11 Case, the Debtor filed a motion to permit him to make monthly "adequate protection" payments to various mortgage holders which would permit the Debtor to continue to do business, manage his properties, collect rents, and pay ongoing expenses. The Court entered an order permitting the Debtor to do so, and periodically entered orders after hearings to permit comparable relief; the Court entered a final order granting similar relief on September 21, 2016 (Docket No. 132). Effectively, the Debtor has operated on an even cash flow basis during the Chapter 11 case, and is current on adequate protection payments. There may have been some utility arrears, but the Debtor anticipates resolving this.²

² One of the Debtor's tenants, after nonpayment and eviction, left her water running for as much as two months during the eviction process as an element of perceived retaliation, and the Debtor is discussing a resolution of this bill with the Water and Sewer Department.

As discussed in Section II.B., Pages 4 - 5, the Debtor executed an agreement with the NEFC regarding leasing certain units, but not until the NEFC financed its renovation project. Upon the filing of the Chapter 11 case, the Debtor filed a motion to assume this agreement, which was allowed. In October, 2015, a "bridge loan" was obtained by NEFC to permit it to pay its various creditors concerning this matter, and the Debtor received an initial payment of approximately \$80,000; in March, 2016, the NEFC had a final financing closing, and released approximately \$30,000, and tenants began to occupy units. After payment of certain items (including additional adequate protection expenses), the Debtor's counsel is holding approximately \$60,000.

Through March, 2016, the Debtor believes that he has operated within \$1,000 of a break even basis. If there was any shortfall, it is because the Debtor had empty units in anticipation of the NEFC tenancies. With the NEFC now in force, the Debtor receives as much as an additional \$10,000 in monthly rents. There will be, however, some additional expenses (such as maintenance and utilities), and the Debtor expects a net cash inflow of at least \$3,000 per month. A summary of past cash flow reports filed with the U.S. Trustee are attached hereto and included in Exhibit "B".

The other relevant events during the Chapter 11 case regard the Debtor's properties at 45 Ladd Street, Springfield (subject to a mortgage with Bank of America), 63 King Street, Springfield, and 77-79 Armory Street, Springfield (the latter two subject to mortgages with Value Realty Trust). These three properties were all worth less than the outstanding mortgages. The Ladd Street building had one tenant that paid minimal rent. The Armory Street Building was in the possession of the mortgage holder who was managing it. The King Street property was also in possession of the mortgage holder who was managing it even though it had no tenants. The Debtor was also responsible for the insurance of the King Street property even though the Debtor was not in possession of it.

Pursuant to Court Order, the Debtor sold the King Street and Armory Street properties to an affiliate of the mortgage holder, with the mortgage holder waiving any deficiency claim. Regarding the Ladd Street Property, the Debtor assented to relief from stay, with the mortgage holder (Bank of America) waiving any deficiency claims. These were very positive results because they freed the Debtor of properties that were worth less than the outstanding liens, with waivers of any deficiencies.

III. THE PLAN OF REORGANIZATION

A. Formulation of the Plan

In formulating this Plan, the Debtor seeks an acceptable means of distributing funds collected and to be collected in satisfaction of the claims of creditors in accordance with the priorities and requirements of the Bankruptcy Code. Accordingly, the Debtor proposes the following Plan.

B. Summary of the Provisions of the Plan

Reference is made to the Plan, attached as Exhibit "A", for specific details concerning the classification and treatment of holders of claims and interests. Unless otherwise noted, all terms defined in the Plan have the same meanings herein.

By way of summary, the Plan provides for the distribution of all funds to its creditors, directly from the Debtor to pay his secured debt, priority and administrative debt, and general unsecured debt.

(i) Treatment of Administrative and Priority Claims

Administrative claims are all claims for goods and services incurred by the Debtor after the filing of his Chapter 11 Case. These claims (other than for professional services by attorneys, accountants and other professionals and such other administrative expense claims as require Bankruptcy Court approval) will be paid by the Debtor in the ordinary course of his affairs. The Debtor believes that these administrative expenses are relatively minor.

Administrative Claims for professional services (i.e. attorneys' services) require Bankruptcy Court approval. These claims will be paid in full but only after the entry of orders allowing those claims after notice and hearing. In this case, the only claim for administrative professional fees are the Debtor's counsel as follows:

<u>Professional</u>	<u>Estimated Fees and Expenses</u>
Law Offices of Louis S. Robin	\$50,000.00 (fees)
(Debtor's Counsel)	\$ 2,500.00 (expenses)

These fees will be paid, upon approval of the Court, but upon agreement between the Debtor and Debtor's counsel in order that fees not impact payments to creditors. The Debtor

anticipates paying counsel at least \$25,000 upon confirmation

Priority Claims are claims which are entitled to priority under §507(a) of the Bankruptcy Code. They include certain claims for wages, benefits and taxes. As discussed above, the Commonwealth of Massachusetts, Department of Revenue, filed a proof of claim listing a priority claim of \$2,038.64 and the Internal Revenue Service filed a proof of claim for a total amount of \$24,187.19, with \$17,812.54 owed as a priority claim and a general unsecured claim of \$6,374.65. As priority claims incurs interest after the petition date, and the IRS interest rate was 3% until March 31, 2016, and 4% thereafter, the Debtor estimates that the IRS priority claim, as of December 31, 2016, is approximately \$19,000.

Regarding the priority claim of the Internal Revenue Service, within 30 days following confirmation of a plan, the Debtor will make an initial payment to the IRS of \$2,000.00 towards the IRS priority claim. The remainder priority claim, approximately \$17,000, will be satisfied by payments of \$500.00 per month, commencing on the first day of the month following the confirmation of a plan of reorganization. As interest will continue to accrue on this claim post-confirmation, presently at the rate of 4%, this claim is estimated to be paid within 3 years of confirmation of the plan. The Debtor believes that this meets, if not exceeds, the requirements of U.S.C. §1129(a)(9)(C) which requires that the holder of priority tax claims "will receive on account of such claim regular installment payments in cash of a total value, as of the effective date of the plan, equal to the allowed amount of such claim over a period ending not later than 5 years after the date of the order for relief [the commencement date of the case]." To the extent that interest rates increase, and more than \$500.00 per month is necessary to pay the IRS in full in accordance with §1129(a)(9)(C), the Debtor will increase the payments on this claim to comply with the statute.

Regarding the Massachusetts Department of Revenue priority claim, this will be paid in monthly installments of \$75.00 per month until paid in full. The Debtor believes that this complies with the requirements of U.S.C. §1129(a)(9)(C).

The Debtor also owes real estate taxes to the City of Springfield of approximately \$10,000, although no proof of claim has been filed. These will be paid over a five year period on a monthly basis with interest as required by the Bankruptcy Code. The Debtor estimates payments of \$200 per month.

C. Classification and Treatment of Other Claims

The Plan divides all other claims and interests into the classes as follows. Although each class is defined generally, specific reference to the Plan is recommended.

(i) Class One - Secured Claim of Orange Park Management, LLC.

