

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND**

In re:

MANUEL A. NOYA,

Debtor.

Bankruptcy No. 14-1-9417 RAG

Chapter 11

**DISCLOSURE STATEMENT IN
SUPPORT OF DEBTOR'S CHAPTER
11
PLAN DATED NOVEMBER 13, 2016**

MANUEL A. NOYA, Debtor-in-Possession, through the undersigned counsel, hereby submit to creditors this Disclosure Statement in connection with his Chapter 11 Plan dated November 13, 2016 (the "Plan") pursuant to Chapter 11 of Title 11, U.S.C. (the "Code").

I. PRELIMINARY STATEMENT

The Debtor submits this Disclosure Statement to all creditors to comply with the provisions of the Code requiring the submission of information necessary for creditors to arrive at an informed decision in exercising their rights to vote for acceptance or rejection of the Plan, presently on file with the United States Bankruptcy Court for the District of Maryland (the "Court"). A copy of the Plan accompanies this Disclosure Statement.

II. SUMMARY OF PLAN AND CODE PROVISIONS FOR VOTING

A. *Repayment of Creditors*

The Plan provides for payment of administrative expenses, priority claims, and secured creditors in full, either in cash or in deferred cash payments, and provides for payments to unsecured creditors in an amount greater than they would receive in the event of a Chapter 7 liquidation. Funds for implementation of the Plan will be derived from the Debtor's income from employment and rentals.

This Disclosure Statement contains a detailed discussion of the Plan and its implementation. This Disclosure Statement should be read in conjunction with the Plan, which is a legal document and upon confirmation will become binding on the Parties. Creditors should read the Plan and this Disclosure Statement in their entirety, rather than relying on this summary. The Debtor urges creditors and other parties in interest to consult with independent counsel in connection with their decision to accept or reject the Plan. Approval of this Disclosure Statement by the Court is not a decision on the merits of the Plan.

B. *Voting Procedures and Confirmation Requirements*

1. *Ballots and Voting Deadline.*

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 Chung & Press, LLC, Attn: Brett Weiss, Esq., 6404 Ivy Lane, Suite 730, Greenbelt, Maryland 20770, so as to be received by 5:00 p.m. on _____, 2017. Ballots received after the deadline will not be considered.

2. *Creditors Entitled to Vote.*

Any Creditor or Equity Interest holder of the Debtor whose Claim or Equity Interest is impaired under the Plan is entitled to vote, provided that (1) its Claim has been scheduled by the Debtor (and such Claim is not scheduled as disputed, contingent or unliquidated), or (2) it has filed a Proof of Claim on or before the last date set by the Court for such filing, and no objection to such Proof of Claim is pending at the time of the confirmation hearing. Any Class of Claims or Equity Interests that is not impaired by the Plan, and each holder of a Claim or Equity Interest of such Class, are conclusively presumed to have accepted the Plan and solicitation of acceptances with respect to such Class from the holders of Claims or Equity Interests of such Class is not required.

Any Claim or Equity Interest as to which an objection has been filed (and such objection is still pending) is not entitled to vote, unless the Court temporarily allows the Claim or Equity Interest in an amount which it deems proper for the purpose of accepting or rejecting the Plan upon motion by the Creditor or holder of an Equity Interest whose Claim or Equity Interest is subject to objection. In addition, the vote of a Creditor or holder of an Equity Interest may not be counted if the Court determines that the Creditor's or Equity Interest holder's acceptance or rejection was not solicited or procured in accordance with the provisions of the Bankruptcy Code.

Even though a creditor may not choose to vote or may vote against the Plan, the creditor will be bound by the terms and treatment set forth in the Plan if the Plan is accepted by the requisite majorities in each class of creditors and/or is confirmed by the Court. Creditors who fail to vote will not be counted in determining acceptance or rejection of the Plan. Allowance of a claim for voting purposes does not necessarily mean that the claim will be allowed or disallowed for purposes of distribution under the terms of the Plan. Any claim to which an objection has been or will be made will be allowed only for distribution after determination by the Court. Such determination may be made after the Plan is confirmed.

3. *Definition of Impairment.*

Under § 1124 of the Bankruptcy Code, a Class of Claims or Equity Interests is impaired under a plan of reorganization unless, with respect to each Claim or Equity Interest of such Class, the plan: (1) leaves unaltered the legal, equitable, and contractual rights of the holder of such Claim or Equity Interest; or (2) reinstates the Claim or Equity Interest pursuant to its original terms and cures any default.

4. *Classes Impaired Under the Plan.*

Creditors holding Claims or Equity Interests in Classes A, B and C are impaired under the Plan and are eligible, subject to the limitations set forth above, to vote to accept or reject the Plan.

5. *Vote Required for Class Acceptance.*

The Bankruptcy Code defines acceptance of a Plan by a Class of Creditors as acceptance by holders of two-thirds in dollar amount and a majority in number of the Allowed Claims of that Class which actually cast ballots to accept or reject the Plan. The Bankruptcy Code defines acceptances of a Plan by a Class of Equity Interests as acceptance by holders of two-thirds in amount of the Allowed Equity Interests of such Class held by holders of such Equity Interests who actually cast ballots to accept or reject the Plan.

6. *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):

- a. Disclose all compensation paid or promised for professional services rendered or to be rendered in connection with the case;
- b. 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;
- c. Propose to pay each member of a class of Claimants, who has 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;
- d. Propose to pay all Administrative Claims in full;
- e. Propose to pay all Priority Claims in full in deferred payments or cash; and

f. Propose to pay all Priority Tax Claims in full within five years after the order for relief in this case, in a manner not less favorable than the non-priority unsecured claims.

g. 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.

7. *Confirmation Hearing.*

The Bankruptcy Code requires that the Bankruptcy Court hold a Confirmation Hearing with notice to all Creditors. The Confirmation Hearing is scheduled for _____, 2017 at _____, before the Honorable Robert A. Gordon, United States Bankruptcy Judge, Courtroom 1-B of the U.S. Bankruptcy Court, U.S. Courthouse, 101 West Lombard Street, Baltimore, Maryland 21201. 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 II.B.5. above, the Debtor may seek confirmation pursuant to § 1129(b) of the Bankruptcy Code, known as the “cramdown” 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 are individuals, they may retain their property (property of the estate).

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.

III. REQUISITE DISCLOSURES

A. *Representations Limited*

NO REPRESENTATIONS CONCERNING THE DEBTOR, PARTICULARLY REGARDING FUTURE BUSINESS OPERATIONS OR THE VALUE OF THE DEBTOR’S ASSETS, HAVE BEEN AUTHORIZED BY THE DEBTOR EXCEPT AS SET FORTH IN THIS STATEMENT. YOU SHOULD NOT RELY ON ANY OTHER REPRESENTATIONS OR INDUCEMENTS PROFFERED TO YOU TO SECURE YOUR ACCEPTANCE OR REJECTION IN ARRIVING AT YOUR DECISION IN VOTING ON THE PLAN. ANY PERSON MAKING REPRESENTATIONS OR INDUCEMENTS CONCERNING ACCEPTANCE OR REJECTION OF THE PLAN SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR AT THE ADDRESS ABOVE. FOR VARIOUS REASONS, THE RECORDS OF THE DEBTOR PRIOR TO PREPARATION OF THIS PLAN MAY NOT HAVE BEEN COMPLETE AND THE ACCURACY OF THE INFORMATION SUBMITTED WITH THIS STATEMENT IS DEPENDENT ON INFORMATION AVAILABLE TO THE DEBTOR WITH THE ASSISTANCE OF COUNSEL. WHILE EVERY EFFORT HAS BEEN MADE TO PROVIDE THE MOST ACCURATE INFORMATION AVAILABLE, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT ALL INFORMATION IS WITHOUT INACCURACY. THERE ARE NO KNOWN INACCURACIES. WHILE EVERY EFFORT HAS BEEN MADE TO ENSURE THAT THE ASSUMPTIONS ARE VALID AND AS ACCURATE AS CAN BE MADE UNDER THE CIRCUMSTANCES, NEITHER THE DEBTOR NOR THE DEBTOR’S ATTORNEYS UNDERTAKE TO CERTIFY OR WARRANT THE ABSOLUTE ACCURACY OF THE ASSUMPTIONS OR PROJECTIONS.

