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**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
Greenbelt Division**

In re:)
)
 ALEX K. AMUAH) Case No: 14-13667
) Chapter 11
 Debtor)
 _____)

DISCLOSURE STATEMENT FOR DEBTOR, ALEX K. AMUAH

Alex K. Amuah, Debtor and Debtor-in-Possession, by undersigned counsel, submits the following Amended Disclosure Statement (“Disclosure Statement”) pursuant to Section 1125 of the Bankruptcy Code:

I. INTRODUCTION

The Debtor provides this Disclosure Statement in order to disclose the information believed to be material, important and necessary for creditors to arrive at a reasonably informed decision in exercising the right to vote on acceptance of the Plan and any Amended Plan of Reorganization (collectively referred to herein as the “Plan”).

NO REPRESENTATIONS CONCERNING THE DEBTOR (PARTICULARLY AS TO FUTURE BUSINESS OPERATIONS OR THE VALUE OF PROPERTY) ARE AUTHORIZED BY THE DEBTOR, OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE ACCEPTANCE OF THE PLAN WHICH ARE NOT CONTAINED IN THIS

STATEMENT SHOULD NOT BE RELIED UPON BY ANY CREDITOR AND SHOULD BE REPORTED TO THE UNITED STATES TRUSTEE.

INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT, CONSEQUENTLY, THE RECORDS KEPT BY THE DEBTOR ARE NOT WARRANTED OR REPRESENTED TO BE WITHOUT ANY INACCURACY, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE.

**II. HISTORY AND DESCRIPTION OF DEBTOR
AND REASONS FOR FILING BANKRUPTCY**

Alex K. Amuah is a resident of Prince George's County, Maryland. He is single.

Together with his two adult children, he lives in a single family home, owned by him, located at 8410 Chervil Road, Lanham, Maryland 20706. He purchased this property on November 25, 1996, at a sale price of \$170,000.

Mr. Amuah holds a Ph.D. in Agricultural Economics awarded in 1991 by the University of Illinois. With his education, he was previously employed with The World Bank from 1993 through 2002 as a Knowledge Management Officer for both the Small/Medium Enterprise and Private Sector Development Departments. He terminated his employment with The World Bank in 2002 to engage privately in real estate investment and development.

Mr. Amuah is presently employed as a property development manager for Marketing, Trade and Development Consultants, Inc. a Maryland corporation, doing business as MTD Consult, Inc. In such capacity, Mr. Amuah makes recommendations relative to the purchase and sale, leasing and re-leasing, development, building and improvements to, collectively, land and improved real property. He has been employed in this capacity for over five and one-half years and presently earns a gross income of Four Thousand Dollars per month.

In addition to his residence located on Chervil Road, Mr. Amuah owns two additional single family homes located at (1) 12318 Eugenes Prospect Drive, Bowie, Maryland 20720, and (2) 4917 Rees Lane, Bowie, Maryland 20720. The Eugenes Prospect property was purchased on

Disclosure Statement for Debtor, Alex K. Amuah

July 17, 2003, at a sale price of \$376,237.00; and, the Rees Lane property was purchased on March 24, 2004, at a sale price of \$267,000. Said properties were purchased during the real estate “boom” between 2002 to 2007 in which Mr. Amuah acquired and/or was managing for others approximately fifteen improved real properties held for investment purposes. During this same timeframe, Mr. Amuah had developed a net worth in the millions. However, during the real estate “bust” and/or “great recession,” things began to turn sour for Mr. Amuah. All of his real property investments were losing considerable value and his tenants began to lose their respective employments. He began borrowing money from “hard money” lenders in an attempt to maintain his then existing debt obligations. However, together with the loss of income by way of lost rent and being highly leveraged with respect to the acquisition of the properties held, he could not pay all of the mortgages on his properties and began to go into default. As a collective result and over time, Mr. Amuah lost all of his properties to either required sale or foreclosure with the exception of the three properties mentioned above.

In an attempt to restructure his debt obligations and properties then held, Mr. Amuah previously filed a Chapter 11 bankruptcy petition before the U.S. Bankruptcy Court for the District of Maryland (Case No. 09-20050) which case was ultimately dismissed on May 12, 2010, by consent order upon motion of the U.S. Trustee. Mr. Amuah subsequently refiled a Chapter 11 bankruptcy petition before the U.S. Bankruptcy Court for the District of Maryland (Case No. 10-32994) on October 6, 2010. Said proceeding was converted to a Chapter 7 on April 8, 2011, following which Mr. Amuah was eventually granted a Chapter 7 discharge on October 26, 2011.

In March of 2014, Mr. Amuah retained the services of your undersigned with the intention of, again, attempting a restructuring of his debt obligations that remained relative to his said three real properties. In accordance thereto, this Chapter 11 proceeding was initiated by the *Disclosure Statement for Debtor, Alex K. Amuah*

filing of a Chapter 11 bankruptcy petition on March 10, 2014. Since the Chapter 11 filing, the Debtor has retained his said three real properties.

Wells Fargo Bank, N.A., a mortgage holder that financed the purchase of the property located on Eugene's Prospect Drive filed a motion for relief from the automatic stay, as amended. The Debtor was successful in resolving the motion for relief from the automatic stay pursuant to terms set forth in the Consent Order entered by the Bankruptcy Court on March 9, 2016 (Doc. No. 147).

III. EFFECT OF PRIOR CHAPTER 7 DISCHARGE

As heretofore set forth, Mr. Amuah received a Chapter 7 discharge issued by the U.S. Bankruptcy Court for the District of Maryland (Case No. 10-32994) on October 26, 2011. A bankruptcy discharge releases the debtor from personal liability for all debts that arose before the date the Debtor's Voluntary Petition was filed with the Bankruptcy Court, October 6, 2010 (except for such debts as are specifically excepted under 11 U.S.C. § 523). In other words and generally speaking, the debtor is no longer legally required to pay any debts that existed prior to October 6, 2010. The discharge issued on October 26, 2011 is a permanent order prohibiting all of Mr. Amuah's creditors regarding debts arising prior to October 6, 2010 from taking any form of collection action on such debts, including legal action and communications with the debtor, such as telephone calls, letters, and personal contacts.

Although a debtor is not personally liable for discharged debts, a valid lien (i.e., a charge upon specific property to secure payment of a debt) that has not been avoided (i.e., made unenforceable) in the prior bankruptcy case will remain after the discharge. Therefore, a secured creditor may enforce the lien to recover the property secured by the lien; however, the debtor is not personally liable for any debt secured by any lien. A valid lien that has "passed through" the prior Chapter 7 proceeding is subject to bifurcation into a "secured" and "unsecured" portion in *Disclosure Statement for Debtor, Alex K. Amuah*

this proceeding. Accordingly, any lien secured by real property to which Mr. Amuah has claimed an interest in this proceeding (saving and excepting his primary residence located at 8410 Chervil Road), which property was valued by this Court, is allowed as secured to the extent of the value of the property...the remaining balance of any loan previously secured by a lien is rendered unsecured in this proceeding. Due to the discharge received in Mr. Amuah's earlier bankruptcy proceeding, any loan balance rendered unsecured by virtue of a valuation proceeding in this action is also discharged.

The only unsecured debts that did not exist at the time of and were not discharged in the earlier bankruptcy proceeding are debts that were set forth in Debtor's Schedule F and include Atlantic Utility Investors, LLC in the sum of \$476.64 and Fairwood Community Association in the sum of \$1,386.00. Such debts remain and constitute the only unsecured debts in this proceeding that have not previously been discharged and/or rendered discharged by virtue of any valuation proceeding in this bankruptcy action.

IV. DEBTOR'S REAL PROPERTY AND CASH ON HAND

Debtor, Alex Amuah, owns three assets classified as real property. They are listed as follows:

8410 Chervil Road

Legal Description	Lot 31, Block "A," Magnolia Springs subdivision, Prince George's County, MD
Date Purchased	November 25, 1996
Current amount owed on 1 st lien held by Prince George's County, MD by way of a tax lien (Claim 12)	\$0.00
Current balance of 1 st tax lien	\$0.00
Current principal amount owed on 2 nd lien held by JP Morgan Chase Bank, N.A. (Claim 7)	\$31,670.54

Current pre arrears on 2 nd lien	-0-
Current payoff amount on 2 nd lien	\$31,670.54 (approx.)
Current principal amount owed on 3 rd lien held by Taro Gehani (Doc. No. 44)	\$80,000.00
Current pre arrears on 3 rd lien	\$83,200.00
Current payoff amount on 3 rd lien	\$163,200.00 (approx.)
Current principal amount owed on 4 th lien held by Citibank, N.A. (Claim 4)	\$238,585.18
Current pre arrears on 4 th lien	-0-
Current payoff amount on 4 th lien	\$239,095.85 (approx.)
Current principal amount owed on 5 th lien held by the Estate of Charles Gittens	\$35,000.00
Current pre arrears on 5 th lien	Unknown (No Claim Filed)
Current payoff amount on 5 th lien	\$35,000.00 (approx.)
Current Fair Market Value	\$205,000.00
Equity Interest of Debtor	-0-

12318 Eugenes Prospect Drive

Legal Description	Lot 9, Block A, Fairwood subdivision, Prince George's County, MD
Date Purchased	July 17, 2003
Current amount owed on 1 st lien held by Prince George's County, MD by way of a tax lien (Claim 12)	\$0.00
Current balance of 1 st tax lien	\$0.00
Current principal amount owed on 2 nd lien held by Wells Fargo Bank, N.A. (Claim 6)	\$278,364.73
Current pre arrears on 2 nd lien	\$170,982.78
Current payoff amount on 2 nd lien	\$406,006.13 (approx.)