Orange Park Management, LLC, has filed a proof of claim in the amount of \$485,000.00, claiming that it is fully secured by various mortgages of the Debtor's properties. Concerning the amount of the debt, the Debtor questions two aspects: first, it has been reduced by regular monthly payments since the commencement of the Chapter 11 case and an additional \$10,000.00 as part of one cash collateral order. Second, the Debtor has reviewed the promissory notes and the notes have adjustable rate language, but the rates do not appear to have been adjusted.

The Debtor also questions the secured status of the Orange Park Management, LLC's proof of claim, primarily because it includes two equity lines secured by junior liens which are junior to senior mortgages, and the deduction of such senior mortgages' balances from the value of the collateral may leave a value that would not exceed the balances owed on these equity mortgages. The Debtor believes that taking into account the true "secured" nature of Orange Park Management's claims would reduce the "secured" claim by at least \$15,000.00.

During the Chapter 11 case, the Debtor and Orange Park Management, LLC, discussed resolution of the entire Orange Park Management, LLC claim and reached agreement, subject to approval of this Plan, as follows:

- Orange Park Management, LLC, shall have a claim in the principal amount of \$405,000.00, less any principal payments made under cash collateral orders of this court since (and including) August 1, 2016;
- Interest will accrue, upon confirmation of the plan, at the rate of 5.25%.
- The claim will be amortized over a 20-year period schedule.
- There will be a balloon payment of the remaining principal and any accrued interest after five (5) years.
- The Debtor may extend the deadline for the 5 year balloon payment by 5 years with an interest rate of 6.25%.
- If the Debtor defaults on these terms, the entire amount of the original obligations will be owed, plus interest at the

original rates.

- The parties will execute revised loan documents to the extent necessary.

This agreement reduces monthly payments. The payments under this agreement will total approximately \$2,700, while the payments under the Cash Collateral orders total \$2,900.00 - a cash flow savings of nearly \$200 per month. The payment of \$2,700 will also include principal approaching \$1,000, while the principal payments under the Cash Collateral orders is approximately \$250.00.

Orange Park Management, LLC is impaired and may vote on the plan.

(ii) Class Two - Secured Claim of Ocwen Loan Servicing regarding 35 - 37 Dexter Street, Springfield

Ocwen Loan Servicing has a mortgage on 35 - 37 Dexter Street, Springfield, which will be satisfied in full by Ocwen Loan Servicing's choice of one of the following options:

(i) Payment of \$2,500 upon confirmation, and the payment of \$85,000.00 to be paid on the basis of a 20-year amortization with an interest rate of 4%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates.

(ii) Payment of the secured claim of the outstanding balance of 30-year amortization with an interest rate of 3%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates. Ocwen Loan Servicing will have an unsecured claim for the balance of its claim.

(iii) Under 11 U.S.C. §1111(b), Ocwen Loan Servicing, will have a secured claim for its entire allowed claim, to be paid without interest over a 40 year period in equal monthly installments.

If Ocwen Loan Servicing does not choose an option by the hearing scheduled for confirmation of the Debtor's plan, Ocwen Loan Servicing will have been deemed to have chosen the first option. Presently, Ocwen Loan is receiving \$750.00 per month under the Cash Collateral Orders, and the payment under the first

option would be \$454.49 per month; as this does not include real estate taxes, and one assumes approximately \$200 per month in real estate taxes (the Cash Collateral Orders payments for Ocwen include an allocation for real estate taxes), there is a cash flow savings of approximately \$100 per month.

Ocwen Loan Servicing is impaired and may vote on the plan.

(iii) Class Three - Secured Claim of Ocwen Loan Servicing regarding 178 Bowdoin Street, Springfield

Ocwen Loan Servicing has a mortgage on 178 Bowdoin Street, Springfield, which will be satisfied in full by Ocwen Loan Servicing's choice of one of the following options:

(i) Payment of \$1,000.00 upon confirmation, and the payment of \$45,000.00 to be paid on the basis of a 20-year amortization with an interest rate of 4%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates.

(ii) Payment of the secured claim of the outstanding balance of 30-year amortization with an interest rate of 3%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates. Ocwen Loan Servicing will have an unsecured claim for the balance of its claim.

(iii) Under 11 U.S.C. §1111(b), Ocwen Loan Servicing, will have a secured claim for its entire allowed claim, to be paid without interest over a 40-year period in equal monthly installments.

If Ocwen Loan Servicing does not choose an option by the hearing scheduled for confirmation of the Debtor's plan, Ocwen Loan Servicing will have been deemed to have chosen the first option. Presently, Ocwen Loan is receiving \$750.00 per month under the Cash Collateral Orders, and the payment under the first option would be \$272.69 per month; as this does not include real estate taxes, and one assumes approximately \$200 per month in real estate taxes (the Cash Collateral Orders payments for Ocwen include an allocation for real estate taxes), there is a cash flow savings of over \$250 per month.

Ocwen Loan Servicing is impaired and may vote on the plan.

(iv) Class Four - Secured Claim of Wilmington Savings Fund Society, FSB, formerly held by Citi Financial regarding 65 Oak Grove Street, Springfield

As of the commencement of the Chapter 11 Case, Citi Financial had a mortgage claim based upon 65 Oak Grove Street, Springfield, Springfield. This mortgage is presently held by Wilmington Savings Fund Society, FSB. The Debtor and Wilmington Savings Fund Society, FSB, after discussions, reached agreement, subject to approval of this Plan, as follow:

- Wilmington Savings Fund Society, FSB, shall have a claim in the principal amount of \$95,000.00 as of confirmation of the Plan;
- Interest will accrue, upon confirmation of the plan, at the rate of 5.00%.
- The claim will be amortized over a 30 year period schedule.
- If the Debtor defaults on the these terms, the entire amount of the original obligations owed, plus interest at the original rates.
- The parties will execute revised loan documents to the extent necessary.

This agreement effectively reduces the payments required pursuant to the original agreements, and the payments required under the cash collateral orders of the Court. Presently, the Debtor pays \$1,000.00 per month to the Wilmington Savings Fund Society, FSB; this payment includes taxes but not insurance (which the Debtor pays directly). Under the proposed plan terms, the Debtor will pay approximately \$510 per month in principal and interest, and taxes and insurance will be added; if the real estate taxes are added to this amount (taxes are estimated at \$200 per month, and insurance at \$100 per month), the Debtor's cash flow savings will be nearly \$300 per month.

Wilmington Savings Fund Society, FSB is impaired and may vote on the plan.

(v) Class Five - Secured Claim of TD Bank regarding 12 - 14 Coomes Street, Springfield, 67 Alden Street, Springfield and 968-970 Worthington Street, Springfield

TD Bank has three mortgage claims regarding 12 - 14 Coomes Street, Springfield, 67 Alden Street, Springfield and 968-970 Worthington Street, Springfield, which will be satisfied in full by TD Bank's choice of one of the following options:

(i) Payment of \$2,500.00 upon confirmation, and the payment of \$150,000.00 to be paid on the basis of a 20 year amortization with an interest rate of 4%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates.

(ii) Payment of the secured claim of the outstanding balance of 30 year amortization with an interest rate of 3%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates. TD Bank will have an unsecured claim for the balance of its claim.

(iii) Under 11 U.S.C. §1111(b), TD Bank will have a secured claim for its entire allowed claim, to be paid without interest over a 40 year period in equal monthly installments.