NO FORMAL APPRAISALS HAVE BEEN UNDERTAKEN OF THE DEBTOR’S PROPERTY EXCEPT WHERE STATED. THE VALUES PLACED THEREON AND SUMMARIZED BELOW ARE THE DEBTOR’S BEST ESTIMATE OF THE VALUE OF THE PROPERTY AS OF THE TIME OF THE FILING OF THE PLAN

AND THIS DISCLOSURE STATEMENT. THESE VALUES MAY DIFFER FROM VALUES PLACED ON THE SAME PROPERTY AT THE TIME OF FILING OF THE PETITION FOR RELIEF AND THE SUBSEQUENT SCHEDULES.

B. *Background, Income and Expenses*

Manuel Noya is a 67 year-old individual resident of Baltimore County, Maryland. After attending Fordham University in New York City, he has worked as an independent insurance adjuster since 1970. Starting as an adjuster in New York, he rose to a Senior Adjuster, General Adjuster, Claims Manager and Executive Vice President of a large independent adjustment bureau.

In 1983, Mr. Noya purchased a franchise location in Baltimore, Maryland from Frontier Adjusters. From 1983 to 2013, he built and grew the business. Since 2013, he has operated an independent insurance adjustment business under the corporate entity Noya Corporation.

Beginning in 2002, Mr. Noya has purchased, renovated, maintained and leased real estate in the Baltimore, Maryland area, serving as a general contractor for his properties and others between 2005 and 2011.

The Debtor currently resides in a house owned at 6422 Wilmot Drive, Reisterstown, Maryland 21136. A Motion to Modify Secured Debt has been filed as to this property, which would recapitalize approximately \$200,000.00 in pre-confirmation mortgage arrearages. In addition, the Debtor owns a number of investment properties, which he leases out as a major part of his business and income:

6801 Belair Road, Baltimore, Maryland 21206. Harbor Bank and the Debtor have agreed to a value for this property of \$320,000.00.

1729 Cole Street, Baltimore, Maryland 21223. This property has been valued by the Court at \$60,600.00 (Docket No. 193).

1700 East Federal, Baltimore, Maryland 21213 (shell). This property has been valued by the Court at \$3,000.00 (Docket No. 191).

1708 East Federal, Baltimore, Maryland 21213 (shell). This property has been valued by the Court at \$3,000.00 (Docket No. 192).

2306 East Hoffman Street Baltimore, Maryland 21213 (shell). This property has been valued by the Court at \$3,000.00 (Docket No. 190).

1802 East Lanvale, Baltimore, Maryland 21213 (shell). This property, which is unencumbered by any liens other than for outstanding property taxes and water/sewer charges, has been scheduled with a value of \$2,500.00.

4145 Fairfax Road, Baltimore, Maryland 21216. This property has been valued by the Court at \$45,700.00 (Docket No. 194).

76 Featherbed Lane, Owings Mills, Maryland 21117. This property has been valued by the Court at \$142,600.00 (Docket No. 126).

410 Ilchester Avenue, Baltimore, Maryland 21218. This property has been valued by the Court at \$86,555.00 (Docket No. 149).

2002 Mosby Avenue, Baltimore, Maryland 21207. This property has been appraised for a value of \$113,400.00.

3600 Old Frederick Road, Baltimore, Maryland 21229. This property was appraised for \$73,300.00. No Motion to Value has been filed, because the value of the property is greater than liens on it.

257 South Ann Street, Baltimore, Maryland 21231. This property has been valued by the Court at \$69,400.00 (Docket No. 139).

254 South Durham Street, Baltimore, Maryland 21231. Harbor Bank and the Debtor have agreed to a value for this property at \$144,600.00. Ocwen's Opposition to the Motion to Value remains pending as of the date of this Disclosure Statement.

230 South Gilmor Street, Baltimore, Maryland 21223. This property has been valued by the Court at \$5,000.00 (Docket No. 148).

35 South Highland Avenue, Baltimore, Maryland 21224. This property was appraised for \$60,600.00. No Motion to Value is anticipated to be filed.

227 South Vincent Street, Baltimore, Maryland 21223. This property has been valued by the Court at \$64,900.00 (Docket No. 133).

242 South Wolfe Street, Baltimore, Maryland 21231. Harbor Bank and the Debtor have agreed to a value for this property at \$103,600.00. Ocwen's Opposition to the Motion to Value remains pending as of the date of this Disclosure Statement.

In addition, the Debtor owns a partial interest in two parcels of raw land:

524 Royal Palm Drive, Kissimmee, Florida. This property is owned jointly with Roberto Noya and Sonia Davila, and the Debtor's interest was scheduled at \$6,600.00. There are no liens on this property.

Parcel #331, Rural Saldana, Bo., Rio Arriba, Fajardo, Puerto Rico. This property is owned jointly with Roberto Noya, Sonia Davila and Eli Sepulveda, and the Debtor's interest was scheduled at \$2,500.00. There are no liens on this property.

As of the date of this Disclosure Statement, the following properties are rented at the stated rent for the stated term¹:

<i>Property Address</i>	<i>Monthly Rent</i>	<i>Lease Term Ends</i>
6801 Belair Road	\$640.00	Month-to-month ²
1729 Cole Street	\$1,086.00	Month-to-month ³
76 Featherbed Lane	-	Vacant—new tenant sought
4145 Fairfax Road	\$1,300.00	Month-to-month ⁴
410 Ilchester Avenue	-	Vacant—repairs underway
2002 Mosby Avenue	\$1,400.00	6/30/12
3600 Old Frederick Road	\$1,250.00	6/30/12
257 South Ann Street	\$1,300.00	Month-to-month ⁵
254 South Durham Street	\$1,850.00	7/31/12
230 South Gilmor Street	-	Vacant—new tenant sought
35 South Highland Avenue	\$1,200.00	3/31/16
227 South Vincent Street	-	Vacant—repairs underway
242 South Wolfe Street	\$1,300.00	Month-to-month ⁶

The Debtor's prepetition monthly income received and expenses paid for each rental property during the 18 months prior to the filing of the within case are reflected on the spreadsheet appended hereto as Exhibit A.⁷ The Debtor's non-filing spouse's prepetition income during the 18 months prior to the filing of the within case are reflected on the listing appended hereto as Exhibit B. The Debtor's pre-petition salary and/or corporate distributions received from his insurance adjustment business, Noya Corporation, are reflected on the listing appended hereto as Exhibit C.

C. Events Leading to Bankruptcy.

Manuel Noya's business was succeeding until 2007 - 2008 when a sequence of events and disruptions, including the global financial housing crisis, led to his personal insolvency. First, his real estate investment business was struck by the meltdown and re-

¹ The properties at 1700 East Federal, 1708 East Federal, 2306 East Hoffman and 1802 East Lanvale are not currently habitable, and are not rentable at this time. Renovations are anticipated which will turn these properties into income-producing rentals.

² Tenant has been in this unit since 2005.

³ Tenant has been in this unit since 2012.

⁴ Tenant has been in this unit since 2012.

⁵ Tenant has been in this unit since 2014.

⁶ Tenant has been in this unit since 2010.

⁷ All of the Debtor's fiscal exhibits and projections herein were prepared by him and/or counsel, and not by an accounting department or CPA. Such have not been reviewed or analyzed by an accounting department or CPA. The Debtor maintains his books on a cash, rather than an accrual, basis.

cession in the housing market, preventing him from selling, refinancing or leasing his properties. This prevented him from renovating his vacant and damaged properties. The cost and obligations of maintaining both renovated and un-renovated properties eradicated his accumulated and saved funds. Additionally, with the burgeoning recession, many of Debtor's tenants lost their jobs, and began defaulting on their rent payments.

Additionally, prior to and leading into 2013, Mr. Noya was involved in disputes and litigation with his franchisor. As a result, he was forced to give up his franchise, and had to build a new independent insurance adjustment business from scratch, reducing his income at the worst possible time.