Current principal amount owed on 3 rd lien held by Taro Gehani (Doc. No. 44)	\$90,000.00
Current pre arrears on 3 rd lien	\$99,450.00
Current payoff amount on 3 rd lien	\$189,450.00 (approx.)
Current principal amount owed on 4 th lien held by Taro Gehani (Doc. No. 44)	\$25,000.00
Current pre arrears on 4 th lien	\$37,050.00
Current payoff amount on 4 th lien	\$62,050.00 (approx.)
Current Fair Market Value	\$375,000.00
Equity Interest of Debtor	-0-

4917 Rees Lane

Legal Description	Lot 8, Block C, Holmehurst Subdivision, Prince George's County, MD plus outlots
Date Purchased	March 24, 2004
Current amount owed on 1 st lien held by Prince George's County, MD by way of a tax lien (Claims 8, 9, 10, 11 and 14)	\$0.00
Current balance of 1 st tax lien	\$0.00
Current principal amount owed on 2 nd lien held by JP Morgan Chase Bank, N.A. (No Claim Filed)	\$286,871.84
Current pre arrears on 2 nd lien	Unknown
Current payoff amount on 2 nd lien	\$286,871.84 (approx.)
Current principal amount owed on 3 rd lien held by Taro Gehani (Doc. No. 44)	\$40,000.00
Current pre arrears on 3 rd lien	\$59,280.00
Current payoff amount on 3 rd lien	\$99,280.00 (approx.)
Current principal amount owed on 4 th lien held by Bekos Contracting (Claim 5)	\$4,000.00
Current pre arrears on 4 th lien	-0-
Current payoff amount on 4 th lien	\$4,000.00 (approx.)

Current Fair Market Value	\$243,000.00
Equity Interest of Debtor	-0-

Note: All balances and amounts are as of the date of filing of Debtor's bankruptcy petition on March 10, 2014. Balances due Prince George's County, Maryland, by way of first priority tax liens are current as of the date of this Disclosure Statement. Payoff balances do not include any post-petition arrears as may be pertinent for any given lien.

ASSETS

The Debtor currently owns and is in possession of the following exempted assets:

- Cash: \$120.00
- Checking Account: \$1,800.00
- Miscellaneous Household Goods: \$1,550.00
- Miscellaneous Books/Music Collection: \$200.00
- Miscellaneous Clothing: \$600.00
- Stock Interest in MTD Consult, Inc. \$1,125.00
- 2005 Chevy Impala \$5,250.00

The Debtor currently is also in possession of approximately \$27,000 in post-petition non-exempt liquid assets maintained in his Debtor-in-Possession account.

V. PRESENT AND PROJECTED EARNINGS

Debtor relies upon his personal earnings and rental income to maintain his home and investment properties. Debtor currently earns \$4,000.00 in gross monthly income in his position as property development manager for Marketing, Trade and Development Consultants, Inc. He receives rental income from a single family relative to the Eugenes Prospect Drive property of \$2,400.00 per month; and, additionally receives rental income from three individual tenants relative to the Rees Lane property of \$1,700.00 per month. All leases are long term leases and are not periodic or month-to-month leases. Accordingly, Debtor's projected earnings on a gross

monthly basis are \$8,100.00 per month.

VI. PROJECTED PLAN OF REORGANIZATION

Simultaneously with the filing of this Disclosure Statement, the Debtor proposes a Chapter 11 Plan of Reorganization (the "Plan").¹ A confirmation hearing on the Disclosure Statement and Plan had not been scheduled as of the date of the filing of this Statement. An initial hearing on the Debtor's original Disclosure Statement was conducted on August 24, 2016, at which time confirmation was denied and the Debtor allowed to file an amended disclosure statement and plan.

A. General Plan Description

As required by the Bankruptcy Code, the Plan separates claims and interests into various categories and classes according to the nature and legal rights associated with claims or interests. The Plan designates which classes are impaired and which classes are unimpaired. The Plan also describes the treatment each class will received under the Plan. The Proponent will ask the Bankruptcy Court to confirm this Plan and bind all creditors and interest holders to the treatment proposed thereby. The Plan generally proposes to pay all secured creditors through either sale proceeds and/or the operation of the subject rental properties in addition to the use of Debtor's own income from employment and to pay unsecured creditors from his disposable monthly income.

Class 1 - All allowed claims entitled to priority under § 507 of the Code (except priority tax claims under § 507(a)(8))

At the time of the filing, the Debtor allegedly owed Prince George's County, Maryland real property taxes secured by various individual real properties identified herein of \$13,987.70 together with interest at 20% from October 1, 2014 (Claims 8, 9, 10, 11, 12 and 13); and,

¹Debtor's proposed Plan is attached hereto as "Exhibit 3."
Disclosure Statement for Debtor, Alex K. Amuah

additionally, a claim secured by various individual real properties identified herein of \$4,227.10 together with interest at 20% from October 1, 2015 (Claim 14). Said claims have been paid in full as of the date of this Disclosure Statement. Accordingly, such claims will likely be withdrawn. If they are not withdrawn, the Debtor intends to object to the claims.

The Internal Revenue Service has filed a claim (Claim 2) in the sum of \$1,200.00 without interest due to the failure of the Debtor to have filed a tax return for the tax period ending December 31, 2013. Following the filing of said claim, Debtor has submitted the pertinent tax return and, accordingly, the tax claimed is not due. This is evidenced by the amended claim submitted by the Internal Revenue Service (Claim 2(a); which, accordingly, will be paid nothing under the Plan and is not otherwise impaired under the Plan.

Through confirmation, the Debtor anticipates that attorney's and other professionals' fees and expenses associated with sale of real property will total approximately Thirty Thousand Dollars (\$30,000.00), and shall only be paid upon order of the Court approving said fees and expenses.

Each holder of a Class 1 Priority Claim will be paid in full, in cash, upon the later of the Effective Date of this Plan as defined in Article I, upon such terms as are agreed between the Debtor and the creditor, or the date on which such claim is allowed by a final non-appealable order. All payments to holders of Allowed Administrative Claims shall be deemed paid in the ordinary course of the Debtor's business and financial affairs. Administrative Claims incurred by the Debtor in the ordinary course of financial affairs during the pendency of this Case shall be paid in accordance with the terms and conditions of any agreement relating thereto or as may be otherwise agreed. Allowed Claims in this class for post-confirmation professional services, costs and expenses in or connection with the case, shall be deemed reasonable and necessary and paid in the ordinary course of business and not subject to further Court approval. Claims in Class 1

Disclosure Statement for Debtor, Alex K. Amuah Page 10 of 49

are unimpaired under the Plan.

Class 2 - Secured Claim of JP Morgan Chase relative to the Chervil Road property (Claim 7)

Debtor proposes the immediate sale of the Chervil Road property previously valued at Two Hundred Five Thousand Dollars (\$205,000.00). Said property shall be sold pursuant to a binding contract of sale and subject solely to satisfaction of any pertinent contractual contingencies and final settlement on said contract of sale immediately upon confirmation of Debtor's Plan. Debtor has previously listed the property for sale and received three offers to purchase the same, the offer being received yielding the highest net proceeds of sale (following costs of sale and satisfaction of contingencies as are set forth therein) is an offer from Choice Properties, LLC dated April 16, 2016, with a sale price of Two Hundred Twelve Thousand Dollars (\$212,000.00), said contract offer being attached hereto as "Exhibit 4."

JP Morgan Chase has filed a Claim in this action (Claim 7),² against which it maintains a second lien position in said property in the sum of \$31,712.48, subject only to the claims of Prince George's County, Maryland, which maintains a first lien status by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.* As the property has been valued at \$205,000 and the claims of Prince George's County, Maryland, secured by this property total \$0.00 together with interest thereon, it is anticipated that the proceeds of sale will be sufficient to pay the Claim of JP Morgan Chase in full.

JP Morgan Chase shall retain its lien on the property securing the debt. Upon payment in full of the principal and interest and any other fees and/or costs as may be due, JP Morgan Chase shall release the lien currently filed against the property securing its loan. Claims in Class 2 are

²The claim submitted by JP Morgan Chase has been transferred unto MTGLQ Investors, L.P. with servicing rights thereunder being transferred unto Shellpoint Mortgage Servicing, collectively on March 1, 2016, pursuant to the Transfer of Claim Other Than for Security filed herein on March 1, 2016, at Doc. No. 138.

unimpaired under the Plan and are provided for in accordance with the provisions of 11 U.S.C. §§ 1129 (a)(7)(B) and (a)(8)(B).

Class 3 - Secured Claim of Citibank, N.A. relative to the Chervil Road property (Claim 4)

Debtor proposes the immediate listing for sale and sale of the Chervil Road property. Citibank, N.A. has filed a Claim in this action (Claim 4), against which it maintains a fourth lien position in said property in the sum of \$239,095.85, subject only to the claims of (1) Prince George's County, Maryland, which maintains a first lien status with an estimated current balance of approximately \$0.00 by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.*, (2) JP Morgan Chase which maintains a second lien status with an estimated current loan balance of \$31,712.48, and (3) Taro Gehani who maintains a third lien status with an estimated current balance of approximately \$163,200. Upon the sale and settlement of the Chervil Road property, and after due allowance for the costs of sale, Debtor proposes paying all secured creditors with the proceeds of sale pursuant to the order of their respective lien interests. Accordingly, sale proceeds shall be paid (1) first unto Prince George's County, Maryland pursuant to its first lien status, (2) second unto JP Morgan Chase pursuant to its second lien status, (3) Taro Gehani pursuant to his third lien status, and any remaining sale proceeds paid unto Citibank, N.A. pursuant to its Claim. As the property has been valued at \$205,000 and the balances due pursuant to the claims of Prince George's County, Maryland, JP Morgan Chase and Taro Gehani total \$204,071.34 (together with interest and other costs on each, respectively), it is possible that there may not be sufficient proceeds of sale to pay the Claim of Citibank, N.A. in full and/or in any part. Notwithstanding same, whatever proceeds of sale as shall be available pursuant to the aforesaid procedure shall be paid upon the sale and settlement of the Chervil Road property unto Citibank, N.A. as payment in full of its Claim.

Citibank, N.A. shall retain its lien on the property securing the debt. Upon sale and settlement of the Chervil Road property, Citibank, N.A. shall release the lien currently filed against the property securing its loan.

The Allowed Secured Claim of Citibank, N.A. in Class 3 is impaired by this Plan and is provided for in accordance with the provisions of 11 U.S.C. §§ 1129(a)(7)(A)(ii), (a)(7)(B), (b)(1) and (b)(2)(A). Any unsecured portion of the debt resulting from a valuation proceeding initiated by Debtor pursuant to § 506 of the Bankruptcy Code and/or any deficiency in the payoff of the underlying debt, in full, resulting from a sale of the real property shall be treated under Class 12 (Residuary Class) herein.