If TD Bank does not choose an option by the hearing scheduled for confirmation of the Debtor's plan, TD Bank will have been deemed to have chosen the first option. Presently, Ocwen Loan is receiving \$1,600.00 per month under the Cash Collateral Orders, and the payment under the first option would be \$908.97 per month; as this does not include real estate taxes, and one assumes approximately \$500 per month in real estate taxes (the Cash Collateral Orders payments for Ocwen include an allocation for real estate taxes), there is a cash flow savings of nearly \$200 per month.

TD Bank is impaired and may vote on the plan.

(vi) Class Six - Secured/Execution Claim of Raymond Houle

The Debtor and Raymond Houle have discussed resolution of his secured (execution) proof of claim for \$13,400.60 and reach agreement as follows:

- The claim will be reduced to \$13,250.00.
- The claim will be paid at the rate of 3% interest, in monthly payments of \$250.00, until paid in full (it is estimated that it will be paid in less than 60 months).

- The Debtor will grant a (junior) mortgage on all his properties, and execute such other documents as is necessary to effect this agreement.
- If the Debtor defaults on these terms, the entire amount of the execution will be due, plus interest at the original judgment rate of 12% per annum.
- If the Debtor sells any property subject to this lien, the Debtor will pay Raymond Houle the lesser of \$4,000 or the outstanding amount of his claim

Raymond Houle is impaired and may vote on the plan.

(vii) Class Seven - Columbia Gas Secured/Execution Claim

The Debtor and Columbia Gas have discussed resolution of its secured claim based upon its execution and reach agreement as follows:

- Columbia Gas's secured claim will be \$41,248.00.
- 2,500.00 will be paid to Columbia Gas within fifteen (15) days of the Effective Date to be applied against Columbia Gas' secured claim.
- The claim will be paid at the rate of 6% interest, amortized over 6 years, in monthly payments of \$642.17.
- Payments will be due on the first day of the month, commencing on the first day of the month following the Effective Date of the Plan, and the Debtor will be granted a fifteen (15) day late period; if the Debtor is late on the payment of any payments of this secured debt or the payment of any payment of utility charges owed to Columbia Gas for future services, the debt will be accelerated, and Columbia Gas will be entitled to charge all amounts owed without regard to this agreement.
- If Columbia Gas refunds the deposit held by it, the Debtor will turnover such refund to Columbia Gas to be applied to the principal of its secured claim.³

Columbia Gas is impaired and may vote on the plan.

(viii) Class Eight - Commonwealth of Massachusetts

The Secured Claim of the Commonwealth of Massachusetts, Department of Revenue, pursuant to its proof of claim, is in the amount of \$15,903.19, will be paid at the rate of \$325.00 month after confirmation of the Debtor's plan until the entire claim,

³ Pursuant to the Final Cash Collateral Order (Docket No. 132), the Debtor paid Columbia Gas a deposit of \$3,720.00.

with interest at the state rate, has been paid in full. The Debtor believes that this will be paid within 5 of confirmation.

This claim is not impaired and the Commonwealth of Massachusetts is not entitled to vote on the plan.

(ix) Class Nine - Springfield Water Department

To the extent that the Water Department of the City of Springfield has a claim, it will be paid over a 5 year period in equal monthly payments, with interest.

This claim is not impaired and the Springfield Water Department is not entitled to vote on the plan.

(x) Class Ten - General Unsecured Claims under \$1,000.00.

Class Ten consists of all general unsecured claims that are \$1,000.00 or less, or, if higher, the holder of such claim agrees to reduce the claim to \$1,000.00. These claims shall be paid 25% of their allowed claims within 60 days of confirmation of the Plan.

(xi) Class Eleven - General Unsecured Claims over \$1,000.00.

Class Eleven consists of all general unsecured claims that are more than \$1,000.00. These claims shall be paid 5% of their allowed claims within 60 days of the Plan's confirmation, and then 7% per year, on the anniversary of the 5% payment, for ten (10) years (for a total of 75%).

(xii) Class Twelve - Debtor's Interests

Under the Plan, the Debtor's Interests will be preserved as the Debtor will continue to own all his assets, subject to the provisions under the Plan.

IV. OTHER PROVISIONS RELATING TO IMPLEMENTATION OF THE PLAN

A. Full and Final Satisfaction

Except as otherwise provided in §1141 of the Bankruptcy Code or the Plan, the payments made pursuant to the Plan will be in full and final satisfaction, settlement, release, and discharge, as against the Debtor, of any and all claims against the Debtor, as defined in the Bankruptcy Code, including, without limitation, any Claim or Equity Interest accrued or incurred on or before the Date of Confirmation, whether or not (i) a Proof of Claim or interest is filed or deemed filed under §501 of the Bankruptcy Code; (ii) such Claim or Equity Interest is allowed under §501 of the Bankruptcy Code; or (iii) the

holder of such Claim or Equity Interest has accepted the Plan.

B. Effect of Completion of Payments under the Plan

Except as otherwise provided in the Plan, all creditors shall be precluded after the completion of payments under the Plan from asserting against the Debtor any claim, and such creditors, their successors and assigns, will be deemed to be enjoined permanently from enforcing, or seeking to enforce, any such claims.

C. Executory Contracts

Any and all executory contracts and unexpired leases of the Debtor not expressly assumed or rejected by the Debtor prior to the Confirmation Date shall be deemed rejected. Any person or entity asserting a Claim for damages due to such rejection shall be required to file such Claim within 30 days of the Confirmation Date, or will be forever barred from asserting any such Claim.

D. Preferences, Fraudulent Transfers, and other Actions

To the extent that any such claims are identified and recovered in the future, the Debtor will pay such funds, after legal expenses, to Class Ten general unsecured creditors on a *pro rata* basis. The Debtor, however, does not believe that there are any such claims.

E. Amendment of Plan

The Debtor may amend or modify the Plan before and after the Confirmation Date pursuant to §1127 of the Bankruptcy Code. No notice of such amendment will be provided other than at the confirmation hearing, unless required by applicable law or the Bankruptcy Court.

V. CONFIRMATION AND CONSUMMATION

A. Confirmation Hearing

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a confirmation hearing on the Plan. Objection to confirmation may be filed in accordance with the provisions herein.

The confirmation hearing on the Plan has been scheduled for at 11:30 a.m. before United States Bankruptcy Judge Frank J. Bailey of the United States Bankruptcy Court for the District of Massachusetts. The confirmation hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except at the confirmation hearing to those in attendance. However, the dates of any adjournment may be obtained from counsel to the Debtor. Any objection to confirmation must be made in writing setting forth in detail the basis of the objection and filed with the Clerk of the

Bankruptcy Court, and served upon the following party:

Louis S. Robin, Esq.
Law Offices of Louis S. Robin
1200 Converse Street
Longmeadow, MA 01106

B. Confirmation Requirements

In order that the Plan be confirmed, the Bankruptcy Code requires, among other things, that the Plan be proposed in good faith, that the Debtor disclose specified information concerning payments made or promised to insiders, and that the Plan comply with the applicable provisions of Chapter 11 of the Bankruptcy Code. Section 1129(a) of the Bankruptcy Code also requires that at least one class of claims has accepted the Plan, that confirmation is not likely to be followed by the need for further financial reorganization, and that the Plan be fair and equitable with respect to each class of claims or equity interests which is impaired under the Plan. The Bankruptcy Court can confirm the Plan if it finds that all of the requirements in §1129(a) of the Bankruptcy Code have been met. The Debtor believes that its Plan satisfies all of the requirements of confirmation.