With threatened foreclosures on his investment properties and an inability to get a consistent paycheck from his adjusting business, it became apparent that Debtor was not able to resolve his insolvency. He accordingly consulted with the undersigned counsel to discuss the possibility of filing for relief under Chapter 11 of the Bankruptcy Code.

D. *Procedural Posture of the Bankruptcy Case.*

On June 10, 2014 (the "Petition Date"), the Debtor filed a voluntary petition in this Court for reorganization relief under Chapter 11 of title 11 of the U.S. Code (as amended, the "Bankruptcy Code"). The Debtor continue to hold the assets of the estate as Debtor-in-Possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. An unsecured creditors' committee has not been appointed in this case. No trustee or examiner has been appointed. Chung & Press, LLC was appointed to represent the Debtor/Debtor-in-Possession as counsel in this case (Docket No. 37).

On June 20, 2014, a Notice of Security Interest in Rents and Profits (Docket No. 15) was filed by Bank of America, N.A.

On July 24, 2014, a Notice to Creditors Whose Claims are Scheduled as Disputed (Docket No. 35) was filed by the Debtor. A second Notice was filed on August 28, 2014 (Docket No. 42).

On July 30, 2014, the Meeting of Creditors was conducted and concluded by the United States Trustee pursuant to 11 U.S.C. § 341.

On October 22, 2014, an Application to Employ Robert H. Campbell, II and Campbell Auctioneers & Appraisers, LLC as appraiser was filed by the Debtor (Docket No. 47). The Motion was granted on January 9, 2015 (Docket No. 61).

On February 12, 2015, the United States Trustee filed a Motion to Convert (Docket No. 68) due to the failure to timely file Monthly Operating Reports ("MORs"). That Motion was withdrawn by the United States Trustee on March 9, 2015 following the filing of the missing MORs (Docket No. 79).

On May 21, 2015, the Debtor filed a number of Motions for Valuation of Collateral: 242 South Wolfe Street, Baltimore, Maryland 21231 (Docket No. 91); 254 South Durham Street, Baltimore, Maryland 21231 (Docket No. 92); and 257 South Ann Street, Baltimore, Maryland 21231 (Docket No. 93). A description of subsequent events as to each of these properties is as follows:

242 South Wolfe Street, Baltimore, Maryland 21231: Following the Motion for Valuation, The Harbor Bank of Maryland (“Harbor Bank”) filed an opposition (Docket No. 95) on June 22, 2015. On October 9, 2015, a hearing was held at which counsel for Harbor Bank did not appear, and the Court granted the Motion to Value (Docket No. 132). On October 16, 2015, Harbor Bank filed a Motion for Relief from this ruling (Docket 134). On October 22, 2015, the Court entered an Order at Docket No. 137 granting the Motion to Value and valuing this property at \$103,600.00. An Amended Motion for Relief was filed by Harbor Bank at Docket 146 on October 30, 2015. The Debtor filed an opposition on November 9, 2015 at Docket No. 152. A hearing was held on Harbor Bank’s motion on February 1, 2016, and that motion was granted at Docket No. 183. The Court rescheduled the hearing on the Motion to Value for March 25, 2016, but prior to that hearing, Counsel reached agreement with counsel for Harbor Bank as to the value of the this property. However, at the March 25, 2016 hearing, counsel for Ocwen Loan Servicing, LLC (“Ocwen”) appeared for the first time and stated that his client was opposed to the valuation that had been reached between the Debtor and Harbor Bank. On April 8, 2016, Ocwen filed a response to the Motion to Value filed nearly a year previous (Docket No. 204). The Debtor filed a Motion to Strike that response as untimely on April 11, 2016 at Docket 204. Counsel subsequently resolved the valuation for this property, and agreed to a value of \$110,000.00. The entry of an Order establishing this value is pending.

254 South Durham Street, Baltimore, Maryland 21231: Following the Motion for Valuation, The Harbor Bank of Maryland (“Harbor Bank”) filed an opposition (Docket No. 96) on June 22, 2015. On October 9, 2015, a hearing was held at which counsel for Harbor Bank did not appear, and the Court granted the Motion to Value (Docket No. 132). On October 16, 2015, Harbor Bank filed a Motion for Relief from this ruling (Docket 134). On October 22, 2015, the Court entered an Order at Docket No. 138 granting the Motion to Value and valuing this property at \$144,600.00. An Amended Motion for Relief was filed by Harbor Bank at Docket 146 on October 30, 2015. The Debtor filed an opposition on November 9, 2015 at Docket No. 152. A hearing was held on Harbor Bank’s motion on February 1, 2016, and that motion was granted at Docket No. 183. The Court rescheduled the hearing on the Motion to Value for March 25, 2016, but prior to that hearing, Counsel reached agreement with counsel for Harbor Bank as to the value of the this property. However, at the March 25, 2016 hearing, counsel for Ocwen Loan Servicing, LLC (“Ocwen”) appeared for the first time and stated that his client was opposed to the valuation that had been reached between the Debtor and Harbor Bank. On April 11, 2016, Ocwen filed a response to the Motion to Value filed nearly a year previous (Docket No. 205). The Debtor filed a Motion to Strike that response as untimely on April 11, 2016 at Docket 207. As of the filing of this Disclosure Statement, Ocwen’s motion is pending.

257 South Ann Street, Baltimore, Maryland 21231: Following the Motion for Valuation, JPMorgan Chase Bank National Association (“JPM”) filed an opposition (Docket No. 98) on July 8, 2015. On October 9, 2015, a contested evidentiary hearing was held at which the Court granted the Motion to Value (Docket No. 132). On October 22, 2015, the Court entered an Order at Docket No. 139 granting the Motion to Value and valuing this property at \$69,400.00.

On July 8, 2015, the Debtor filed a number of Motions for Valuation of Collateral: 76 Featherbed Lane, Owings Mills, Maryland 21117 (Docket No. 97); 410 Ilchester Avenue, Baltimore, Maryland 21218 (Docket No. 99); 227 South Vincent Street, Baltimore, Maryland 21223 (Docket No. 100); and 230 South Gilmor Street, Baltimore, Maryland 21223 (Docket No. 101). A description of subsequent events as to each of these properties is as follows:

76 Featherbed Lane, Owings Mills, Maryland 21117: No response was filed to the Motion for Valuation, and on October 2, 2015, the Court entered an Order at Docket No. 126 granting the Motion to Value and valuing this property at \$142,600.00.

410 Ilchester Avenue, Baltimore, Maryland 21218: No response was filed to the Motion for Valuation, and on November 5, 2015, the Court entered an Order at Docket No. 149 granting the Motion to Value and valuing this property at \$86,555.00 and setting the interest rate for payment through the Plan at 4.25% *per annum*.

227 South Vincent Street, Baltimore, Maryland 21223: Following the Motion for Valuation, Lakeside National, LLC (“Lakeside”) filed an opposition (Docket No. 109) on August 10, 2015. On October 9, 2015, a hearing was held at which the Court granted the Motion to Value (Docket No. 132). On October 16, 2015, the Court entered an Order at Docket No. 133 granting the Motion to Value and valuing this property at \$64,900.00.

230 South Gilmor Street, Baltimore, Maryland 21223: No response was filed to the Motion for Valuation, and on November 5, 2015, the Court entered an Order at Docket No. 148 granting the Motion to Value and valuing this property at \$5,000.00.

On January 14, 2016, Harbor Bank filed a Motion to Dismiss the within case, which was withdrawn at Docket No. 183.

On January 27, 2016, the Debtor filed a number of Motions for Valuation of Collateral: 1708 East Federal Street, Baltimore, Maryland 21213 (Docket No. 168); 2306 East Hoffman Street, Baltimore, Maryland 21213 (Docket No. 169); and 1700 East Federal Street, Baltimore, Maryland 21213 (Docket No. 170). A description of subsequent events as to each of these properties is as follows:

1708 East Federal Street, Baltimore, Maryland 21213: No response was filed to the Motion for Valuation, and on March 25, 2016, the Court entered an Order at Docket No. 192 granting the Motion to Value and valuing this property at \$3,000.00.