Class 4 - Secured Claim of the Estate of Charles Gittens relative to the Chervil Road property (No Claim)

Debtor proposes the immediate sale of the Chervil Road property previously valued at Two Hundred Five Thousand Dollars (\$205,000.00). Said property shall be sold pursuant to a binding contract of sale and subject solely to satisfaction of any pertinent contractual contingencies and final settlement on said contract of sale immediately upon confirmation of Debtor's Plan. Debtor has previously listed the property for sale and received three offers to purchase the same, the offer being received yielding the highest net proceeds of sale (following costs of sale and satisfaction of contingencies as are set forth therein) is an offer from Choice Properties, LLC dated April 16, 2016, with a sale price of Two Hundred Twelve Thousand Dollars (\$212,000.00), said contract offer being attached hereto as "Exhibit 4."

Although the Estate of Charles Gittens has not filed a Claim in this action, it maintains a fifth lien position in said property in the sum of \$35,000, subject only to the claims of (1) Prince George's County, Maryland, which maintains a first lien status with an estimated current balance of approximately \$0.00 by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.*, (2) JP

Morgan Chase which maintains a second lien status with an estimated current loan balance of \$31,712.48, (3) Taro Gehani who maintains a third lien status with an estimated current balance of approximately \$163,200, and (4) Citibank, N.A. which maintains a fourth lien status with an estimated current balance of approximately \$239,095.85. Upon the sale and settlement of the Chervil Road property, and after due allowance for the costs of sale, Debtor proposes paying all secured creditors with the proceeds of sale pursuant to the order of their respective lien interests. Accordingly, sale proceeds shall be paid (1) first unto Prince George's County, Maryland pursuant to its first lien status, (2) second unto JP Morgan Chase pursuant to its second lien status, (3) third unto Taro Gehani pursuant to his third lien status, and (4) fourth unto Citibank, N.A. pursuant to its fourth lien status, and any remaining sale proceeds paid unto the Estate of Charles Gittens. As the property has been valued at \$205,000 and the balances due pursuant to the claims of Prince George's County, Maryland, JP Morgan Chase, Taro Gehani and Citibank, N.A. total \$443,167.19 (together with interest and other costs on each, respectively), it is not conceivable that there will remain any proceeds of sale to pay the Estate of Charles Gittens pursuant to its lien and loan rights. Accordingly, the Estate of Charles Gittens shall receive nothing pursuant to the Plan proposed.

The Estate of Charles Gittens shall retain its lien on the property securing the debt. Upon sale and settlement of the Chervil Road property, the Estate of Charles Gittens shall release the lien currently filed against the property securing its loan.

The interest of the Estate of Charles Gittens in Class 4 is impaired by this Plan and is provided for in accordance with the provisions of 11 U.S.C. §§ 1129(a)(7)(A)(ii), (a)(7)(B), (b)(1) and (b)(2)(A). Any unsecured portion of the debt resulting from a valuation proceeding initiated by Debtor pursuant to § 506 of the Bankruptcy Code and/or any deficiency in the payoff of the underlying debt, in full, resulting from a sale of the real property shall be treated under *Disclosure Statement for Debtor, Alex K. Amuah*

Class 12 (Residuary Class) herein.

Class 5 - Secured Claim of JP Morgan Chase relative to the Rees Lane property (No Claim)

Although JP Morgan Chase has not filed a Claim in this action relative to its interest in the Rees Lane property,³ it maintains a second lien position in said property in the sum of \$286,871.84, subject only to the claims of Prince George's County, Maryland, which maintains a first lien status by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.* The loan balance due unto JP Morgan Chase on its interest in the Rees Lane property is in the sum of \$286,871.84. Any sum claimed by JP Morgan Chase above and beyond said amount shall be deemed an unsecured debt.

The obligation due unto JP Morgan Chase relative to its interest in the Rees Lane property shall be recast such that the outstanding balance of \$286,871.84 is re-amortized and repaid at the rate of 4.00% per annum for a term of thirty years; or, a monthly principal and interest payment of \$1,369.57 per month for said term. Property taxes for the Rees Lane property are currently \$5,314.71 per year; and, the annual homeowner's insurance premium is approximately \$950. Debtor shall maintain and be solely responsible in paying all property taxes and homeowner's insurance premium payments directly. Debtor will make monthly payments towards principal and interest unto JP Morgan Chase (and/or its assigns) pursuant to said terms beginning on the first day of the month following entry of a certain "Stipulation and Consent Order to Determine Valuation of Security for Property Located at 4917 Rees Lane, Bowie, Maryland 20720." Said Order was filed and entered by the Bankruptcy Court on April

³U.S. Bank Trust, N.A. as Trustee for LSF9 Master Participation Trust has entered an appearance relative to said interest pursuant to its "Objection to Debtor's Motion to Valuation of Security for Property Located at 4917 Rees Lane, Bowie, Maryland 20720" (Doc. No. 128) and various motions and orders as have been generated relative to Debtor's "Motion for Valuation of Security for Property Located at 4917 Rees Lane, Bowie, Maryland 20720" (Doc. No. 113).

22, 2016 (Doc. No. 154). Debtor is current on his obligations set forth pursuant to said Stipulation and Consent Order and shall continue to remain due and payable on the first day of each month thereafter until paid in full; subject, however, that said monthly payment shall accrue a late charge if not received by JP Morgan Chase (and/or its assigns) on or before the fifteenth day of any month in which said payment shall be due, collectively pursuant to the terms of the original promissory note executed by Debtor on March 24, 2004, and payable to Washington Mutual Bank, FA (and/or its assigns).

The terms set forth pursuant to said certain “Stipulation and Consent Order to Determine Valuation of Security for Property Located at 4917 Rees Lane, Bowie, Maryland 20720” shall survive confirmation of any plan of reorganization and remain binding upon Debtor and JP Morgan Chase (and its assigns).

Notwithstanding the foregoing, Debtor shall retain the right and ability to sell his interest in and to the Rees Lane property at anytime. Should Debtor elect to do so, sale proceeds shall be paid (1) first unto Prince George’s County, Maryland pursuant to its first lien status, (2) second unto JP Morgan Chase pursuant to its second lien status, (3) third unto Taro Gehani pursuant to his third lien status, and (4) fourth unto Bekos Contracting pursuant to its fourth lien. As the property has been independently valued at \$243,000.00, and the balances due pursuant to the claims of Prince George’s County, Maryland, JP Morgan Chase, Taro Gehani and Bekos Contracting total \$390,151.84 (together with interest and other costs on each, respectively), it is not conceivable that there will remain any proceeds of sale to pay the Claims and/or balances as may then be due unto JP Morgan Chase, Taro Gehani and/or Bekos Contracting in full.

Nonetheless, in the event of any sale, whatever proceeds of sale as shall be available pursuant to the aforesaid procedure shall be paid upon the sale and settlement of the Rees Lane property unto Prince George’s County, Maryland, JP Morgan Chase, Taro Gehani and Bekos Contracting as
Disclosure Statement for Debtor, Alex K. Amuah

payment in full of their respective Claims and/or balances as may then be due unto each.

Notwithstanding the foregoing, JP Morgan Chase shall retain its rights pursuant to the terms of the original recorded Deed of Trust securing its interests in the sum of \$213,600.00.

JP Morgan Chase shall retain its lien on the property securing the debt. Upon payment in full of the recast and re-amortized loan as heretofore set forth or upon sale and settlement of the Rees Lane property with proceeds of sale being paid unto JP Morgan Chase in such sum as may be determined pursuant to the priority schedule heretofore set forth, whichever shall be the first to occur, JP Morgan Chase shall release the lien currently filed against the property securing its loan.

The interest of JP Morgan Chase in Class 5 is impaired by this Plan and is provided for in accordance with the provisions of 11 U.S.C. §§ 1129(a)(7)(A)(ii), (a)(7)(B), (b)(1) and (b)(2)(A). Any unsecured portion of the debt resulting from a valuation proceeding initiated by Debtor pursuant to § 506 of the Bankruptcy Code and/or any deficiency in the payoff of the underlying debt, in full, resulting from a sale of the real property shall be treated under Class 12 (Residuary Class) herein.

Class 6 - Secured Claims of Taro Gehani (Doc. No. 54)

6.1. Chervil Road

Debtor proposes the immediate sale of the Chervil Road property previously valued at Two Hundred Five Thousand Dollars (\$205,000.00). Said property shall be sold pursuant to a binding contract of sale and subject solely to satisfaction of any pertinent contractual contingencies and final settlement on said contract of sale immediately upon confirmation of Debtor's Plan. Debtor has previously listed the property for sale and received three offers to purchase the same, the offer being received yielding the highest net proceeds of sale (following costs of sale and satisfaction of

contingencies as are set forth therein) is an offer from Choice Properties, LLC dated April 16, 2016, with a sale price of Two Hundred Twelve Thousand Dollars (\$212,000.00), said contract offer being attached hereto as "Exhibit 4."

Taro Gehani has filed a Claim in this action (Doc. No. 54), against which he maintains a third lien position in said property in the sum of \$163,200, subject only to the claims of (1) Prince George's County, Maryland, which maintains a first lien status with an estimated current balance of approximately \$0.00 by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.*, and (2) JP Morgan Chase which maintains a second lien status with an estimated current loan balance of \$31,712.48. Upon the sale and settlement of the Chervil Road property, and after due allowance for the costs of sale, Debtor proposes paying all secured creditors with the proceeds of sale pursuant to the order of their respective lien interests. Accordingly, sale proceeds shall be paid (1) first unto Prince George's County, Maryland pursuant to its first lien status, (2) second unto JP Morgan Chase pursuant to its second lien status, (3) third unto Taro Gehani pursuant to his third lien status, (4) fourth unto Citibank, N.A. pursuant to its fourth lien status, and (5) any remaining sale proceeds paid unto the Estate of Charles Gittens pursuant to its fifth lien status. To the extent the sale proceeds to be paid unto Taro Gehani pursuant to the Two Hundred Twelve Thousand Dollars (\$212,000.00) offer to purchase from Choice Properties, LLC are insufficient to pay Taro Gehani's claim relative to the property in full, Debtor will counter said offer such that said claim is paid in full or with net proceeds totaling One Hundred Sixty-Eight Thousand Dollars (\$168,000.00), whichever shall be the lesser of the two; subject, however, that the sale proceeds paid unto Taro Gehani shall not exceed the sum of One Hundred Sixty-Eight Thousand Dollars (\$168,000.00) or the balance due Taro Gehani pursuant to the loan securing his

third lien status at the time of sale and settlement, whichever shall be the lesser of the two.