1. Best Interests Test

Before the Plan may be confirmed, the Bankruptcy Court must find (with certain exceptions) that the Plan provides, with respect to each class, that each holder of a Claim or Equity Interest of such class either (a) has accepted the Plan, or (b) will receive or retain under the Plan on account of such Claim or Equity Interest, property of a value, as of the Effective Date, that is not less than the amount that such person would receive if the Debtor were, on the Effective Date, liquidated under Chapter 7 of the Bankruptcy Code.

2. Financial Feasibility

The Bankruptcy Code requires, as a condition to confirmation, a finding by the Bankruptcy Court that confirmation of the Plan is not likely to be followed by the liquidation of the Debtor or the need for further financial reorganization. The Debtor believes that the Plan complies with the financial feasibility standard for confirmation. The Debtor has provided, in Exhibit "B", a summary of cash flow reports filed with the U.S. Trustee (if any party requests the actual reports, they will be provided). The Debtor, as part of Exhibit "B", has also provided a comparison of cash collateral payments made during the Chapter 11 case, and the mortgage payments and additional

payments that will be made under the proposed confirmed plan.

If one compares the payments before and after the proposed confirmation of the Chapter 11 Plan, the comparison reveals that the Debtor will need to make approximately \$1,260 in additional payments - there are some savings due to readjusted mortgages (\$1,175), and increases to various execution creditors, tax creditors, and unsecured creditors (\$2,435).

In reviewing the cash flow statement summaries during the Chapter 11 Case (Exhibit B hereto), in the initial months of the Chapter 11 Case the Debtor experienced cash flow increases - this is attributed to the initial benefits of delayed expenses and "adequate protection payments" which started low in some cases and increased later. Starting in August, 2015, there was a negative cash flow as the Debtor was preparing properties for the New England Farm Council (there was an increase of nearly \$15,000 in October, 2015, but that is attributable to the funds distributed to the Debtor by the New England Farm Council that the Debtor used in his operations). Starting in March, 2016, the Debtor began to break even cash flow results, with increase in the last few months to about \$1,000 per month, attributable to the New England Farm Council rent. The Debtor would have expected a better cash flow basis in the past few months, but the (i) the Debtor had continued expenses preparing properties for the New England Farm Council, and (ii) the New England Farm Council has not utilized all the rentals expected (and the Debtor is filling other units initially targeted for the New England Farm). In the October cashflow, although the Debtor had a positive cash flow of \$170, the Debtor also renewed insurance that required an upfront expense of about \$5,000. This augers well for the future, although heating expenses will increase for upcoming winter months. Based upon the preceding, the Debtor is optimistic that he will have approximately \$2,500 per month of positive cash flow, on average, based upon present expenses.

With \$2,500 of cash flow per month, the Debtor will have sufficient cash flow to pay the increased amounts under the Plan of approximately \$1,310. The Debtor will need the excess over \$1,310 (as compared to \$2,500) for continued maintenance and improvements, increased heating expenses in the winter, emergency and unexpected expenses/repairs, and payment of the Debtor's Chapter 11 legal fees (the Debtor and counsel anticipate that the funds on hand will not pay Debtor's counsel in full, and the parties will agree to pay Counsel over time).

Finally, given the Debtor's failure in his prior 2010 case, the Debtor believes that he must state, to the extent not previously stated, why this Plan will succeed when the prior

failed. One difference between the pending case and the prior 2010 case is the Debtor's 2010 Case's plan provided little relief in the amount of secured debt and the payment thereof. Further, the Debtor, in the 2010 Case, was burdened with three properties that were seriously underwater and producing little, if any income. Another difference is that the Debtor in the prior 2010 Case had little working capital after confirmation - in this case the Debtor should have at least \$10,000 in working capital after confirmation, and possibly \$20,000 - necessary funds when emergency and increased expenses are always possible, if not likely, in the residential rental sector.

The Debtor believes that he has sufficient income and capital to make all payments under the Plan. Although the Debtor is prepared to provide specific cash flow projections for at least two years, this is speculative, and the Debtor believes that the preceding explanation is more complete and instructive.

3. Acceptance by Impaired Classes

The Bankruptcy Code requires, as a condition to confirmation, that each class of Claims that is impaired under the Plan accept the Plan, with the exception described in the following section. A class of Claims has accepted the Plan if the Plan has been accepted by creditors (other than insiders) that hold at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims of such class who actually vote to accept or reject the Plan. Holders of Claims or Equity Interests who fail to vote are not counted as either accepting or rejecting the Plan.

A class that is not "impaired" under the Plan is deemed to have accepted the Plan; solicitation of acceptances with respect to such class is not required. A class is "impaired" unless (i) the legal, equitable, and contractual rights to which the Claim or Equity Interest entitles the holder of such claim or interest are not modified; (ii) with respect to a secured claim, the effect of any default is cured and the original terms of the obligation are reinstated; or (iii) the Plan provides that on the Effective Date, the holder of the Claim or Equity Interest receives on account of such Claim or, with respect to any Equity Interest, any fixed liquidation preference to which the Equity Interest holder is entitled or any fixed price at which the Debtor may redeem the security.

4. Confirmation Without Acceptance by All Impaired Classes

The Bankruptcy Code contains provisions which would enable

the Bankruptcy Court to confirm the Plan, even though the Plan has not been accepted by all impaired classes, provided that the Plan has been accepted by a least one impaired class of Claims.

Section 1129(b)(1) of the Bankruptcy Code states "notwithstanding §510(a) of this title, if all of the applicable requirements of subsections (a) of this section other than paragraph (8) are met with respect to the plan, the Court, on request of the proponent of the plan, shall confirm the plan notwithstanding the requirements of such paragraph if the plan does not discriminate unfairly and is fair and equitable, with respect to each class of claims or interest that is impaired under, and has not accepted, the plan."

This section provides that the Plan must be confirmed notwithstanding the failure of an impaired class to accept the Plan if the Plan does not discriminate unfairly (e.g., it does not provide to a class senior to the dissenting class more than 100 percent of the amount of its claims), and it is "fair and equitable" with respect to each class of claims that is impaired under, and has not accepted, the Plan. This "fair and equitable" requirement applies only with respect to dissenting classes and provides that the Plan may be confirmed as long as (i) any claim junior to the dissenting class is not receiving anything under the Plan, and (ii) the dissenting class is receiving at least as much as it would receive under liquidation.

Under the provisions of the Plan, all of the applicable requirements of §1129(b) will be met, unless Classes Ten and Eleven vote against the Plan. Accordingly, rejections of the Plan by all these classes could prevent confirmation of the Plan. The Debtor believes that such actions would **NOT** be in the best interests of creditor and that the likely result of such actions would be the liquidation of the Debtor's assets, which the Debtor believes will result in no realization by unsecured creditors, unless in the unlikely event that a new proponent was willing to offer more than in the present Plan. Without limiting the foregoing, the Debtor believes, given the lack of third party interest demonstrated during the course of the case, that it is unlikely that any third party would propose any Plan for the reorganization of the Debtor as a going concern which would provide a greater distribution to the unsecured creditors.