2306 East Hoffman Street, Baltimore, Maryland 21213: No response was filed to the Motion for Valuation, and on March 25, 2016, the Court entered an Order at Docket No. 190 granting the Motion to Value and valuing this property at \$3,000.00.

1700 East Federal Street, Baltimore, Maryland 21213: No response was filed to the Motion for Valuation, and on March 25, 2016, the Court entered an Order at Docket No. 191 granting the Motion to Value and valuing this property at \$3,000.00.

On January 29, 2016, the Debtor filed a number of Motions for Valuation of Collateral: 1729 Cole Street, Baltimore, Maryland 21223 (Docket No. 172); 6801 Belair Road, Baltimore, Maryland 21206 (Docket No. 173); and 4145 Fairfax Road, Baltimore, Maryland 21216 (Docket No. 174). A description of subsequent events as to each of these properties is as follows:

1729 Cole Street, Baltimore, Maryland 21223: No response was filed to the Motion for Valuation, and on March 25, 2016, the Court entered an Order at Docket No. 193 granting the Motion to Value and valuing this property at \$60,600.00.

6801 Belair Road, Baltimore, Maryland 21206: Following the Motion for Valuation, Harbor Bank filed an opposition (Docket No. 188) on February 29, 2016. Prior to the hearing on the motion and opposition, Counsel reached agreement with counsel for Harbor Bank as to the value of this property. On March 25, 2016, the Court granted the now consent Motion to Value this property at \$320,000.00 in open court and setting the interest rate for payment through the Plan at 4.25% *per annum* (Docket No. 200), but no Order has been entered as of the date of this Disclosure Statement.

4145 Fairfax Road, Baltimore, Maryland 21216: No response was filed to the Motion for Valuation, and on March 25, 2016, the Court entered an Order at Docket No. 194 granting the Motion to Value and valuing this property at \$45,700.00.

On January 29, 2016, a Disclosure Statement and Plan were filed. Harbor Bank filed an Objection to the Disclosure Statement at Docket No. 189, which was withdrawn in Court as reflected at Docket No. 200. A hearing was held on the Disclosure Statement on May 3, 2016, at which the Court indicated that it was denied without prejudice. The within Disclosure Statement has been filed incorporating the requests made by the Court in its July 14, 2016 Order Denying Approval of Disclosure Statement Without Prejudice filed at Docket 216.

On August 24, 2016, a Motion to Modify Secured Debt on 6422 Wilmot Drive, Reisterstown, Maryland 21136 (the Debtor's residence) was filed at Docket No. 226, and, as of the date of this Disclosure Statement, is pending.

E. *Assets.*

The Debtor's schedules of Assets and Exemptions (Schedules A-B and C) are attached as Exhibit D. The Debtor's principal assets are real estate, bank accounts, household goods, accounts receivable (only a small portion of which proved to be collectable), and an ownership interest in the Debtor's business, Noya Corporation. In the event of a Chapter 7 liquidation, it is estimated that there would be \$65,600.45 in the Debtor's estate available for distribution to unsecured creditors.

F. *Creditors Committee.*

No creditors committee has been formed in this case.

G. *Professionals.*

The Debtor has retained the firm of Chung & Press, LLC and Brett Weiss as bankruptcy counsel, which appointment has been approved by the Court. Chung & Press, LLC was paid \$20,456.00 in a retainer. Following the confirmation of the Debtor's Chapter 11 Plan, Chung & Press, LLC expects to file shortly a fee application for approximately \$85,000.00, which fees and costs are subject to court approval.

H. *Officers/Directors and Compensation.*

As individual Debtor, the requirement to disclose the Debtor's officers and directors is inapplicable.

I. *Bar Date.*

The bar date for the filing of pre-petition claims against the Debtor was October 14, 2014, with government claims due by December 8, 2014. Under the Plan, Administrative Claims (other than an application for counsel fees) must be filed by the first Business Day thirty (30) days after the Effective Date.

IV. CLASSIFICATION AND TREATMENT OF CLAIMS

The Plan establishes 42 classes of claims, plus two categories of unclassified claims (for administrative expenses and for priority taxes). The classes of claims are identified and treated as follows:

Unclassified claims

A. *Administrative Expenses.* Administrative Expense claims approved and allowed by the Court shall be paid in full, in cash, by the Debtor on the Effective Date of the Plan or as soon thereafter as the amount thereof can be fixed, unless a different treatment is agreed to or provided for in this Plan. Administrative claims which by their terms are not due and payable on or before the Effective Date shall be paid as and when due.

The total unpaid professional fees anticipated as of the date of confirmation are estimated to be approximately \$865,000.00, partly covered by the prepetition retainer, although additional fees will be incurred before the Effective Date. The Debtor is unaware of any other unpaid administrative expense claims.

Within this class are all preconfirmation fees payable to the U.S. trustee pursuant to 28 U.S.C. § 1930(a)(6), which shall be paid on the effective date of the Plan, if not paid sooner. After confirmation, and until the case is closed, the Debtor shall be responsible for timely payment of fees incurred pursuant to 28 U.S.C. § 1930(a)(6).

B. *Priority Taxes.* It is believed that there are no priority taxes due. Although the Internal Revenue Service initially filed a Proof of Claim for \$353,167.55, this claim was later amended to \$0.00. The bar date has passed. To the extent such claims exist, they shall be paid in full, with interest at the statutory rate on such claims, in equal quarterly cash payments commencing 90 days after the effective date of the plan, amortized over the remaining period of 5 years from the Petition Date, unless a different treatment is agreed to or provided for in the Plan.

Classified Claims and Interests

A. *Class A (Priority (non-tax) Claims).* Class A consists of Priority Claims under 11 U.S.C. § 507 other than Administrative Claims and Priority Tax Claims. The Debtor is aware of one such claim, owed to the City of Baltimore for miscellaneous fines and infractions in the total amount of \$7,150.70. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$188.31. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

B. *Class B-1 (Baltimore County secured claim for real property taxes on 6801 Belair Road, Baltimore, Maryland 21206).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$6,692.16 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$176.23. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

C. *Class B-2 (City of Baltimore secured claim for real property taxes on 1729 Cole Street, Baltimore, Maryland 21223).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$1,696.53 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$44.68. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

D. *Class B-3 (City of Baltimore secured claim for water/sewer charges on 1729 Cole Street, Baltimore, Maryland 21223).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$189.19 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$4.98. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

E. *Class B-4 (US Bank, Custodian for PTL Partners, LLC secured claim for tax sale on 1729 Cole Street, Baltimore, Maryland 21223).* This Class consists of the secured prepetition claim of US Bank, Custodian for PTL Partners, LLC (Claim No. 21) for a tax sale in the amount of \$3,486.27 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 18% *per annum*, in 48 equal monthly installments of \$102.41. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

F. *Class B-5 (City of Baltimore secured claim for real property taxes on 1700 East Federal, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$83.22 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$2.19. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

G. *Class B-6 (City of Baltimore secured claim for water/sewer charges on 1700 East Federal, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$338.15 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$8.90. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

H. *Class B-7 (KDG, LLC secured claim for tax sale on 1700 East Federal, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of KDG, LLC (No Proof of Claim filed) for a tax sale in the amount of \$109.44 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 18% *per annum*, in 48 equal monthly installments of \$3.21. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

I. *Class B-8 (MD Specialty Homes, LLC secured claim for deed of trust on 1700 East Federal, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of MD Specialty Homes, LLC (Claim No. 6) for a deed of trust in the amount of \$43,312.61 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered March 25, 2016 at Docket No. 191, the collateral

securing this claim was valued under 11 U.S.C. § 506(a) at \$3,000.00. The secured portion of the claim, \$2,469.19,⁸ shall be paid in 36 monthly payments of \$73.18 (\$2,469.19 amortized over 36 months at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

J. *Class B-9 (City of Baltimore secured claim for real property taxes on 1708 East Federal, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$83.22 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$2.19. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

K. *Class B-10 (MD Specialty Homes, LLC secured claim for deed of trust on 1708 East Federal, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of MD Specialty Homes, LLC (Claim No. 10) for a deed of trust in the amount of \$17,200.00 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered March 25, 2016 at Docket No. 192, the collateral securing this claim was valued under 11 U.S.C. § 506(a) at \$3,000.00. The secured portion of the claim, \$2,916.78⁹ shall be paid in 36 monthly payments of \$86.44 (\$2,916.78 amortized over 36 months at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

L. *Class B-11 (City of Baltimore secured claim for real property taxes on 2306 East Hoffman Street, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$83.22 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$2.19. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

⁸ \$3,000.00, less property taxes of \$83.22 (Class B-5), property tax sale balance of \$109.44 (Class B-7), and water/sewer charges of \$338.15 (Class B-6).