Notwithstanding the foregoing, Taro Gehani shall retain his lien on the property securing the debt. Upon payment in full of the loan securing his third lien status or One Hundred Sixty-Eight Thousand Dollars (\$168,000.00), whichever shall be the lesser of the two, Taro Gehani shall release the lien currently filed against the property securing his loan.

6.2. Rees Lane

Taro Gehani has filed a Claim in this action (Doc. No. 54), against which he maintains a third lien position in said property in the sum of \$99,280, subject only to the claims of (1) Prince George's County, Maryland, which maintains a first lien status with an estimated current balance of approximately \$0.00 by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.*, and (2) JP Morgan Chase which maintains a second lien status with an estimated current loan balance of \$286,871.84. It is proposed pursuant to the treatment of the lien held by JP Morgan Chase in Class 5 that the loan held by JP Morgan Chase shall be recast and re-amortized such that the monthly payment due upon Plan approval for a term of thirty years shall be \$1,369.57 per month for principal and interest during said term. The Rees Lane property is fully rented from which Debtor receives rental income in the sum of \$1,700 monthly. Subject to Plan approval and acceptance by JP Morgan Chase of Debtor's proposed treatment under Class 5 herein (and any other right it may have in approving and accepting the Plan submitted by Debtor), Debtor shall pay unto Taro Gehani upon Plan approval and for a term of three hundred thirty-one months the sum of \$300 monthly, said payments totaling \$99,300.00.

In the event, however, that the Rees Lane property shall be rented for a sum in excess of

\$1,700 monthly, Debtor shall pay unto Taro Gehani a monthly sum equal to \$300 plus the additional monthly rents Debtor shall be entitled to receive above and beyond \$1,700 per month; subject, however, that the monthly payment due unto Taro Gehani by Debtor shall not exceed \$400 monthly. Irrespective of the amount of such monthly payment obligation as Debtor shall have unto Taro Gehani relative to the Rees Lane property at any time, said monthly payments shall terminate at such time as the cumulation of said monthly payments equals \$99,300.00. The aforesaid payment obligation, as said, shall continue notwithstanding the rental status of the Rees Lane property.

Notwithstanding the foregoing, Debtor shall retain the right and ability to sell his interest in and to the Rees Lane property at anytime. Should Debtor elect to do so, sale proceeds shall be paid (1) first unto Prince George's County, Maryland pursuant to its first lien status, (2) second unto JP Morgan Chase pursuant to its second lien status, (3) third unto Taro Gehani pursuant to his third lien status, and (4) fourth unto Bekos Contracting pursuant to its fourth lien. As the property has been independently valued at \$243,000.00, and the balances due pursuant to the claims of Prince George's County, Maryland, JP Morgan Chase, Taro Gehani and Bekos Contracting total \$390,151.84 (together with interest and other costs on each, respectively), it is not conceivable that there will remain any proceeds of sale to pay the Claims and/or balances as may then be due unto JP Morgan Chase, Taro Gehani and/or Bekos Contracting in full. Nonetheless, in the event of any sale, whatever proceeds of sale as shall be available pursuant to the aforesaid procedure shall be paid upon the sale and settlement of the Rees Lane property unto Prince George's County, Maryland, JP Morgan Chase, Taro Gehani and Bekos Contracting as payment in full of their respective Claims and/or balances as may then be due unto each.

Notwithstanding the foregoing, Taro Gehani shall retain his lien on the property securing the debt. Upon payment in full of the collective monthly payments of Ninety-Nine Thousand Three Hundred Dollars (\$99,300.00) as heretofore set forth or upon sale and settlement of the Rees Lane property with proceeds of sale being paid unto Taro Gehani in such sum as may be determined pursuant to the priority schedule heretofore set forth, whichever shall be the first to occur, Taro Gehani shall release the lien currently filed against the property securing his loan.

6.3. Eugenes Prospect

Taro Gehani has filed a Claim in this action (Doc. No. 54), against which he maintains a third and fourth lien position in said property in the collective sum of \$251,500, subject only to the claims of (1) Prince George's County, Maryland, which maintains a first lien status with an estimated current balance of approximately \$0.00 by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.*, and (2) Wells Fargo which maintains a second lien status with an estimated current loan balance of \$406,006.13. The Eugenes Prospect property has been valued at \$375,000. Liquidation of the Eugenes Prospect property would result in insufficient funds to pay anything against Mr. Gehani's interest. Accordingly, Debtor proposes that Mr. Gehani receive nothing relative to his interests in the Eugenes Prospect property.

Confirmation of Debtor's Plan shall constitute a full and final release of the liens securing Taro Gehani in the Eugenes Prospect property.

The allowed secured claims of Taro Gehani in Class 6 are impaired by this Plan and are provided for in accordance with the provisions of 11 U.S.C. §§ 1129(a)(7)(A)(ii), (a)(7)(B), (b)(1) and (b)(2)(A). Any unsecured portion of any debt resulting from a valuation proceeding initiated by Debtor pursuant to § 506 of the Bankruptcy Code and/or any deficiency in the payoff

Disclosure Statement for Debtor, Alex K. Amuah Page 21 of 49

of the underlying debt, in full, resulting from any sale of Debtor's interest in any real property described herein shall be treated under Class 12 (Residuary Class) herein.

Class 7 - Secured Claim of Bekos Contracting relative to the Rees Lane property (Claim 5)

Bekos Contracting has filed a Claim in this action (Claim 5), against which it maintains a fourth lien position in said property in the principal sum of \$4,000, subject only to the claims of (1) Prince George's County, Maryland, which maintains a first lien status with an estimated current balance of approximately \$0.00 by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.*, (2) JP Morgan Chase which maintains a second lien status with an estimated current loan balance of \$286,871.84, and (3) Tero Gehani who maintains a third lien status with an estimated current loan balance of \$99,280.00. As the property has been independently valued at \$243,000.00 and the balances due pursuant to the claims of Prince George's County, Maryland, JP Morgan Chase and Taro Gehani total \$386,151.84 (together with interest and other costs on each, respectively), it is not conceivable that there will remain any proceeds of sale to pay Bekos Contracting pursuant to its lien and loan rights. Notwithstanding same, Debtor shall pay unto Bekos Contracting pursuant to its Claim the sum of \$1,500 by way of a lump sum due and payable on or before the third annual anniversary following Plan approval.

Notwithstanding the foregoing, Bekos Contracting shall retain its rights as a secured party in and to the Rees Lane property pursuant to the terms of the original recorded Deed of Trust securing its interests in the sum of \$4,000.00. Upon payment to Bekos Contracting of the One Thousand Five Hundred Dollar (\$1,500.00) lump sum specified herein, Bekos Contracting shall release the lien securing it.

The allowed secured claim of Bekos Contracting in Class 7 is impaired by this Plan and is provided for in accordance with the provisions of 11 U.S.C. §§ 1129(a)(7)(A)(ii), (a)(7)(B),

(b)(1) and (b)(2)(A). Any unsecured portion of the debt resulting from a valuation proceeding initiated by Debtor pursuant to § 506 of the Bankruptcy Code and/or any deficiency in the payoff of the underlying debt, in full, resulting from a sale of the real property shall be treated under Class 12 (Residuary Class) herein.

Class 8 - Secured Claim of Toyota Motor Credit Corporation (Claim 1)

Debtor is a co-debtor on a loan due unto Toyota Motor Credit Corporation together with Dorinne Alexandra Mettle-Amuah. Said loan has previously been satisfied prior to the date hereof, in full, by way of payments made by Dorinne Alexandra Mettle-Amuah and, accordingly, Toyota Motor Credit Corporation shall receive nothing pursuant to the Claim it has filed.

The allowed secured claim of Toyota Motor Credit Corporation is unimpaired.

Class 9 - Secured Claim of Wells Fargo Bank, N.A. relative to the Eugenes Prospect property (Claim 6)

Wells Fargo Bank, N.A. (“Wells Fargo”) has filed a Claim in this action (Claim 6)⁴ in the sum of \$406,006.13, against which it maintains a second lien position subject only to the claim of Prince George’s County, Maryland, (Claim 12), which maintains a first lien status by virtue of Maryland Tax Property Code Ann., §§14-804, *et seq.* in the principal sum of \$0.00. The Wells Fargo loan was originated on July 17, 2003, in the principal sum of \$300,989 with terms of repayment that include interest at 5.75% per annum amortized over a 30 year term. Pursuant to the terms of the loan, the monthly payment of principal and interest is \$1,756.49 with a monthly escrow requirement towards property taxes and homeowner’s insurance of \$536.96. The present balance of the Wells Fargo loan as of the date of filing, March 10, 2014, is \$406,006.13.⁵

⁴The servicing rights under said claim have been assigned unto Selene Finance LP on August 21, 2015, pursuant to the Transfer of Claim Other Than for Security filed herein on August 26, 2015, at Doc. No. 98.

⁵Said balance is comprised by the following debts:
Principal Balance \$278,364.73
Interest through 3/10/2014 \$87,137.47

Debtor failed to maintain post-petition mortgage payments to Wells Fargo following the initiation of his Chapter 11 proceeding. This ultimately led to the filing of a Motion Seeking Relief From Stay by Wells Fargo on September 30, 2015 (Doc. No. 107). Debtor and Wells Fargo reconciled Debtor's failure to maintain said post-petition mortgage payments by consent pursuant to a certain "Consent Order re: Amended Motion Seeking Relief From Stay as to Property Known as 12318 Eugenes Prospect Drive, Bowie, Maryland 20720" entered by the Court on March 9, 2016 (Doc. No. 147). Pursuant to said terms, Debtor agreed to maintain adequate protection payments of \$2,070.76.⁶ Said adequate protection payments were to commence as of January 1, 2016. Debtor has remained current on said payments through to the date of this Disclosure Statement. Due to Debtor's failure to maintain his normal monthly mortgage payment post-petition, however, Debtor accumulated additional post-petition interest arrears of \$28,986.16 and late fees of \$1,138.68.⁷

Escrow Advance	\$30,646.60
Late Charges	\$2,810.24
Attorney Fees	\$2,695.00
Filing Fees/Court Costs	\$575.00
Advertisement Costs	\$669.69
Auctioneer Fees	\$150.00
Title Costs	\$765.00
Recording Costs	\$100.00
Other: Mailing Costs	\$112.40
Other: Service Fees	\$105.00
<u>Prior BK Fees/Costs</u>	<u>\$1,875.00</u>
Total Debt	\$406,006.13

⁶Said adequate protection payment was calculated based upon a property valuation (secured portion of loan balance) of \$375,000.00 amortized at 5.25% interest over a 30 year term.