C. Voting Instructions

A Ballot to be used for voting to accept or reject the Plan is enclosed with this Disclosure Statement mailed to persons entitled to vote. Creditors are entitled to vote, provided that

Exhibit "A"

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
WESTERN DIVISION

In re
Roderick Barton
Debtor
Chapter 11, No. 15-30267-HJB

DEBTOR'S SECOND AMENDED PLAN OF REORGANIZATION

Pursuant to §1121 of the United States Bankruptcy Code, 11 U.S.C. §101 et seq. (the "Bankruptcy Code"), Roderick Barton (the "Debtor"), the debtor in possession in the above-referenced case, hereby proposes to his creditors the following Plan of Reorganization (the "Plan") for the satisfaction and discharge of all existing claims against and interests in the Debtor.

ARTICLE I: DEFINITIONS

The terms appearing in the Plan, unless otherwise defined below, are defined in the Bankruptcy Code.

"Administrative Claims": the costs and expenses of the above-entitled Chapter 11 case, including allowances, and all debts incurred by the Debtor after the filing of its Chapter 11 Petition and prior to the date of confirmation of the Plan

"Administrative Claimants": holders of administrative claims.

"Allowances": fees awarded by the Bankruptcy Court to attorneys, accountants and others as reasonable compensation for services rendered and as reimbursement of necessary expenses.

"Allowed Claim": a Claim (a) for which a Proof of Claim has been filed with the Bankruptcy Court by September 8, 2015 or (b) listed by the Debtor in his Schedules, filed with the

Bankruptcy Court pursuant to Bankruptcy Rule 1007(b), as undisputed, noncontingent, or liquidated, and for which no objection to the allowance thereof has been filed within forty-five (45) days by the Debtor or the Creditors' Committee (if one exists) following the Effective Date, or as to which any objection has been determined and denied by an order or judgment which is no longer subject to appeal or certiorari proceedings and as to which no appeal or certiorari proceeding is pending.

"Allowed Priority Claim": that portion of an Allowed Claim which is entitled to priority under §507(a)(3), (4) or (7) of the Bankruptcy Code.

"Allowed Secured Claim": an Allowed Claim secured by liens, security interests, or other charges against or interests in any Property in which the Debtor has an interest, to the extent of the value (determined in accordance with §506(a) of the Bankruptcy Code) of the interest of the holder of such Allowed Claim in the Debtor's interest in such Property.

"Bankruptcy Code": the United States Bankruptcy Code, 11 U.S.C. '101 *et seq.*, and any amendment thereof.

"Bankruptcy Court": the United States Bankruptcy Court for the District of Massachusetts, having jurisdiction over the above-captioned Chapter 11 case of the Debtor.

"Claim": (a) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) a right to an equitable remedy for breach of performance, if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

"Debtor": Roderick Barton.

"Disputed Claim": any Claim which has been listed as "disputed", "contingent" or "unliquidated" in the Debtor's Schedules or as to which an objection to the allowance of which has been filed, but not determined by the Effective Date.

"Effective Date": the date on which the Order confirming the Plan is no longer subject to appeal or certiorari proceedings, on which date no such appeal or certiorari proceedings are then pending and on which date all of the

conditions to the effectiveness of the Plan expressly set forth in the Plan have been satisfied fully or effectively waived.

"Final Order": an Order of a court from which no appeal can be taken, or as to which all appeals have been withdrawn or dismissed with prejudice.

"Finally Determined": the date on which any Claim is finally determined shall, for all purposes related to Claims to which objections have been made, be deemed to be the date on which an order allowing, disallowing or in part allowing and disallowing that Claim becomes a Final Order.

"General Unsecured Claims": all Claims other than Administrative, Priority and Secured Claims, and claims based upon an equitable interest.

"Petition Date": March 27, 2015, the date that the Debtor filed his Chapter 11 Petition.

"Property": any interest in any kind of property or asset, whether real, personal, tangible, intangible or mixed.

"Pro Rata": the same proportion that an Allowed Claim in a particular class bears to the aggregate amount of Allowed Claims in such class.

"Secured Claim": a claim against the Debtor which is secured by assets of the estate.

ARTICLE II: DIVISION OF CREDITORS INTO CLASSES

Claims of creditors shall be divided into the following classes:

Class One - Secured Claim of Orange Park Management, LLC.

Class Two - Secured Claim of Ocwen Loan Servicing regarding 35 - 37 Dexter Street, Springfield

Class Three - Secured Claim of Ocwen Loan Servicing regarding 178 Bowdin Street, Springfield

Class Four - Secured Claim of Citi Financial/Wilmington Savings Fund Society FSB regarding 65 Oak Grove Street, Springfield

Class Five - Secured Claim of TD Bank regarding 12 - 14 Coomes Street, Springfield, 968-970 Worthington Street, Springfield and 968-970 Worthington Street, Springfield

Class Six - Secured/Execution Claim of Raymond Houle

Class Seven - Secured/Execution Claim of Bay State Gas/Columbia Gas

Class Eight - Secured Claim of Commonwealth of Massachusetts

Class Nine - Secured Claim of Springfield Water Department

Class Ten - General Unsecured Claims under \$1,000.00.

Class Eleven - General Unsecured Claims over \$1,000.00.

Class Twelve - Debtor's Interests

ARTICLE III: PROVISIONS FOR THE SATISFACTION OF CLAIMS AND INTERESTS

The Debtor agrees to make the following provisions for the satisfaction of the claims of its respective creditors and equity interest upon confirmation of the Plan:

A. Treatment of Administrative and Priority Claims

Administrative claims are all claims for goods and services incurred by the Debtor after the filing of his Chapter 11 Case. These claims (other than for professional services by attorneys, accountants and other professionals and such other administrative expense claims as require Bankruptcy Court approval) will be paid by the Debtor in the ordinary course of his affairs. The Debtor believes that these administrative expenses are relatively minor.

Administrative Claims for professional services (i.e. attorneys' or accountant's services) require Bankruptcy Court approval. These claims will be paid in full but only after the entry of orders allowing those claims after notice and hearing. The amounts already paid pursuant to Bankruptcy Court orders and the estimated additional requests of such persons are as follows:

<u>Professional</u>	<u>Estimated Fees and Expenses</u>
Law Offices of Louis S. Robin (Debtor's Counsel)	\$50,000.00 (fees) \$ 2,500.00 (expenses)

These fees will be paid, upon approval of the Court, but upon agreement between the Debtor and Debtor's counsel in order that fees not impact payments to creditors. The Debtor anticipates paying counsel at least \$25,000 upon confirmation

Priority Claims are claims which are entitled to priority under §507(a) of the Bankruptcy Code. They include certain claims for wages, benefits and taxes. The Commonwealth of Massachusetts, Department of Revenue, filed a proof of claim listing a priority claim of \$2,495.96 and the Internal Revenue Service filed a proof of claim claiming a priority claim in the amount of \$17,812.54. The Debtor will pay the IRS \$2,000.00 and \$500.00 per month, commencing on the first day of the month following the confirmation of a plan of reorganization, until paid in full. The Debtor will pay the Department of Revenue \$75.00 per month, commencing on the first day of the month following the confirmation of a plan of reorganization, until paid in full.