⁹ \$3,000.00, less property taxes of \$83.22 (Class B-9).

M. *Class B-12 (City of Baltimore secured claim for water/sewer charges on 2306 East Hoffman Street, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$944.31 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$24.87. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

N. *Class B-13 (MD Specialty Homes, LLC secured claim for deed of trust on 2306 East Hoffman Street, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of MD Specialty Homes, LLC (Claim No. 11) for a deed of trust in the amount of \$36,921.81 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered March 25, 2016 at Docket No. 190, the collateral securing this claim was valued under 11 U.S.C. § 506(a) at \$3,000.00. The secured portion of the claim, \$1,972.47¹⁰ shall be paid in 36 monthly payments of \$58.45 (\$1,972.47 amortized over 36 months at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

O. *Class B-14 (City of Baltimore secured claim for real property taxes on 1802 East Lanvale, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$83.22 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$2.19. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

P. *Class B-15 (City of Baltimore secured claim for water/sewer charges on 1802 East Lanvale, Baltimore, Maryland 21213).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$1,080.06 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$28.44. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

Q. *Class B-16 (City of Baltimore secured claim for water/sewer charges on 4145 Fairfax Road, Baltimore, Maryland 21216).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$799.98 as of the filing date, secured by a statutory lien on the

¹⁰ \$3,000.00, less property taxes of \$83.55 (Class B-11) and water/sewer charges of \$944.31 (Class B-12).

above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$21.07. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

R. *Class B-17 (The Harbor Bank of Maryland secured claim for deed of trust on 4145 Fairfax Road, Baltimore, Maryland 21216).* This Class consists of the secured prepetition claim of The Harbor Bank of Maryland (Claim No. 16) for a deed of trust in the amount of \$53,168.03 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered March 25, 2016 at Docket No. 194, the collateral securing this claim was valued under 11 U.S.C. § 506(a) at \$45,700.00. The secured portion of the claim, \$44,900.02,¹¹ shall be paid in 360 monthly payments of \$220.89 (\$44,900.02 amortized over 30 years at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

S. *Class B-18 (Americas Servicing Company secured claim for deed of trust on 76 Featherbed Lane, Owings Mills, Maryland 21117).* This Class consists of the secured prepetition claim of Americas Servicing Company (Claim No. 4) for a deed of trust in the amount of \$174,926.46 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered October 2, 2015 at Docket No. 126, the collateral securing this claim was valued under 11 U.S.C. § 506(a) at \$142,600.00. The secured portion of the claim, \$142,600.00, shall be paid in 360 monthly payments of \$701.51 (\$142,600.00 amortized over 30 years at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

T. *Class B-19 (ETC secured claim for deed of trust on 76 Featherbed Lane, Owings Mills, Maryland 21117).* This Class consists of the secured prepetition claim of ETC, Custodian (No Proof of Claim filed) for a deed of trust in the amount of \$59,200.00 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to agreement, this claim shall be reduced to \$57,500.00 as of the Effective Date of the Plan. This sum shall be paid in monthly interest only payments of \$167.71 (\$57,500.00 amortized over 30 years at an interest rate of 3.50% *per annum*). Payments shall begin on the first day of the first month following the Effective Date. If not paid sooner, any unpaid sums shall be paid in full on the fifth anniversary of the Effective Date. This class is impaired.

¹¹ \$45,700.00, less property taxes of \$799.98 (Class B-16).

U. *Class B-20 (Joan & C. Robert Revocable Trust secured claim for deed of trust on 76 Featherbed Lane, Owings Mills, Maryland 21117).* This Class consists of the secured prepetition claim of Joan & C. Robert Revocable Trust (No Proof of Claim filed) for a deed of trust in the amount of \$115,975.00 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to agreement, this claim shall be reduced to \$106,500.00 as of the Effective Date of the Plan. This sum shall be paid in monthly interest only payments of \$310.63 (\$106,500.00 amortized over 30 years at an interest rate of 3.50% *per annum*). Payments shall begin on the first day of the first month following the Effective Date. If not paid sooner, any unpaid sums shall be paid in full on the fifth anniversary of the Effective Date. This class is impaired.

V. *Class B-21 (City of Baltimore secured claim for water/sewer charges on 410 Ilchester Avenue, Baltimore, Maryland 21218).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$131.07 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$3.45. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

W. *Class B-22 (Americas Servicing Company secured claim for deed of trust on 410 Ilchester Avenue, Baltimore, Maryland 21218).* This Class consists of the secured prepetition claim of Americas Servicing Company (Claim No. 4) for a deed of trust in the amount of \$91,374.92 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered November 5, 2015 at Docket No. 149, the collateral securing this claim was valued under 11 U.S.C. § 506(a) at \$86,555.00. The secured portion of the claim, \$86,368.93,¹² shall be paid in 360 monthly payments of \$424.88 (\$86,368.93 amortized over 30 years at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

X. *Class B-23 (City of Baltimore secured claim for water/sewer charges on 2002 Mosby Avenue, Baltimore, Maryland 21207).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$259.39 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$6.83. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

¹² \$86,555.00, less water/sewer charges of \$131.07 (Class B-21).

Y. *Class B-24 (Ocwen Loan Servicing, LLC secured claim for deed of trust on 2002 Mosby Avenue, Baltimore, Maryland 21207).* This Class consists of the secured prepetition claim of Ocwen Loan Servicing, LLC (Claim No. 20) for a deed of trust in the amount of \$93,218.55 as of the filing date, secured by a lien on the above-stated real estate. This claim shall be paid all pre-confirmation arrearages (\$1,467.62), plus any post-petition, pre-confirmation arrearages, without interest, in 60 monthly payments of \$24.46. Any unpaid sums shall be due in full with the final payment of such arrearages. Such payments shall begin on the first day of the first month following the Effective Date. Beginning on the first day of the first month following the Effective Date, the Debtor shall resume the regular monthly mortgage payments on this claim, which shall include any escrow deposit for taxes and insurance as provided in the existing loan documents. This class is impaired.

Z. *Class B-25 (Seterus Inc. secured claim for deed of trust on 3600 Old Frederick Road, Baltimore, Maryland 21229).* This Class consists of the secured prepetition claim of Seterus Inc. (Claim No. 7) for a deed of trust in the amount of \$46,148.62 as of the filing date, secured by a first lien on the above-stated real estate. This claim shall be paid all pre-confirmation arrearages (\$3,081.64), plus any post-petition, pre-confirmation arrearages, without interest, in 60 monthly payments of \$51.36. Any unpaid sums shall be due in full with the final payment of such arrearages. Such payments shall begin on the first day of the first month following the Effective Date. Beginning on the first day of the first month following the Effective Date, the Debtor shall resume the regular monthly mortgage payments on this claim, which shall include any escrow deposit for taxes and insurance as provided in the existing loan documents. This class is impaired.

AA. *Class B-26 (City of Baltimore secured claim for water/sewer charges on 257 South Ann Street, Baltimore, Maryland 21231).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$1,226.79 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$32.31. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

BB. *Class B-27 (JPMorgan Chase Bank secured claim for deed of trust on 257 South Ann Street, Baltimore, Maryland 21231).* This Class consists of the secured prepetition claim of JPMorgan Chase Bank (Claim No. 18) for a deed of trust in the amount of \$224,549.75 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered October 22, 2015 at Docket No. 139, the collateral securing this claim is valued under 11 U.S.C. § 506(a) at \$69,400.00 as of the Effective Date of the plan. The secured portion of the claim, \$68,173.21,¹³ shall be paid in 360 monthly payments of \$335.37 (\$68,173.21 amortized over 30 years at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date.