⁷Said interest accumulation is calculated pursuant to the repayment terms of the current loan and the Proof of Claim submitted by Wells Fargo. Specifically, a principal balance as of the date the order for relief was entered, March 10, 2014, was \$278,364.73. At the note interest rate of 5.75%, interest would accumulate at the rate of \$1,333.83 monthly. Prior to the time Debtor commenced adequate protection payments as of January 1, 2016, in the sum of \$2,070.76 monthly, interest accumulated at the rate of 5.75% for the period from March 10, 2014 through December 31, 2015 in the sum of \$28,986.16. Additionally, late fees accumulated based upon a 5% penalty on the overdue monthly principal and interest obligation in the sum of \$126.52 for twenty-one months beginning in April, 2014 and ending December, 2015 in the collective sum of \$1,138.68; leaving a post-petition additional loan balance of \$30,124.84.

Debtor's monthly adequate protection payments of \$2,070.76 commencing on January 1, 2016, exceed the ongoing monthly interest under the loan⁸ in the sum of \$736.93...an amount which Debtor should be entitled to claim benefit by way of credit against the accruing post-petition debt. As Debtor has maintained his adequate protection payments for the period beginning January 1, 2016 through to the date of this Disclosure Statement and will, it is anticipated, continue tendering his ongoing adequate protection payment obligations through to the date of any plan confirmation (projected to occur on or about January 1, 2017), Debtor will have tendered principal reduction payments in the sum of \$736.93 for a period of twelve months for a total "principal credit" of \$8,843.16.

Pursuant to the foregoing, Debtor has accumulated additional post-petition debt in the sum of \$21,281.68.⁹ Debtor will tender a payment unto Wells Fargo upon Plan confirmation in the sum of \$21,281.68 in order to bring his post-petition arrears current.

The principal balance on the underlying loan (or secured portion of the outstanding loan balance) will be adjusted to the property value of \$375,000.00 effective as of the date of Plan confirmation. Debtor will repay said balance at 5.25% amortized over a 40 year term with monthly payments of principal and interest of \$1,870.77 together with a monthly contribution towards taxes and insurance of \$536.96¹⁰ for a total monthly payment of \$2,407.73 beginning on the first day of the month following plan confirmation. Debtor will additionally make a lump

⁸Interest accumulates in the sum of \$1,333.83 on the principal balance of the loan prior to any re-amortization of the loan terms. See prior note.

⁹Post-petition interest and late payment accumulations in the sum of \$30,124.84 are reduced by a "principal credit" in the sum of \$8,843.16 which yields an additional post-petition balance due unto Wells Fargo in the sum of \$21,281.68.

¹⁰Said monthly escrow payment is pursuant to the terms of Wells Fargo's Claim 6. Said escrow payment shall be adjusted pursuant to current property tax and homeowner's insurance premiums as are currently pertinent relative to the Eugene Prospect property; and, shall continue to adjust on an annual basis hereinafter based upon any change in property taxes and/or homeowner's insurance premiums relative to said property pursuant to Wells Fargo's (or any of its assignees) procedures for annual adjustments in monthly escrow payments.

sum payment from his accumulated post-petition earnings to Wells Fargo of \$5,000.00 upon Plan confirmation. Assuming Debtor maintains normally required monthly payments over the life of the loan, together with the \$5,000.00 lump sum payment due upon plan confirmation, the loan will be paid off following the 460th monthly payment (projected to occur in August, 2049 assuming a 1st monthly payment projected to occur on January 1, 2017) with a final monthly payment of principal and interest due on the 1st day of the 460th month of \$528.16. Said payment stream yields a present value of \$375,000.02.¹¹

Notwithstanding the foregoing, Debtor shall retain the right and ability to sell his interest in and to the Eugenes Prospect property at anytime. Should Debtor elect to do so, sale proceeds shall be paid (1) first unto Prince George's County, Maryland pursuant to its first lien status, (2) second unto Wells Fargo pursuant to its second lien status, and (3) third unto Taro Gehani pursuant to his third and fourth lien status. As the property has been independently valued at \$375,000.00 as established by the Court, it is conceivable that there will be insufficient proceeds of sale to pay the Claims and/or balances as may then be due unto Prince George's County, Wells Fargo and/or Taro Gehani in full. Nonetheless, in the event of any sale, whatever proceeds of sale as shall be available pursuant to the aforesaid procedure shall be paid upon the sale and settlement of the Eugenes Prospect property unto Prince George's County, Maryland, Wells Fargo and Taro Gehani in full of their respective Claims and/or balances as may then be due unto each.

Notwithstanding the foregoing, Wells Fargo shall retain its lien rights as a secured party in and to the Eugenes Prospect property. Upon payment in full of the loan as re-amortized

¹¹See Amortization Schedule and Chart showing Present Value based upon annualized monthly payments of principal and interest in the amount of \$1,870.77 monthly throughout the life of the loan; due credit being given to the lump sum payment as set forth. Said Amortization Schedule and Chart are attached hereto and incorporated herein as "Exhibit 1."

pursuant to the terms heretofore set forth or upon sale and settlement of the Eugenes Prospect property with proceeds of sale being paid unto Wells Fargo in such sum as may be determined pursuant to the priority schedule heretofore set forth, whichever shall be the first to occur, Wells Fargo shall release the lien currently filed against the property securing its loan.

The allowed secured claim of Wells Fargo in Class 9 is impaired by this Plan and is provided for in accordance with the provisions of 11 U.S.C. §§ 1129(a)(7)(A)(ii), (a)(7)(B), (b)(1) and (b)(2)(A). Any unsecured portion of the debt resulting from a valuation proceeding initiated by Debtor pursuant to § 506 of the Bankruptcy Code and/or any deficiency in the payoff of the underlying debt, in full, resulting from a sale of the real property shall be treated under Class 12 (Residuary Class) herein.

Class 10 - Unsecured Claims

General Unsecured Claims are claims not entitled to priority under code section 507(a). In the present case, there are two unsecured claims as set forth in Debtor's Schedule F and include Atlantic Utility Investors, LLC in the sum of \$476.64 and Fairwood Community Association in the sum of \$1,386.00.

Pursuant to a liquidation analysis of Debtor's non-exempt assets, the cash liquidation proceeds that a Chapter 7 trustee would generate in the hypothetical scenario that Debtor's Chapter 11 case was converted to a Chapter 7 case and the assets of the Debtor's estate were liquidated is zero (\$0.00). Each non-accepting holder of an unsecured claim or interest would, accordingly, receive nothing from the liquidation proceeds under the priority scheme dictated under Chapter 7. Notwithstanding same, Debtor proposes paying fifty percent (50%) of said unsecured claims unto Atlantic Utility Investors, LLC in the sum of \$238.32 and Fairwood Community Association in the sum of \$693.00 in full by way of lump sum distributions in said amounts due and payable on or before the third annual anniversary following Plan approval.

Although the holders of Unsecured Claims in Class 10 are impaired by the Plan, they are provided for in accordance with the provisions of 11 U.S.C. §§ 1129(a)(7)(A)(ii) and (b)(2)(B)(i). The Plan offers to general unsecured creditors more than they would receive in a Chapter 7 liquidation, particularly where the Debtor's future income is being used to make distributions under the Plan.

Class 11 - All allowed claims entitled to priority under § 507(a)(8) of the Code

The Debtor anticipates that there may be claims owed to the Internal Revenue Service and the State of Maryland. All priority tax claims, to the extent filed and allowed, shall be paid in full, with interest, within three (3) years of the latter of (a) the Effective Date, (b) thirty (30) days after a taxing authority files a proof of claim, or (c) if an objection to the claim is filed, the date on which such claim is allowed by a final non-appealable order. The claims of Class 11 creditors are unimpaired under the Plan.

Class 12 - Residuary Class

The residuary class shall be comprised of unsecured debt resulting from valuation claims heretofore filed by Debtor under § 506 of the Bankruptcy Code (Classes 3, 4, 5, 6, 7 and 9) and unsecured debt resulting from the sale and/or potential sale of any real property (Classes 2, 3, 4, 5, 6, 7 and 9). As heretofore set forth under Section III (Effect of Prior Chapter 7 Discharge), any debt secured by an interest in any real property which property was valued by this Court, is allowed as secured to the extent of the value of the property (and treated in their respective classes herein) with the remaining balance of any loan previously secured by a lien being rendered unsecured (and treated by this Class 12 - Residuary Class).

As heretofore set forth, due to a combination of (a) the discharge received in Mr. Amuah's earlier Chapter 7 bankruptcy proceeding in which he was effectively discharged from any legal requirement to pay any debts that existed prior to October 6, 2010 and (b) the

Disclosure Statement for Debtor, Alex K. Amuah

rendering of such portion of any debt previously secured by a lien in real property into a secured claim to the extent of the value of the collateral and an unsecured claim to the extent that the value of the collateral is less than the amount of such allowed claim, due allowance being given to the balance of any other secured claim entitled to priority thereto, any unsecured debt resulting from a valuation proceeding initiated by Debtor under § 506 of the Bankruptcy Code is, itself, discharged.

Also, any real property sold in an arms length transaction will generate proceeds, first applied to the costs of sale and real property taxes and thereafter to the reduction of outstanding loan obligations secured by liens in any particular property sold. The liens in any particular real property sold transfer to and attach to the net proceeds from such sale in the order of their priority, and any balances thereon remaining unpaid treated as an unsecured claim in this residuary class. Pursuant to 11 U.S.C. § 1146(c), the Debtor shall not be subject to the payment of documentary stamps, recordation taxes and/or transfer taxes in the event of the sale and conveyance of any interest in real property. Any unpaid balance relative to lien in the real property subject to sale is, due to Debtor' discharge in his earlier Chapter 7 proceeding, itself discharged.

Claims in Class 12 are unimpaired under the Plan pursuant to § 1124(1) of the Bankruptcy Code in that the plan leaves the holders of all Class 12 claims unaltered in their legal, equitable and contractual rights as pre-existed the filing of Debtor's petition in this bankruptcy action.

Class 13 - Debtor

The Debtor will retain his ownership interest in all properties that have not been sold pursuant to the terms hereof.