The Debtor also owes real estate taxes to the City of Springfield. These will be paid over a five year period on a monthly basis with interest as required by the Bankruptcy Code.

B. Classification and Treatment of Other Claims/Interests

The Plan divides all other claims and interests into the classes as indicated in the following paragraphs.

(i) Class One - Secured Claim of Orange Park Management, LLC.

Orange Park Management, LLC, all claims (secured and unsecured) will be satisfied in full and paid as follow:

- Orange Park Management, LLC, shall have a claim in the principal amount of \$405,000.00, less any principal payments made under cash collateral orders of this court since (and including) August 1, 2016;
- Interest will accrue, upon confirmation of the plan, at the rate of 5.25%.
- The claim will be amortized over a 20-year period schedule.
- There will be a balloon payment of the remaining principal and any accrued interest after five (5) years.
- The Debtor may extend the deadline for the 5 year balloon payment by 5 years with an interest rate of 6.25%.
- If the Debtor defaults on these terms, the entire amount of the original obligations will be owed, plus interest at the original rates.

- The parties will execute revised loan documents to the extent necessary.

Orange Park Management, LLC is impaired and may vote on the plan.

(ii) Class Two - Secured Claim of Ocwen Loan Servicing regarding 35 - 37 Dexter Street, Springfield

Ocwen Loan Servicing has a mortgage on 35 - 37 Dexter Street, Springfield, which will be satisfied in full by Ocwen Loan Servicing chose of one of the following options:

(i) Payment of \$2,500 upon confirmation, and the payment of \$85,000.00 to be paid on the basis of a 20--year amortization with an interest rate of 4%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates.

(ii) Payment of the secured claim of the outstanding balance of 30--year amortization with an interest rate of 3%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates. Ocwen Loan Servicing will have an unsecured claim for the balance of its claim.

(iii) Under 11 U.S.C. §1111(b), -Ocwen Loan Servicing, will have a secured claim for its entire allowed claim, to be paid without interest over a 40 year period in equal monthly installments.

If Ocwen Loan Servicing does not choose an option by the hearing scheduled for confirmation of the Debtor's plan, Ocwen Loan Servicing will have been deemed to have chosen the first option.

Ocwen Loan Servicing is impaired and may vote on the plan.

(iii) Class Three - Secured Claim of Ocwen Loan Servicing regarding 178 Bowdin Street, Springfield

Ocwen Loan Servicing has a mortgage on 178 Bowdin Street, Springfield, which will be satisfied in full by Ocwen Loan Servicing chose of one of the following options:

(i) Payment of \$2,500 upon confirmation, and the payment of \$45,000.00 to be paid on the basis of a 20-year amortization with an interest rate of 4%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates.

(ii) Payment of the secured claim of the outstanding balance of 30-year amortization with an interest rate of 3%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates. Ocwen Loan Servicing will have an unsecured claim for the balance of its claim.

(iii) Under 11 U.S.C. §1111(b), Ocwen Loan Servicing, will have a secured claim for its entire allowed claim, to be paid without interest over a 40-year period in equal monthly installments.

If Ocwen Loan Servicing does not choose an option by the hearing scheduled for confirmation of the Debtor's plan, Ocwen Loan Servicing will have been deemed to have chosen the first option.

Ocwen Loan Servicing is impaired and may vote on the plan.

(iv) Class Four - Secured Claim of Wilmington Savings Fund Society, FSB, formerly held by Citi Financial regarding 65 Oak Grove Street, Springfield

The claims of Wilmington Savings Fund Society, FSB, secured and unsecured, will be satisfied in full and paid as follow:

- Wilmington Savings Fund Society, FSB, shall have a claim in the principal amount of \$95,000.00 as of confirmation of the Plan;
- Interest will accrue, upon confirmation of the plan, at the rate of 5.00%.
- The claim will be amortized over a 30-year period schedule.
- If the Debtor defaults on the these terms, the entire amount of the original obligations owed, plus interest at the original rates.
- The parties will execute revised loan documents to the extent necessary.
- The mortgage payments will include an escrow for taxes and

insurance.

Wilmington Savings Fund Society, FSB is impaired and may vote on the plan.

(v) Class Five - Secured Claim of TD Bank regarding 12 - 14 Coomes Street, Springfield, 968-970 Worthington Street, Springfield and 968-970 Worthington Street, Springfield

TD Bank has three mortgage claims regarding on 12 - 14 Coomes Street, Springfield, 968-970 Worthington Street, Springfield and 968-970 Worthington Street, Springfield, which will be satisfied in full by TD Bank chose of one of the following options:

(i) Payment of \$5,000.00 upon confirmation, and the payment of \$175,000.00 to be paid on the basis of a 20 year amortization with an interest rate of 4%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates.

(ii) Payment of the secured claim of the outstanding balance of 30 year amortization with an interest rate of 3%. The parties will execute appropriate note(s), mortgages and related documents that will include terms as agreed upon in prior notes and mortgages with the exception of the above detailed amortization and interest rates. TD Bank will have an unsecured claim for the balance of its claim.

(iii) Under 11 U.S.C. §1111(b), TD Bank will have a secured claim for its entire allowed claim, to be paid without interest over a 40 year period in equal monthly installments.

If TD Bank does not choose an option by the hearing scheduled for confirmation of the Debtor's plan, TD Bank will have been deemed to have chosen the first option.

TD Bank is impaired and may vote on the plan.

(vi) Class Six - Secured/Execution Claim of Raymond Houle

All the claims of Raymond Houle will be satisfied in full

and paid as follows:

- The claim will be reduced to \$13,250.00.
- The claim will be paid at the rate of 3% interest, in monthly payments of \$250.00, until paid in full (it is estimated that it will be paid in less than 60 months).
- The Debtor will grant a (junior) mortgage on all his properties, and execute such other documents as is necessary to effect this agreement.
- If the Debtor defaults on these terms, the entire amount of the execution will be due, plus interest at the original judgment rate of 12% per annum.
- If the Debtor sells any property subject to this lien, the Debtor will pay Raymond Houle the lesser of \$4,000 or the outstanding amount of his claim

Raymond Houle is impaired and may vote on the plan.

(vii) Class Seven - Bay State Gas/Columbia Gas Secured/Execution Claim

Bay State Gas/Columbia Gas's secured claim based upon its execution will be paid as follows:

- Columbia Gas's secured claim will be \$41,248.00.
- The claim will be paid at the rate of 6% interest, amortized over 6 years, in monthly payments of \$683.60.
- Payments will be due on the first day of the month, commencing on the first day of the month following the Effective Date of the Plan, and the Debtor will be granted a fifteen (15) day late period; if the Debtor is late on the payment of any payments of this secured debt or the payment of any payment of utility charges owed to Columbia Gas for future services, the debt will be accelerated, and Columbia Gas will be entitled to charge all amounts owed without regard to this agreement.
- If the Columbia Gas refunds the deposit held by it, the Debtor will turnover such refund to Columbia Gas to be applied to the principal of its secured claim.