¹³ \$69,400.00, less water/sewer charges of \$1,226.79 (Class B-26).

tive Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

CC. *Class B-28 (City of Baltimore secured claim for real property taxes on 254 South Durham Street, Baltimore, Maryland 21231).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$7,980.33 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$210.15. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

DD. *Class B-29 (City of Baltimore secured claim for water/sewer charges on 254 South Durham Street, Baltimore, Maryland 21231).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$140.12 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$3.69. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

EE. *Class B-30 (Ocwen Loan Servicing, LLC secured claim for deed of trust on 254 South Durham Street, Baltimore, Maryland 21231).* This Class consists of the secured prepetition claim of Ocwen Loan Servicing, LLC (Claim No. 19) for a deed of trust in the amount of \$240,158.56 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered October 22, 2015 at Docket No. 138, the collateral securing this claim was valued under 11 U.S.C. § 506(a) at \$144,600.00. The secured portion of the claim, \$136,479.55,¹⁴ shall be paid in 360 monthly payments of \$671.40 (\$136,479.55 amortized over 30 years at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

FF. *Class B-31 (City of Baltimore secured claim for real property taxes on 230 South Gilmor Street, Baltimore, Maryland 21223).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$832.47 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$21.92. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

¹⁴ \$144,600.00, less property taxes of \$7,980.33 (Class B-28) and water/sewer charges of \$140.12 (Class B-29).

GG. *Class B-32 (Popular Loan Services, LLC secured claim for deed of trust on 230 South Gilmor Street, Baltimore, Maryland 21223).* This Class consists of the secured prepetition claim of Popular Loan Services, LLC (No Proof of Claim filed) for a deed of trust in the amount of \$208,611.58 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to Court Order entered November 5, 2015 at Docket No. 148, the collateral securing this claim was valued under 11 U.S.C. § 506(a) at \$5,000.00. The secured portion of the claim, \$4,167.53,¹⁵ shall be paid in 360 monthly payments of \$20.50 (\$4,167.53 amortized over 30 years at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

HH. *Class B-33 (City of Baltimore secured claim for water/sewer charges on 35 South Highland Avenue, Baltimore, Maryland 21224).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$2,572.43 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$67.74. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

II. *Class B-34 (Inversiones Kaialde, CA secured claim for deed of trust on 35 South Highland Avenue, Baltimore, Maryland 21224).* This Class consists of the secured prepetition claim of Inversiones Kaialde, CA (No Proof of Claim filed) for a deed of trust in the amount of \$171,666.68 as of the filing date, secured by a lien on the above-stated real estate. This claim shall be paid all pre-petition arrearages (\$50,000.00), plus any post-petition, pre-confirmation arrearages, without interest, in 360 monthly payments of \$138.89. Any unpaid sums shall be due in full with the final payment of such arrearages. Such payments shall begin on the first day of the first month following the Effective Date. The Debtor shall make all post-petition monthly mortgage payments on this claim, which shall include any escrow deposit for taxes and insurance as provided in the existing loan documents. This class is impaired.

JJ. *Class B-35 (City of Baltimore secured claim for real property taxes on 227 South Vincent Street, Baltimore, Maryland 21223).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$316.61 as of the filing date, secured by a statutory lien on the above-stated real estate. The property securing this claim shall be surrendered on the Effective Date of the Plan in full satisfaction of this claim. This class is impaired.

¹⁵ \$5,000.00, less property taxes of \$832.47 (Class B-31).

KK. *Class B-36 (Lakeside National, LLC secured claim for deed of trust on 227 South Vincent Street, Baltimore, Maryland 21223).* This Class consists of the secured prepetition claim of Lakeside National, LLC (No Proof of Claim filed) for a deed of trust in the amount of \$75,000.00 as of the filing date, secured by a lien on the above-stated real estate. The property securing this claim shall be surrendered on the Effective Date of the Plan in full satisfaction of this claim. This class is impaired.

LL. *Class B-37 (City of Baltimore secured claim for water/sewer charges on 242 South Wolfe Street, Baltimore, Maryland 21231).* This Class consists of the secured prepetition claim of the City of Baltimore (No Proof of Claim filed) for water/sewer charges in the amount of \$2,210.83 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$58.22. Payments shall begin on the first day of the first month following the Effective Date. This claim is impaired.

MM. *Class B-38 (Popular Loan Services, LLC secured claim for deed of trust on 242 South Wolfe Street, Baltimore, Maryland 21231).* This Class consists of the secured prepetition claim of Popular Loan Services, LLC (No Proof of Claim filed) for a deed of trust in the amount of \$158,747.01 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to agreement, the collateral securing this claim is valued under 11 U.S.C. § 506(a) at \$110,000.00 as of the Effective Date of the plan. The secured portion of the claim, \$107,789.17,¹⁶ shall be paid in 360 monthly payments of \$530.26 (\$107,389.17 amortized over 30 years at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. The balance of the claim shall be treated for all purposes as an unsecured Class C claim. Within thirty (30) days following the payment of the secured portion of this claim, this creditor shall file a notice that the lien has been satisfied in the appropriate county land records. This class is impaired.

NN. *Class B-39 (Baltimore County secured claim for real property taxes on 6422 Wilmot Drive, Reisterstown, Maryland 21136).* This Class consists of the secured prepetition claim of Baltimore County, Maryland (No Proof of Claim filed) for property taxes in the amount of \$2,845.42 as of the filing date, secured by a statutory lien on the above-stated real estate. This claim shall be paid in full, with interest at 12% *per annum*, in 48 equal monthly installments of \$74.93. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

OO. *Class B-40 (BSI Financial Services, Inc. secured claim for deed of trust on 6422 Wilmot Drive, Baltimore, Maryland 21236).* This Class consists of the secured prepetition claim of BSI Financial Services, Inc. (Claim No. 14) for a deed of trust in the amount of \$551,044.76 as of the filing date, secured by a lien on the above-stated real estate. Pursuant to the Loan Modification reached between the Debtor and this creditor (and

¹⁶ \$110,000.00, less water/sewer charges of \$2,210.83 (Class B-37).

which, as of the date of this Disclosure Statement, is the subject of a pending motion to approve loan modification [Docket No. 226]), this claim shall be paid in full pursuant to the terms of the Loan Modification. This class is not impaired.

PP. *Class B-41 (The Harbor Bank of Maryland secured claim for deed of trust on 6801 Belair Road, 1729 Cole Street, 4145 Fairfax Road, 410 Ilchester Avenue, 254 South Durham, and 242 South Wolfe Street).* This Class consists of the secured prepetition claim of The Harbor Bank of Maryland (Claim No. 17) for a deed of trust in the amount of \$807,018.31 as of the filing date, secured by a blanket lien on the above-stated real estate. The liens on each of the properties securing this lien shall be treated as follows:

1. *6801 Belair Road.* The Debtor has filed a Motion to Value Collateral in connection with this property, which is pending. The collateral securing this claim shall be valued under 11 U.S.C. § 506(a) at \$262,200.00 as of the Effective Date of the plan. This valuation is per an appraisal dated June 2015 (Exhibit E). If this creditor disputes the value of the collateral stated above, it must timely file an objection to confirmation, or the value stated by Debtor will be determined to be the value of the collateral. There is a superior lien of \$6,692.16 owed Baltimore County for property taxes.
2. *1729 Cole Street.* Pursuant to Court Order entered March 25, 2016 at Docket No. 193, the collateral securing this claim is valued under 11 U.S.C. § 506(a) at \$60,600.00. There are superior liens of \$1,696.53 and \$189.19 owed Baltimore County for property taxes and water/sewer, and \$3,486.27 to US Bank, Custodian for PTL Partners, LLC, for a tax sale.
3. *4145 Fairfax Road.* The Debtor has filed a Motion to Value Collateral in connection with this property, which is pending. The collateral securing this claim shall be valued under 11 U.S.C. § 506(a) at \$45,700.00 as of the Effective Date of the plan. As the claim of The Harbor Bank for its deed of trust (Claim No. 16) reflects a balance of \$53,168.03, which is greater than the asserted value of the collateral, this portion of this Class's claim is wholly unsecured, and the lien securing this creditor's claim on this property shall be deemed void under 11 U.S.C. § 506 upon confirmation. Within thirty (30) days following the Effective Date, this creditor shall file a notice that the lien has been avoided in the applicable county land records.
4. *410 Ilchester Avenue.* Pursuant to Court Order entered November 5, 2015 at Docket No. 149, the collateral securing this claim is valued under 11 U.S.C. § 506(a) at \$86,555.00 as of the Effective Date of the plan. As the claim of Americas Servicing Company for its deed of trust (Claim No. 4) reflects a balance of \$91,374.92, which is greater than the value of the collateral, this portion of this Class's claim is wholly unsecured, and the lien securing this creditor's claim on this property shall be deemed void under 11 U.S.C. §

506 upon confirmation. Within thirty (30) days following the Effective Date, this creditor shall file a notice that the lien has been avoided in the applicable county land records.