THE FOREGOING IS A BRIEF SUMMARY OF THE PLAN AND SHOULD NOT BE RELIED UPON FOR VOTING PURPOSES. CREDITORS ARE URGED TO READ THE PLAN IN FULL. CREDITORS ARE FURTHER URGED TO CONSULT WITH COUNSEL, OR WITH EACH OTHER, IN ORDER TO FULLY UNDERSTAND THE PLAN. THE PLAN IS COMPLEX INASMUCH AS IT REPRESENTS A PROPOSED LEGALLY BINDING AGREEMENT BY THE DEBTOR, AND AN INTELLIGENT JUDGMENT CONCERNING THIS PLAN CANNOT BE MADE WITHOUT UNDERSTANDING IT.

VII. TRUSTEE FEES

The Debtor is current on his quarterly U.S. Trustee Fees and will continue making his quarterly payments in a timely manner.

VIII. RISK FACTORS

Since the Plan contemplates payments to certain classes of creditors over time following the effective date, it is possible that Debtor will have insufficient cash flow to pay all of the obligations set forth in the Plan. The Debtor is employed as a property development manager for Marketing, Trade and Development Consultants, Inc. (“MTD”). Although it is anticipated that MTD will continue to flourish and that Debtor will continue to remain gainfully employed by MTD, the business of MTD is subject to the ongoing viability and/or volatility of the housing market in the Washington Metropolitan Area. Accordingly, Debtor’s ability to meet his obligations hereunder is contingent upon the continued viability of MTD and the housing market in said area. Further, the Plan depends, in part, upon continued future rental income of Debtor’s investment property(ies).

IX. FEASIBILITY REQUIREMENTS

A requirement for confirmation of this Plan involves the feasibility of this Plan, which means that the confirmation of this Plan is not likely to be followed by liquidation, or the need for further reorganization, of the Debtor or any successor to the Debtor under the Plan, unless such reorganization or liquidation is proposed in the Plan.

There are at least two important aspects of a feasibility analysis. The first aspect is whether the Debtor will have enough cash on hand on the effective date of the Plan to pay all claims and expenses which are entitled to be paid on such date. The Plan Proponent maintains that this aspect of feasibility has been satisfied. The only cash requirements on the effective date include a lump sum payment (estimated to be \$0.00) to Prince George's County, Maryland, in payoff of its property tax liens and the creditors set forth and under Classes 5, 6.2 and 9 which include monthly installments due unto JP Morgan Chase and Taro Gehani relative to the Rees Lane property; and, a lump sum and monthly installments due unto Wells Fargo Bank, N.A. relative to the Eugenes Prospect property. That amount is, collectively, \$30,358.98 which Debtor expects to have on hand.

The second aspect of feasibility concerns whether the debtor will have sufficient cash over the life of the Plan to make the required Plan payments. The Debtor has provided a five year budget attached as "Exhibit 2" which sets forth the Debtor's estimated income and expenses to meet Plan obligations.

X. FINANCIAL INFORMATION

A. Analysis of Liabilities

In order for a creditor to arrive at a reasonably informed decision before exercising the right to vote on the Plan of Reorganization, the proposed distribution under a Plan must be considered in light of what the creditor could reasonably anticipate receiving under the alternative of a liquidation (Chapter 7) case. In arriving at this decision, a creditor must consider two factors: (1) the liabilities to be paid in a Chapter 7 case in the order of their priority as established by the Bankruptcy Code, and (2) the liquidation value of the Debtor's assets in a Chapter 7 case.

In a Chapter 7 case, in addition to and prior to any payment on any liabilities, the bankruptcy estate would be responsible for the payment of the costs of administration incurred by a Chapter 7 trustee, as well as the costs of administration incurred by the Debtor in the Chapter 11 case as may be approved by the Bankruptcy Court. Chapter 11 administrative fees and expenses are estimated at approximately \$30,000.00 through confirmation and are classified in Class 1. To date, no fees have been paid to undersigned counsel or to any other under Class 1. Undersigned counsel has received an initial retainer in the amount of Three Thousand Twelve Dollars (\$3,012.00) and additional retainers in the sum of Twenty Thousand Two Hundred Sixty-Three Dollars (\$20,263.00). All of the funds received from the Debtor are currently maintained in counsel's attorney escrow account pending court order approving fees and expenses. In addition, payment of the U.S. Trustee quarterly fees have been paid and are current. Additional fees may be incurred with the preparation and filing of the Debtor's income tax returns and the maintenance and sale of real property. Chapter 7 administrative expenses would consist primarily of trustee's commissions and expenses for the liquidation of the Debtor's assets as established by the Bankruptcy Code, and any professional fees incurred by the trustee for attorneys or accountants. The proceeds of the sale of the Debtor's non-exempt assets would first be distributed to pay costs of administration, to the extent owed, and only then to the payment of general unsecured claims. These additional Chapter 7 administrative expenses would further erode any possibility of a distribution to Class 10 general unsecured creditors.

B. Analysis of Assets

In determining the second factor, the liquidation value of the Debtor's assets, the accepted standards of valuation are:

Book Value: Acquisition cost less depreciation, if any.

Going Concern Value: Estimated market value, regardless of cost, of a business continuing in operation.

Liquidation Value: Value estimated to be realizable in the event of a forced liquidation.

The value of the Debtor's assets reflects the following information:

Real property¹²

<u>Property Address</u>	<u>Value</u>	<u>Liens</u>	<u>Equity</u>
8410 Chervil Road	\$205,000.00	\$468,966.39	(\$263,966.39)
12318 Eugenes Prospect	\$375,000.00	\$657,506.13	(\$282,506.13)
<u>4917 Rees Lane</u>	<u>\$243,000.00</u>	<u>\$390,151.84</u>	<u>(\$147,151.84)</u>
Total:	\$823,000.00	\$1,516,624.36	(\$693,624.36)

Personal property

	<u>Value</u>	<u>Exemption</u>	<u>Lien</u>	<u>Equity</u>
Cash on Hand	\$120.00	\$120.00	N/A	\$0.00
Bank Accounts	\$1,800.00	\$1,800.00	N/A	\$0.00
Business Interests	\$1,125.00	\$1,125.00	N/A	\$0.00
Household Goods	\$1,550.00	\$1,550.00	N/A	\$0.00
Wearing Apparel	\$600.00	\$600.00	N/A	\$0.00
Book and Music	\$200.00	\$200.00	N/A	\$0.00
<u>2005 Chevy Impala</u> ¹³	<u>\$5,525.00</u>	<u>\$5,525.00</u>	<u>N/A</u>	<u>\$0.00</u>
Total:	\$10,920.00	\$10,920.00	N/A	\$0.00

¹²The values of the Debtor's real property are based upon independent third party appraisals obtained by the Debtor in conjunction with the initial bankruptcy filing and the motions to value collateral. The values representing equity, or lack thereof, include junior lien amounts, if any.

¹³The value of the property is based upon the Kelly Blue Book value as of the Petition Date, and based upon the year, make, model, and mileage of the vehicle.

The Debtor's non-exempt assets total \$0.00, and represents less than one percent (1%) of the Debtor's estimated total of unsecured debt. Experience has also proven that there is a substantial difference in the valuation of assets between the book value and the value actually realized upon liquidation. The central issue is what the Debtor or a Chapter 7 trustee would realize from the Debtor's assets in the event that the Debtor were forced to convert the Chapter 11 case to a Chapter 7 case and were the non-exempt assets forced to be liquidated at public sale. In this case, the Chapter 7 trustee would realize nothing from the sale of all non-exempt assets.

REAL AND PERSONAL PROPERTY

Based upon experience and advice from a realtor employed by Long & Foster Realtors, each of the three (3) parcels of real property listed could be expected at liquidation to draw 75% of its market value in a decent real estate market, and 50% in a depressed real estate market. While the current real estate market is increasing, the market remains depressed in comparison to when the properties were purchased. Attendant with each such sale would be the costs incurred in advertising a public sale, to include auctioneer commissions or a realtor/broker's fee, and would also include documentary stamps and transfer taxes incurred in any sale. These expenses, irrespective of public or private disposition of the real estate, would generally result in an expenditure of approximately ten percent (10%) of the market value of the property sold, further eroding any value to secured and unsecured creditors.

Assuming a sale price of 75% of the value, after costs of sale and payment of the secured creditors' liens, the Debtor's property would be devoid of any equity, and would result in additional deficiency residuary claims. By way of further illustration:

1. **8410 Chervil Road**

The assumption is that the property will be sold at a sale price of 75% of the value. The property having been valued at \$205,000.00, the property would yield proceeds of sale of \$153,750.00 prior to sales commissions associated with a real estate broker (ordinarily 6% of the sale price), Trustee fees (10% of the sale price), other settlement costs, and professional costs associated with liquidation. Recovery under a liquidation scenario is not more than \$153,750.00 exclusive of brokerage commissions, trustee fees and other settlement costs and professional fees. Prince George's County, Maryland, has a claim (Claim 12) of \$0.00, JP Morgan Chase has a claim (Claim 7) of \$31,712.48, Taro Gehani has a claim (Doc. No. 54), Citibank has a claim (Claim 4) of \$239,095.85, and the Estate of Charles Gittens has an interest in the sum of \$35,000. Accordingly, a liquidation scenario reveals that although Prince George's County, Maryland, and JP Morgan Chase would be paid in full relative to their claims, Taro Gehani would receive a significantly smaller payoff of his claim and the Estate of Charles Gittens would receive nothing albeit otherwise unimpaired relative to the treatment proposed herein.

2. 12318 Eugenes Prospect Drive

The assumption is that the property will be sold at a sale price of 75% of the value. The property having been valued at \$375,000.00, the property would yield proceeds of sale of \$281,250.00 prior to sales commissions associated with a real estate broker (ordinarily 6% of the sale price), Trustee fees (10% of the sale price), other settlement costs, and professional costs associated with liquidation. Recovery under a liquidation scenario is not more than \$281,250.00 exclusive of brokerage commissions, trustee fees and other settlement costs and professional fees. Prince George's County, Maryland, has a claim (Claim 12) of \$0.00, Wells Fargo has a claim (Claim 6) of \$406,006.13, and Taro Gehano has a claim (Doc. No. 54) of \$251,500. Accordingly, a liquidation scenario reveals that although Prince George's County, *Disclosure Statement for Debtor, Alex K. Amuah*

Maryland, would be paid in full relative to its claim, Wells Fargo would receive a significantly smaller payoff of its claim and Taro Gehani would receive nothing.