Bay State Gas/Columbia Gas is impaired and may vote on the plan.

(viii) Class Eight - Commonwealth of Massachusetts

The Secured Claim of the Commonwealth of Massachusetts, Department of Revenue, was list in the schedules for an unliquidated amount, will be paid at the rate of \$325.00 month after confirmation of the Debtor's plan until the entire claim, with interest, has been paid in full.

This claim is not impaired and the Commonwealth of Massachusetts is not entitled to vote on the plan.

(ix) Class Nine - Springfield Water Department

To the extent that the Water Department of the City of Springfield has a claim, it will be paid over a 5 year period in equal monthly payments, with interest.

This claim is not impaired and the Commonwealth of Massachusetts is not entitled to vote on the plan.

(x) Class Ten - General Unsecured Claims under \$1,000.00.

Class Ten consists of all general unsecured claims that are \$1,000.00 or less, or, if higher, the holder of such claim agrees to reduce the claim to \$1,000.00. These claims shall be paid 25% of their allowed claims within 60 days of the Plan's confirmation.

These claims are impaired and may vote on the plan.

(xi) Class Eleven - General Unsecured Claims over \$1,000.00.

Class Eleven consists of all general unsecured claims that are more than \$1,000.00. These claims shall be paid 5% of their allowed claims within 60 days of the Plan's confirmation, and then 7% per year, on the anniversary of the 5% payment, for ten (10) years (for a total of 75%).

These claims are impaired and may vote on the plan.

(xii) Class Twelve - Debtor's Interests

Under the Plan, the Debtor's Interests will be preserved as the Debtor will continue to own all his assets, subject to the provisions under the Plan.

ARTICLE IV: EXECUTION OF THE PLAN

A. The Debtor

Upon the Effective Date, all assets of the Debtor shall reinvest in the Debtor, subject to the obligations and conditions of this Plan. To the extent necessary, the Debtor will prosecute any remaining actions. All legal fees, except as permitted by order of the Court, will be subject to Court approval.

B. Full and Final Satisfaction

Except as otherwise expressly provided in §1141 of the Bankruptcy Code or the Plan, the payments and distributions made pursuant to the Plan will be in full and final satisfaction, settlement, release, and discharge, as against the Debtor, of any and all claims against, and interests in, the Debtor, as defined in the Bankruptcy Code, including, without limitation, any Claim or Equity Interest accrued or incurred on or before the Confirmation Date, whether or not (i) a Proof of Claim or interest is filed or deemed filed under §501 of the Bankruptcy Code; (ii) such Claim or Equity Interest is allowed under §501 of the Bankruptcy Code; or (iii) the holder of such Claim or Equity Interest has accepted the Plan.

C. Effect of Confirmation

Pursuant to §1141 of the Bankruptcy Code, and except as otherwise provided by the Plan or the Order of Confirmation, the Debtor's Property shall be free and clear of all claims and interests of creditors and the Debtor shall be discharged for any and all obligations and liabilities on account of such claims.

D. Executory Contracts

Any and all other executory contracts and unexpired leases of the Debtor not expressly assumed or rejected by the Debtor prior to the Confirmation Date shall be deemed rejected. Any person or entity asserting a Claim for damages by reason of such rejection shall be required to file such Claim within thirty (30) days of the Confirmation Date, or will be forever barred from asserting any such Claim. Any obligation of the Debtor to indemnify his employees, representatives or others shall, however, be unaffected by confirmation and shall survive the Confirmation Order.

E. Preferences, Fraudulent Transfers, and other Causes of Actions

The Debtor shall prosecute any and all actions pursuant to §§544, 547, and 548 of the Bankruptcy Code. To the extent that the Debtor is successful in the prosecution and collections of any such claims, the Debtor will distribute the proceeds (after payment of legal fees and costs) *pro rata* to all unsecured creditors.

To the extent that there are any other prepetition claims against any other parties, other than accounts receivables, but

including but not limited to causes of action pending as of the Commencement Dates, the Debtor shall pursue and prosecute these actions. To the extent that the Debtor has a right to pursue injunctive relief, the Debtor will continue to be able to assert such relief and remedy.

ARTICLE V: RETENTION OF JURISDICTION

Subject to the express provisions of the Plan, the Bankruptcy Court shall retain jurisdiction of this case to:

- (a) determine the allowance of claims;
- (b) fix allowances, if necessary;
- (c) determine any pending applications for the rejection of executory contracts and determine the allowance of claims resulting therefore;
- (d) determine any claims of the Debtor under §§544, 547 and 548 of Title 11 of the United States Code;
- (e) determine matters concerning the administration of the Plan including, without limitation, those matters which are here and specified as requiring approval of the Chapter 11 Court;
- (f) determine case regarding claims and injunctive relief as it regards the Debtor and the Debtor's purchaser/successor;
- (f) determine such other matters as may be set forth in the Order of Confirmation.

ARTICLE VI: MISCELLANEOUS PROVISIONS

A. Retention, Enforcement, Waiver and Assignment of Claims

Pursuant to §1123(b)(3) of the Bankruptcy Code, the Debtor shall retain and may enforce any and all claims including claims for injunctive relief, except claims expressly waived, relinquished or released under this Plan or otherwise released or relinquished pursuant to an Order of the Bankruptcy Court. The Debtor shall retain their rights to object to the allowance of any claim.

C. Resolution of Claims

After confirmation of the Plan, the Debtor may resolve any liabilities pursuant to the Plan by agreement with the creditor

without further approval of the Court or Modification of the Plan.

B. Modification of the Plan

The Debtor may amend or modify this Plan at any time prior to the Confirmation Date upon notice to those creditors whose interests may be adversely affected by said amendment or modification and with the approval of the Bankruptcy Court. The Plan may be modified, subsequent to the Confirmation Date, upon notice and a hearing, in order to effect the intent and purposes of the Plan. The confirmation hearing may be continued from time to time. No notice of any such continuance will be provided other than notice at the hearing, and at any continued hearing to those in attendance.

C. Resolution of Claims

After confirmation of the Plan, the Debtor may resolve any liabilities pursuant to the Plan by agreement with the creditor without further approval of the Court or Modification of the Plan. After confirmation, the Debtor also may refinance any liabilities/liens/mortgages without further approval of the Court.