5. *254 South Durham Street.* Pursuant to Court Order entered October 22, 2015 at Docket No. 138, the collateral securing this claim is valued under 11 U.S.C. § 506(a) at \$144,600.00 as of the Effective Date of the plan. As the claim of Ocwen Loan Servicing, LLC for its deed of trust (Claim No. 19) reflects a balance of \$240,158.56, which is greater than the value of the collateral, this portion of this Class's claim is wholly unsecured, and the lien securing this creditor's claim on this property shall be deemed void under 11 U.S.C. § 506 upon confirmation. Within thirty (30) days following the Effective Date, this creditor shall file a notice that the lien has been avoided in the applicable county land records.
6. *242 South Wolfe Street.* Pursuant to Court Order entered October 22, 2015 at Docket No. 137, the collateral securing this claim is valued under 11 U.S.C. § 506(a) at \$103,600.00 as of the Effective Date of the plan. As the claim of Popular Loan Services, LLC for its deed of trust (No Proof of Claim filed) reflects a balance of \$158,747.01, which is greater than the value of the collateral, this portion of this Class's claim is wholly unsecured, and the lien securing this creditor's claim on this property shall be deemed void under 11 U.S.C. § 506 upon confirmation. Within thirty (30) days following the Effective Date, this creditor shall file a notice that the lien has been avoided in the applicable county land records.

As the equity in the only two properties securing this claim that have equity to which this lien can attach (Belair and Cole) totals \$314,222.12,¹⁷ the balance of the claim shall be treated for all purposes as an unsecured Class C claim. The secured portion of the claim, \$314,222.12, shall be paid in 360 monthly payments of \$1,545.78 (\$314,222.12 amortized over 30 years at an interest rate of 4.25% *per annum*), plus any escrow deposit for taxes and insurance as provided in the existing loan documents. Payments shall begin on the first day of the first month following the Effective Date. This class is impaired.

QQ. *Class C (General Unsecured Claims).* Class C consists of all general unsecured claims against the Debtor, including any unsecured portion of Classes B-8, B-10, B-13, B-17, B-18, B-19, B-20, B-22, B-24, B-27, B-30, B-32, B-38, and B-41. Holders of Class C claims shall be paid a total of \$95,000.00, in one payment of \$5,000.00 on the Effective Date pursuant to the provisions of Section XII(c), if applicable, and 36 consecutive monthly payments of \$2,500.00, the first such payment being made on the first day of the first month following the fourth anniversary of the Effective Date. The *pro rata* share of the claimed amount of any claims which are then subject to objections as to which a Final Order has not been entered shall be deposited in an interest bearing bank

¹⁷ After deduction for superior liens for property taxes and water/sewer charges.

account until a Final Order is entered. When Final Orders are entered disallowing or allowing and liquidating all Class C claims, the remaining funds in the bank account shall be distributed to the holders of all Class C claims *pro rata*. Payments on Class C claims shall be mailed to the address of the creditor on the proof of claim (or, if allowed pursuant to the schedules, to the address on the schedules), unless the creditor files a change of address notice with the Court. Any check of \$1,000.00 or less mailed to the proper address and returned by the post office as undeliverable, or not deposited within 180 days, shall be void and the funds may be retained by the Debtor. This class is impaired.

RR. *Class D (Equity Interests)*. Class D consists of existing equity interests in the estate. If the absolute priority rule applies, the Debtor shall retain the existing equity interests in the estate upon payment to the estate on the Effective Date of \$5,000.00 in new value from assets that are exempt or are not property of the estate.

V. IMPLEMENTATION OF PLAN

A. The Debtor shall fund this Plan with income from wages/commissions and from income from real estate. The Debtor shall retain the assets of the estate, and shall pay ordinary living expenses, pay the operating expenses for the real estate, and pay the creditors the amounts set forth in the Plan from the proceeds thereof. Consistent with the provisions of this Plan and subject to any releases provided for herein, the Debtor reserves the right to begin or continue any adversary proceeding permitted under the Code and Rules to collect any debts, or to pursue claims in any court of competent jurisdiction. Except as expressly provided for in this Plan, nothing in this Plan shall be deemed to constitute a waiver of any claim that the Debtor may assert against any other party, including the holder of any claim provided for in this Plan, and the allowance of any claim against the Debtor or the estate shall not bar any claim by the Debtor against the holder of such claim.

It is estimated that the amounts required for implementation of the Plan upon the Effective Date and within 6 months thereof are as follows:

Projected Priority Claim	\$1,129.86
Projected Class B-1 Payment	\$1,057.38
Projected Class B-2 Payment	\$268.08
Projected Class B-3 Payment	\$29.88
Projected Class B-4 Payment	\$614.46
Projected Class B-5 Payment	\$13.14
Projected Class B-6 Payment	\$53.40
Projected Class B-7 Payment	\$19.26
Projected Class B-8 Payment	\$439.08
Projected Class B-9 Payment	\$13.14

Projected Class B-10 Payment	\$518.64
Projected Class B-11 Payment	\$13.14
Projected Class B-12 Payment	\$149.22
Projected Class B-13 Payment	\$350.70
Projected Class B-14 Payment	\$13.14
Projected Class B-15 Payment	\$170.64
Projected Class B-16 Payment	\$126.42
Projected Class B-17 Payment	\$1,325.34
Projected Class B-18 Payment	\$4,209.06
Projected Class B-19 Payment	\$1,006.26
Projected Class B-20 Payment	\$1,863.78
Projected Class B-21 Payment	\$20.70
Projected Class B-22 Payment	\$2,549.28
Projected Class B-23 Payment	\$40.98
Projected Class B-24 Payment	\$146.76
Projected Class B-25 Payment	\$308.16
Projected Class B-26 Payment	\$193.86
Projected Class B-27 Payment	\$2,012.22
Projected Class B-28 Payment	\$1,260.90
Projected Class B-29 Payment	\$22.14
Projected Class B-30 Payment	\$4,028.40
Projected Class B-31 Payment	\$131.52
Projected Class B-32 Payment	\$123.00
Projected Class B-33 Payment	\$406.44
Projected Class B-34 Payment	\$833.34
Projected Class B-35 Payment	\$0.00
Projected Class B-36 Payment	\$0.00
Projected Class B-37 Payment	\$349.32
Projected Class B-38 Payment	\$3,181.56
Projected Class B-39 Payment	\$449.58
Projected Class B-40 Payment	\$0.00
Projected Class B-41 Payment	\$9,274.68
Class C Payment	\$0.00
Payment to United States Trustee	\$1,950.00

The total comes to \$40,666.86, which it is believed that the Debtor can afford based on current and future income and cash on hand. The Debtor's postpetition monthly income received and expenses paid for each rental property since the filing of the within case are reflected on the spreadsheet appended hereto as Exhibit F. The Debtor's non-filing spouse's post-petition income since the filing of the within case is reflected on the document appended hereto as Exhibit G. The Debtor's post-petition salary and/or corporate distributions received from his insurance adjustment business, Noya Corporation and All Claims Adjustment Bureau, are reflected on the spreadsheet appended hereto as Exhibit H. However, beginning January 1, 2017, the Debtor should be able to begin receiving monthly Social Security payments of approximately \$2,000.00 per month. It should be noted that the fluctuations shown on Debtor's Monthly Operating Report Summary, appended hereto as Exhibit I are due to several reasons: (1) with regard to the Debtor's investment real property, normal fluctuations due to the variability of tenant payments, the timing of tax and insurance payments and the requirements of repairs, maintenance and upkeep; and (2) normal fluctuations in the growth and development of Noya Corporation and its insurance adjustment business. It is anticipated that, although some fluctuations will continue as are typical for the Debtor's business, such fluctuations will not materially impact the Debtor's ability to fully perform under the terms of the Plan. As shown on the detailed monthly summary projections of income and expenses appended hereto as Exhibit J, it is believed that the Debtor can make the payments required under this Plan.