3. **4917 Rees Lane**

The assumption is that the property will be sold at a sale price of 75% of the value. The property having been valued at \$243,000.00, the property would yield proceeds of sale of \$182,250.00 prior to sales commissions associated with a real estate broker (ordinarily 6% of the sale price), Trustee fees (10% of the sale price), other settlement costs, and professional costs associated with liquidation. Recovery under a liquidation scenario is not more than \$182,250.00 exclusive of brokerage commissions, trustee fees and other settlement costs and professional fees. Prince George's County, Maryland, has a claim (Claims 8, 9, 10, 11 and 14) of \$0.00, JP Morgan Chase has an interest in the sum of \$286,871.84, and Taro Gehani has a claim (Doc. No. 54) of \$99,280. Accordingly, a liquidation scenario reveals that although Prince George's County, Maryland, would be paid in full relative to its claim, Wells Fargo would receive a significantly smaller payoff of its interest and Taro Gehani would receive nothing.

A forced or foreclosure sale of the properties would further increase the residuary claims by any deficiencies created as a result of the sale. Finally, any delays in sales would further reduce any dividend to the estate, thereby increasing any payoff amount owed to the secured creditor.

The Debtor's vehicle was valued as of the Petition Date. As of that date, the Debtor's vehicle had no equity and since then the assets have continued to depreciate. The Debtor anticipates that a sale of the vehicle would not result in any funds to distribute to any unsecured creditors.

The remainder of the Debtor's personal property, the non-exempt equity therein, could neither be expected to have a market for its sale, nor result in any actual proceeds. The same is true for the business entity created by the Debtor, namely Marketing Trade and Development Consultants, Inc. dba MTD Consult, Inc., as the entity was never capitalized and has no cash receivables or other appreciable assets.

In this analysis we have considered and applied the exemptions to which the Debtor is entitled as an individual. Pursuant to the Maryland exemptions, the Debtor is entitled to claim exemptions in his real and personal belongings. The Debtor has claimed \$11,925.00 of exemptions, which amount excludes the funds currently held in the Debtor-in-Possession bank account. The account balance fluctuates from month to month depending upon the Debtor's expenses. Were the case converted to one under Chapter 7 of the Code, the Debtor would amend Schedule C, Property Claimed Exempt, to include funds in the account, to the maximum applicable exemptions under the law, further reducing amounts available for Chapter 7 administrative expenses and the payment of general unsecured creditors. In the foregoing asset-by-asset analysis, the Debtor has disclosed and valued his real and personal assets, has disclosed the interests asserted by secured creditors against the real property, has quantified the equity in those assets which would be available both at fair market and at liquidation values, and has disclosed the claims of exemptions made by them and allowed with respect to the equity in the property.

After the satisfaction of secured claims, which have been taken into account by the foregoing analysis and the application of the exemptions to which the Debtor is entitled under Maryland law, it is projected that there would not be any non-exempt asset available for the payment of any claim in a hypothetical Chapter 7 case. Even if there were non-exempt equity available, it would first be distributed to administrative claims for expenses incurred by the

Disclosure Statement for Debtor, Alex K. Amuah

Debtor in the chapter 11 case, and then to the payment of priority debts, if any. The Debtor must conclude from this analysis that there would be no funds available for payment of the claims of unsecured creditors for pre-petition obligations. More likely than not, no distribution to unsecured creditors would occur in a Chapter 7 case, or be received from the forced liquidation of the Debtor's assets. In contrast, the Debtor's plan of reorganization offers a payment to administrative and priority claimants upon the Effective Date of the Plan. The Debtor intends to fund the Plan by continued employment, disability, and rental income, and income tax refunds, to the extent received. The Debtor therefore believes the Plan proposes to pay general unsecured creditors a distribution of more than would be received by the same in a hypothetical Chapter 7 case.

C. Analysis of Financial Performance.

The Debtor has filed monthly reports of income and expenses with the Office of the U.S. Trustee and with the Bankruptcy Court reflecting disposable income. Although no portion of the Debtor's income would be an asset of any Chapter 7 case, the Debtor's disposable income would be available to creditors for distribution pursuant to 11 U.S.C. § 1129(15). Debtor continues to maintain employment, the proceeds of which he uses to pay the ongoing regular household expenses, to the extent necessary. Debtor collects rental income, all of which will be used to fund the Debtor's plan.

The Debtor has filed all income tax returns due to be filed as of the date of the filing of this Statement. Funds currently held by the Debtor, currently in the sum of approximately \$27,000.00 (estimated to exceed \$30,000.00 on or about January 1, 2017), have been proposed to be immediately distributed under the Debtor's Plan to administrative and priority claims and in pay-down of various of Debtor's outstanding mortgage obligations, collectively to the extent they exist.

The Debtor's projections, attached hereto as "Exhibit 2," demonstrates that after the payment of administrative and priority claims, the Debtor would commit a total of \$305,367.60 over five (5.0) years. Assuming that all Class 10 creditors file claims, over five years (5.0) years, the Debtor estimates that he will pay Class 10 Creditors fifty percent (50%) of their claims through the Plan.

This analysis has been prepared by the Debtor in good faith in an attempt to justify and assure all creditors that any distribution offered under the Debtor's plan is greater than the distribution that could reasonably be expected in a Chapter 7 liquidation case.

XI. OBJECTIONS TO PROOFS OF CLAIM

Creditors may have filed proofs of claim stating claim amounts with which the Debtor may disagree and believe are erroneous. The Debtor may file objections to claims, on any basis, including improper amount, improper claim as to classification hereunder, lack of consideration, or otherwise. Any objections to claims shall be filed by the Debtor no later than ninety (90) days from the Effective Date of the Plan.

The plan provides for the Court to retain jurisdiction for the purposes of resolving objections to claims which may be filed after the Effective Date of the Plan. The filing of an objection to any proof of claim filed against the Debtor and/or the estate shall preclude the consideration of any such claim as "Allowed" for the purposes of a distribution which otherwise might be due to such claimant in accordance with the terms of the Plan. In all contested proof of claim matters, distributions upon the claim amount, to the extent it has actually become payable, will be deposited in an escrow account pending resolution of the dispute, either through negotiation or judicial determination. If the objection is sustained, in whole or in part, or if any claim is determined to be in the amount of zero (\$0.00) dollars, then

the funds previously reserved to which the creditor may no longer be entitled to receive as distribution shall be redistributed among creditors pro rata as appropriate.

XII. MANAGEMENT OF THE REORGANIZED DEBTOR

The Debtor will continue to manage his properties pursuant the terms hereof.

XIII. DISBURSING AGENT

A settlement agent selected by the purchaser of the Chervil Road property shall make all disbursements directly relative to the secured claim of Prince George's County, Maryland, relative to its Claim 12, and unto all creditors heretofore set forth pursuant to Classes 2, 3, 4 and 6.1.

In the event Debtor elects to sell his interest in and to the Rees Lane property, a settlement agent selected by the purchaser of the Rees Lane property shall make all disbursements directly relative to the secured claim of Prince George's County, Maryland, relative to its Claim 11, and unto all creditors heretofore set forth pursuant to Classes 5, 6.2 and 7.

In the event Debtor elects to sell his interest in and to the Eugenes Prospect property, a settlement agent selected by the purchaser of the Eugenes Prospect property shall make all disbursements directly relative to the secured claim of Prince George's County, Maryland, relative to its Claim, and unto all creditors heretofore set forth pursuant to Classes 6.3 and 9.

Unless and until Debtor elects to sell his interest in and to the Rees Lane and/or Eugenes Prospect properties, the Debtor shall be responsible for making the distributions directly unto (1) Prince George's County, Maryland, relative to its Claims 8, 9, 10, 11, 13 and 14, (2) the Internal Revenue Service pursuant to its Claim 2, and monthly and lump sum payment obligations unto all creditors heretofore set forth pursuant to Classes 5, 6.2, 7 and 9.

XIV. DISTRIBUTIONS

Cash Payments made pursuant to the Plan shall be in U.S. Dollars by checks drawn on any domestic bank selected by (1) the settlement agent selected by the purchaser of the Chervil Road property relative to all disbursements regarding the secured claim of Prince George's County, Maryland, relative to its Claim 12, and unto all creditors heretofore set forth pursuant to Classes 2, 3, 4, 5 and 6.1, (2) if sale of the Rees Lane property shall be elected by Debtor, the settlement agent selected by the purchaser of the Rees Lane property relative to all disbursements regarding the secured claim of Prince George's County, Maryland, relative to its Claim 11, and unto all creditors heretofore set forth pursuant to Classes 5, 6.2 and 7, (3) if sale of the Eugenes Prospect property shall be elected by Debtor, the settlement agent selected by the purchaser of the Eugenes Prospect property relative to all disbursements regarding the secured claim of Prince George's County, Maryland, relative to its Claim, and unto all creditors heretofore set forth pursuant to Classes 6.3 and 9, and (4) otherwise by the Debtor. Notwithstanding any other provisions of the Plan, no distributions will be made on account of claims in *de minimis* of amounts less than \$50.00. Any distributions under the Plan that are unclaimed or undeliverable for a period of six months after distribution thereof shall be re-vested in the reorganized Debtor, free of any restrictions thereon, and any entitlement of any holder of any claim to such distribution shall be extinguished and forever barred.

XV. INFORMATION PERTAINING TO THE DEBTOR AND CONSIDERATIONS RELEVANT TO DEBTOR'S RECOMMENDATION OF THE PLAN

A. Recommendation

The Debtor recommends a vote for acceptance of the Plan. The recommendation is based upon the assessment of the present financial condition of the Debtor and the foregoing analysis of the Debtor's assets and liabilities. The Debtor has exercised his best effort to secure

Disclosure Statement for Debtor, Alex K. Amuah

and enhance the funds available for distribution. The alternatives to distribution under the Plan are dismissal or conversion of the case. Assuming conversion of the case, such conversion would diminish the funds available for distribution as the result of the additional chapter 7 trustee fees, expenses and costs incident thereto. Dismissal of the case would leave the creditors, including general unsecured creditors, in the very position they were in prior to the filing. The Debtor formulated the Plan to provide the greatest possible distribution to creditors consistent with the schedule of priorities under the Bankruptcy Code, who would otherwise not receive anything if the case were dismissed or converted. The most current financial information relating to the Debtor is reflected in the Debtor's statement of financial affairs, schedules of assets and liabilities, monthly operating reports of income and expenses, and receipts and disbursements filed with the Bankruptcy Court. Copies of these operating reports are on file with, and available for inspection at, the Office of the Clerk for the United States Bankruptcy Court for the District of Maryland, 6500 Cherrywood Lane, Third Floor, Greenbelt, MD 20770 weekdays, except federal holidays, between the hours of 8:45 a.m. and 4:00 p.m. For creditors with PACER and ECF/CMEF access, copies of the Debtor's monthly operating reports may also be obtained on-line. The operating reports on file with the Bankruptcy Court demonstrate the funds received by the Debtor and the disbursement of those funds for living expenses and payment of their secured indebtedness. The Debtor believes that the best potential for a distribution to unsecured creditors is the confirmation and consummation of the Plan.