Roderick Barton

Dated: November 21, 2016

/s/ Roderick Barton

EXHIBIT "B"

SAVINGS UNDER PROPOSED PLAN

Orange Park Management, LLC

	<u>Cash Collateral</u>	
	<u>Payments</u>	
397-399 Oakland & 96 Central St., Spgfld:	\$ 850.00	
16-18 Elmdale Street, W. Spgfld:	\$ 500.00	
942-946 Worthington/ 76 Armory St., Spgfld:	\$ 1,350.00	
12-14 Coomes St., Spgfld:	<u>\$ 200.00</u>	
Total for Orange Park Mgt:	\$ 2,900.00	
Payments Under Plan:	\$ 2,700.00	
<i>Net Savings:</i>		\$ 200.00

Ocwen Loan Servicing

	<u>Cash Collateral</u>	
	<u>Payments</u>	
35-37 Dexter St., Spgfld:	\$ 750.00	
178 Bowdin St., Spgfld:	<u>\$ 750.00</u>	
Total for Ocwen Loan Srvg:	\$ 1,500.00	
Payments Under Plan:	\$ 1,125.00	
<i>Net Savings:</i>		\$ 375.00

TD Bank

	<u>Cash Collateral</u>	
	<u>Payments</u>	
67 Alden St., Spgfld:	\$ 500.00	
12-14 Coomes St., Spgfld:	\$ 500.00	
968-970 Worthington St., Spgfld:	<u>\$ 600.00</u>	
Total for TD Bank:	\$ 1,600.00	
Payments Under Plan:	\$ 1,400.00	
<i>Net Savings:</i>		\$ 200.00

Citi Financial/
Wilmington Savings Fund Society, FSB

	<u>Cash Collateral</u> <u>Payments</u>	
65 Oak Grove St., Spgfld:	\$ 1,000.00	
Payments Under Plan:	\$ 700.00	
<i>Net Savings:</i>		<i>\$ 300.00</i>
<i>Savings for U.S. Trustee Fee:</i>		<u><i>\$ 100.00</i></u>
<i>Net Savings:</i>		<i>\$1,175.00</i>

INCREASED EXPENSES

Internal Revenue Service:	\$ 400.00	
Commonwealth of Massachusetts:	\$ 400.00	
Raymond Houle:	\$ 250.00	
Columbia Gas:	\$ 685.00	
Unsecured Claims:	\$ 550.00	
Real Estate Taxes/Water & Sewer	\$ 200.00	
<i>Total Increased Expenses:</i>		<i>\$2,485.00</i>

CASHFLOW RESULTS BASED UPON
U.S. TRUSTEE REPORTS

2015

April, 2015:	+ \$ 450
May, 2015:	+ \$ 2,300
June, 2015:	+ \$ 1,900
July, 2015:	+ \$ 1,200
August, 2015:	- \$ 4,200 (negative)
September, 2015:	+ \$ 400
October, 2015:	+ \$14,800
November, 2015:	- \$ 9,000 (negative)
December, 2015:	- \$ 2,500 (negative)

2016

January, 2016:	- \$ 1,900 (negative)
February, 2016:	- \$ 2,900 (negative)
March, 2016:	essentially break even
April, 2016:	essentially break even
May, 2016:	+ \$ 1,800
June, 2016:	- \$ 1,800 (negative)
July, 2016:	+ \$ 1,900
August, 2016:	+ \$ 250
September, 2016	+ \$ 1,100
October, 2016	+ \$ 170

EXHIBIT "C"
LIQUIDATION ANALYSIS

REAL PROPERTIES

397-399 Oakland & 96 Central St., Spgfld:	Liquidation Value:	\$ 120,000.00
	Mortgages:	\$ 110,000.00
	Net Value:	\$ 10,000.00
16-18 Elmdale Street, W. Spgfld:	Liquidation Value:	\$ 145,000.00
	Mortgages:	\$ 100,000.00
	Net Value:	\$ 40,000.00
942-946 Worthington/ 76 Armory St., Spgfld:	Liquidation Value:	\$ 250,000.00
	Mortgages:	\$ 190,000.00
	Net Value:	\$ 60,000.00
12-14 Coomes St., Spgfld:	Liquidation Value:	\$ 110,000.00
	Mortgages:	\$ 110,000.00
	Net Value:	\$ 00.00
35-37 Dexter St., Spgfld:	Liquidation Value:	\$ 80,000.00
	Mortgages:	\$ 100,000.00
	Net Value:	\$ 00.00
178 Bowdin St., Spgfld:	Liquidation Value:	\$ 50,000.00
	Mortgages:	\$ 100,000.00
	Net Value:	\$ 00.00
67 Alden St., Spgfld:	Liquidation Value:	\$ 40,000.00
	Mortgages:	\$ 50,000.00
	Net Value:	\$ 00.00
968-970 Worthington St., Spgfld:	Liquidation Value:	\$ 65,000.00
	Mortgages:	\$ 75,000.00
	Net Value:	\$ 00.00
65 Oak Grove St., Spgfld:	Liquidation Value:	\$ 90,000.00
	Mortgages:	\$ 125,000.00
	Net Value:	\$ 00.00

The values are based upon the Debtor's estimates in value, confirmed by brokers' opinions in some instances, with a deduction of 10 – 20% to account for a liquidation/foreclosure sale. Although there a net values after taking into account of mortgages, these net values do not take into account the Columbia Gas execution (approximately \$42,500 plus accruing interest), the Raymond Houle execution (approximately \$13,500 plus accruing interest), the lien of the Massachusetts Department of Revenue (approximately \$17,000 plus accruing interest), and possible real estate taxes and water and sewer charges. Based upon these additional liens, there would be no more than \$25,000 in equity.

Personal Property and Related Results

The Debtor listed approximately \$11,000 in personal property in his schedules; these are all exempt, so that these items would not be available for distribution to creditors.

The Debtor has accumulated approximately \$60,000, held by Debtor's counsel, from the payments made by the New England Farm Counsel. However, there are priority tax claims of the IRS of approximately \$19,000 (with accruing interest), and Debtor's counsel has legal fees of at least \$50,000.00. Further, a Chapter 7 trustee (who takes priority over the two prior detailed priority claims) would incur significant fees. It is unlikely that unsecured creditors would receive any dividends. Finally, the Debtor may be able to use exemptions to keep some of the cash on hand.

Conclusion

If the real properties were subject to forced or similar sales, it is likely that the mortgage holders would have significant deficiency claims, which would result in lower dividends (if any) as these deficiency unsecured claims would be added to other unsecured claims, with both sharing in any dividend.

Further, priority claims, particularly administrative claims, would utilize any equity or other non-exempt assets.

It is respectfully suggested that a liquidation of assets would result in little, if any, distribution to unsecured creditors.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
WESTERN DIVISION**

In re)	
)	
RODERICK R. BARTON)	Chapter 11, No. 15-30263-FJB
)	
Debtor)	
)	

BALLOT FOR ACCEPTING OR REJECTING SECOND AMENDED PLAN OF REORGANIZATION

The Second Amended Plan of Reorganization (the "Plan") of Roderick R. Barton (the "Debtor") can be confirmed by the Court and thereby made binding on you if it is accepted by the holders of two-thirds in amount and more than one-half in number of claims in each Class voting on the Plan. In the event the requisite acceptances are not obtained, the Court may confirm the Plan if the Court finds that the Plan accords fair and equitable treatment to the class(es) rejecting it. To have your vote count, you must complete and return this ballot.

The undersigned, a Class ____ creditor of the Debtor, and a holder of a total claim in the amount of \$ _____, hereby

CHECK ONE BOX

Accepts

Rejects

the Amended Plan of Reorganization of the Debtor.

Dated: _____, 201__ Print or type name:

Signed:

By:

As:

Creditor Name:

Address:

In order to be counted, this Ballot should be received at the Law Offices of Louis S. Robin, 1200 Converse Street, Longmeadow, Massachusetts 01106, Attn: Louis S. Robin, Esq., **by 5:00 p.m. on _____, 2017.**