B. Tax Ramifications

Any distribution under the Plan entails certain tax consequences for the recipient. The Debtor makes no representation with regard to any such tax consequences. To the extent necessary, you may wish to consult with your financial or tax advisor. Certainly, the receipt of

Disclosure Statement for Debtor, Alex K. Amuah

income by the Debtor has tax ramifications to the Debtor as well, which in turn, could reduce the projected disposable income. In particular, the sale or other disposition of any of the Debtor's property may result in capital gains tax consequences to the Debtor under circumstances where the Debtor may not receive any monetary benefit from the sale of the property in light of a lack of equity, necessitating the use of the Debtor's present disposable income for the payment of these tax consequences. While the Debtor's future income is an asset of a Chapter 11 bankruptcy estate, the Debtor herein is utilizing that income for the payment of debts to retain possession of property. Under the present circumstances, i.e., where there may be little or no equity which might be available to general unsecured creditors, it is reasonable for the Debtor to propose that the future income also pay any future tax liability, including tax liability which may arise from the discharge of indebtedness.

XVI. VOTING AND IMPAIRMENT

A. Voting

Claimants entitled to vote under the Plan must affirmatively act in order for the Plan to be confirmed by the Court by casting a ballot. A ballot to be completed by the holders of Claims will be included with the approved Disclosure Statement. The ballot should be completed and returned to the Debtor's undersigned counsel.

According to the Debtor's Plan, Classes 12 and 13 are non-voting Classes and are receiving the treatment of their claims as required by the Bankruptcy Code. Classes 1, 2, 8 and 11 represent creditors with administrative, secured, and priority tax claims, to the extent they exist, are not impaired by the Plan, and are therefore deemed to have accepted the Plan. Classes 3, 4, 5, 6, 7, 9 and 10 consisting of modified secured debt, stripped liens, and Allowed Claims of General Unsecured Creditors, are all impaired within the meaning of § 1124 of the

Bankruptcy Code. Accordingly, as impaired classes, the creditors must vote to accept the Plan in order for the Plan to be confirmed.

A Ballot to be used for voting to accept or reject the Plan will be distributed, along with this Disclosure Statement and the Plan, upon approval of the Disclosure Statement by the Bankruptcy Court. Creditors and Equity Interest holders of the Debtor must (1) carefully review the Ballot and instructions thereon; (2) execute the applicable Ballot; and (3) return the completed Ballot to:

Douglas N. Gottron, Esq.
Morris Palerm, LLC
2 Barrister's Place
751 Rockville Pike
Rockville, Maryland 20852
Facsimile: (301) 812-4238

so as to be received by 5:00 p.m. on _____. **BALLOTS RECEIVED AFTER THE DEADLINE WILL NOT BE CONSIDERED.**

A claimant who fails to vote to either accept or reject the Plan will not be included in the calculation regarding acceptance or rejection of the Plan. Moreover, if the Plan is approved by the Bankruptcy Court, whether or not the creditors have voted to accept it, those Claimants who have not voted on the Plan will be bound by, and their claims affected by, its terms and conditions.

B. Requirements for Confirmation

In order to be confirmed (i.e., approved) by the Bankruptcy Court, the Plan or its proponent must (among other requirements set forth in § 1129 of the Bankruptcy Code): (i) disclose all compensation paid or promised for professional services rendered or to be rendered in connection with the case; (ii) disclose the identity and affiliations of all officers to serve after the Plan is confirmed and the compensation of any insiders to be employed after Confirmation; (iii) propose to pay each member of a class of Claimants, who have not accepted the Plan, property at least equal in value to what the Claimant would receive if the

Debtor's assets were liquidated on the date of the Confirmation Hearing, and distributed to Creditors according to their rights and priorities under law; (iv) propose to pay all Administrative Claims in full; (v) propose to pay all Priority Claims in full in deferred payments or cash; and (vi) propose to pay all Priority Tax Claims in full within five (5) years after the order for relief in this case, in a manner not less favorable than the non-priority unsecured claims unless all allowed unsecured claims are paid in full, and they are not in this case, where the holder of an allowed unsecured claim objects to confirmation of the plan, the value of the property to be distributed under the plan is not less than the projected disposable income of the debtor to be received during the 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 Court will not consider Disposable Income for purposes of confirmation unless the holder of an allowed unsecured claim objects to confirmation.

C. Confirmation Hearing

The Bankruptcy Code requires that the Bankruptcy Court hold a Confirmation Hearing with notice to all Creditors. The Confirmation Hearing has not been scheduled yet, however such hearing shall be conducted before the Honorable Wendelin I. Lipp, United States Bankruptcy Judge, Courtroom 3-C of the U.S. Bankruptcy Court, U.S. Courthouse, 6500 Cherrywood Lane, Greenbelt, Maryland 20770. The Confirmation Hearing may be adjourned or continued by the Bankruptcy Court without further notice except for an announcement made of the adjourned or continued date made at the Confirmation Hearing. At the Confirmation Hearing, the Bankruptcy Court shall determine whether the requirements of the Bankruptcy Code have been satisfied, in which event the Bankruptcy Court shall enter an order confirming the Plan. With respect to creditor acceptance of the Plan, if the requisite members of an impaired Class do not vote to accept the Plan as provided in Section XVI.A

Disclosure Statement for Debtor, Alex K. Amuah

above, the Debtor may seek confirmation pursuant to § 1129(b) of the Bankruptcy Code, known as the “cram down” procedure. Pursuant to this section, the Bankruptcy Court may confirm the Plan notwithstanding the nonacceptance by an impaired Class if at least one impaired Class votes to accept the Plan, the Plan does not discriminate unfairly, and is “fair and equitable” to the non-accepting Class. A plan does not discriminate unfairly within the meaning of the Bankruptcy Code if no Class receives more than it is legally entitled to receive for its Claims or Equity Interests. The Bankruptcy Code establishes different “fair and equitable” standards for Secured and Unsecured Claims.

With respect to a Secured Claim, a plan may be “fair and equitable” if (1) the impaired Secured Creditor retains its liens to the extent of its Allowed Claim and receives deferred cash payments at least equal to the allowed amount of its Claim with a present value as of the Effective Date at least equal to the value of such Creditor’s interest in the property securing its liens, (2) property subject to the lien of the impaired Secured Creditor is sold free and clear of that lien, with that lien attaching to the proceeds of sale, and such lien proceeds must be treated in accordance with clauses (1) and (3) hereof, or (3) the impaired Secured Creditor realizes the “indubitable equivalent” of its Claim under the Plan.

With respect to an Unsecured Claim, a plan may be “fair and equitable” if (1) each impaired Unsecured Creditor receives or retains property of a value equal to the amount of its Allowed Claim, or (2) the holder of any Claim or Interest that is junior to the claims of the dissenting Class will not receive any property under the Plan, except that, as the Debtor is an individual, he may retain property included in the estate under § 1115, principally earnings and assets acquired post-petition, and exempt property. Finally, it must be noted that even though a Creditor or holder of an Equity Interest may vote to reject the Plan, such rejection of a confirmed Plan does not mean that the Creditor or holder of an Equity Interest will not be

entitled to share in any distributions to be made under the Plan. The Plan will be confirmed by the Bankruptcy Court and made binding upon all claimants if (a) with respect to impaired classes of claimants, the Plan is accepted by holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims in each Class that actually vote for or against the Plan.

This Statement, when approved by the Bankruptcy Court, will be served in accordance with § 1125 of the Bankruptcy Code, and is provided to each creditor whose claim has been scheduled by the Debtor or who has filed a proof of claim against the Debtor. This Statement is intended to assist creditors in evaluating the Plan and determining whether to accept the Plan. Under the Code, your acceptance of the Plan may not be solicited unless you receive a copy of this Statement prior to or concurrently with such solicitation.

XVII. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Any pre-petition Executory Contracts and Leases in effect as of the Effective Date (other than any leases to tenants), and not specifically rejected, will be deemed rejected as of the Effective Date. Any Claims arising from the rejection of Contracts and Leases must be filed on or before the Rejection Claim Bar Date. The Rejection Claim Bar Date is 30 days after the Effective Date, or, if later, 30 days after entry of any Final Order rejecting the Executory Contract or Lease. Absent the filing of a proof of claim on or before the Rejection Claim Bar Date, all Rejection Claims shall be forever barred from assertion and shall not be enforceable against the Debtor, the Estate, Assets, or properties. All Rejection Claims shall be Class 10 General Unsecured Claims.

XVIII. RETENTION OF JURISDICTION, CLOSING

Pursuant to §§ 105(a) and 1142 of the Bankruptcy Code, the Plan provides for the

Bankruptcy Court to retain exclusive jurisdiction over all matters relating to the Plan, including the allowance of Claims and the adjudication of any Avoidance Actions.

XIX. DISCHARGE

Upon completion of all payments due to Class 10 creditors, the Debtor shall be entitled to a discharge of and from all debts dischargeable under § 1141(d) of the Code, which shall include the Class 10 claims.

XX. CONCLUSION

The Debtor believes that based on the financial information disclosed herein and the documents filed in the Bankruptcy Court, that the proposed Plan of Reorganization affords creditors an opportunity to realize amounts in excess of that which would be realized upon the liquidation of the Debtor's assets. The Debtor urges each creditor to review the plan, this Disclosure Statement, and the Statement of Affairs and Schedules on file with the Bankruptcy Court, as well as the Debtor's monthly reports of income and expenses which are also on file with the Bankruptcy Court, before coming to a decision as to the acceptability of this Plan.

Should you have any questions after consulting with your own counsel, you may contact the following:

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2 Barrister's Place
751 Rockville Pike
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P: (301) 424-6290
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Counsel for the Debtor and Debtor-in-Possession

Dated:
October 6, 2016

Respectfully submitted,

/s/ Douglas N. Gottron
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