VI. ANALYSIS OF LIQUIDATION VALUE OF THE ESTATE

The Court has requested a detailed analysis of how the valuation of the Debtor's assets was arrived at.

As indicated on Schedules A and B of the Debtor's schedules, the Debtor's assets consist of the following, with the method of valuation shown:

Real Property:

1. *6422 Wilmot Drive, Reisterstown, Maryland 21136.* This property is the Debtor's residence. Pursuant to the Zillow valuation attached as part of Exhibit E, the current value of this property is \$464,735.00. There are two pre-petition liens against this property: Baltimore County for property taxes in the amount of \$2,845.42, and BSI Financial Services (Claim #14) for a deed of trust in the amount of \$551,044.76. Based on these numbers, this property has no liquidation value.

2. *6801 Belair Road, Baltimore, Maryland 21206.* Harbor Bank and the Debtor have agreed to a value for this property of \$320,000.00, and on March 25, 2016, the Court granted the now consent Motion to Value this property at \$320,000.00 in open court and setting the interest rate for payment through the Plan at 4.25% *per annum* (Docket No. 200), but no Order has been entered as of the date of this Disclosure Statement. There are two pre-petition liens against this property: Baltimore County for property taxes in the amount of \$6,692.16, and Harbor Bank (Claim No. 17) for a deed of trust

in the amount of \$807,018.31. Based on these numbers, this property has no liquidation value.

3. *1729 Cole Street, Baltimore, Maryland 21223*. Pursuant to Court Order entered March 25, 2016 at Docket No. 193, this property was valued at \$60,600.00. There are four pre-petition liens against this property: \$1,696.53 and \$189.19 owed Baltimore County for property taxes and water/sewer, \$3,486.27 to US Bank, Custodian for PTL Partners, LLC, for a tax sale, and Harbor Bank (Claim No. 17) for a deed of trust in the amount of \$807,018.31. Based on these numbers, this property has no liquidation value.

4. *1700 East Federal, Baltimore, Maryland 21213 (shell)*. Pursuant to Court Order entered March 25, 2016 at Docket No. 191, this property was valued at \$3,000.00. There are four pre-petition liens against this property: \$83.22 and \$338.15 owed the City of Baltimore for property taxes and water/sewer, \$109.44 to KDG, LLC, for a tax sale, and Maryland Specialty Homes (Claim No. 6) for a deed of trust in the amount of \$43,312.61. Based on these numbers, this property has no liquidation value.

5. *1708 East Federal, Baltimore, Maryland 21213 (shell)*. Pursuant to Court Order entered March 25, 2016 at Docket No. 192, this property was valued at \$3,000.00. There are two pre-petition liens against this property: \$83.22 owed the City of Baltimore for property taxes, and Maryland Specialty Homes (Claim No. 10) for a deed of trust in the amount of \$17,200.00. Based on these numbers, this property has no liquidation value.

6. *2306 East Hoffman Street Baltimore, Maryland 21213 (shell)*. Pursuant to Court Order entered March 25, 2016 at Docket No. 190, this property was valued at \$3,000.00. There are three pre-petition liens against this property: \$83.22 and \$944.31 owed the City of Baltimore for property taxes and water/sewer, and Maryland Specialty Homes (Claim No. 11) for a deed of trust in the amount of \$36,921.81. Based on these numbers, this property has no liquidation value.

7. *1802 East Lanvale, Baltimore, Maryland 21213 (shell)*. As noted, this property is a shell, and in similar condition to the East Federal and East Hoffman properties that were valued by the Court at \$3,000.00. There are two pre-petition liens against this property: \$83.22 and \$1,080.06 owed the City of Baltimore for property taxes. Due to the expense of an appraisal and the lack of any lender lien on this property, the Debtor based his valuation on the values of the East Federal and East Hoffman properties. Based on these numbers, and the estimated costs and expenses of sale, as well as the condition of this property, this property has no liquidation value.

8. *4145 Fairfax Road, Baltimore, Maryland 21216*. Pursuant to Court Order entered March 25, 2016 at Docket No. 194, this property was valued at \$45,700.00. There are two pre-petition liens against this property: \$799.98 owed the City of Baltimore for water/sewer, and Harbor Bank (Claim No. 16) for a deed of trust in the amount of \$53,168.03. Based on these numbers, this property has no liquidation value.

9. *76 Featherbed Lane, Owings Mills, Maryland 21117.* Pursuant to Court Order entered October 2, 2015 at Docket No. 126, this property was valued at \$142,600.00. There are two pre-petition liens against this property: Americas Servicing Company (Claim No. 4) for a deed of trust in the amount of \$174,926.46, and ETC (no Proof of Claim filed) for a deed of trust in the amount of \$59,200.00. Based on these numbers, this property has no liquidation value.

10. *410 Ilchester Avenue, Baltimore, Maryland 21218.* Pursuant to Court Order entered November 5, 2015 at Docket No. 149, this property was valued at \$86,555.00. There are two pre-petition liens against this property: City of Baltimore for water/sewer in the amount of \$131.07, and Americas Servicing Company (Claim No. 4) for a deed of trust in the amount of \$91,374.92. Based on these numbers, this property has no liquidation value.

11. *2002 Mosby Avenue, Baltimore, Maryland 21207.* Pursuant to the appraisal attached as part of Exhibit E, the value of this property is \$113,400.00. There are two pre-petition liens against this property: City of Baltimore for water/sewer in the amount of \$259.39, and Ocwen Loan Servicing, LLC (Claim #20) for a deed of trust in the amount of \$93,218.55. Based on these numbers, and providing for an estimated 10% for the costs and expenses of sale and Chapter 7 Trustee commissions of \$8,920.00, this property has a net liquidation value of \$662.06. Because of this small amount, it is believed that a hypothetical Chapter 7 Trustee would decline to administer this asset or the Court would grant a Motion to Abandon because of the negligible benefit to creditors.

12. *3600 Old Frederick Road, Baltimore, Maryland 21229.* Pursuant to the appraisal attached as part of Exhibit E, the value of this property is \$73,300.00. There is one pre-petition lien against this property: Seterus, Inc. (Claim No. 7) for a Deed of Trust in the amount of \$46,148.62. Based on these numbers, and providing for an estimated 10% for the costs and expenses of sale and Chapter 7 Trustee commissions of \$6,915.00, this property has a net liquidation value of \$12,906.38.

13. *257 South Ann Street, Baltimore, Maryland 21231.* Pursuant to Court Order entered October 22, 2015 at Docket No. 139, this property was valued at \$69,400.00. There are two pre-petition liens against this property: \$1,226.79 owed the City of Baltimore for property taxes, and JPMorgan Chase Bank (Claim No. 18) for a deed of trust in the amount of \$224,549.75. Based on these numbers, this property has no liquidation value.

14. *254 South Durham Street, Baltimore, Maryland 21231.* Harbor Bank and the Debtor have agreed to a value for this property at \$144,600.00. Ocwen and the Debtor have not yet reached an agreement as to value, but anticipate such an agreement being reached before confirmation, and the Debtor's Motion to Value and Ocwen's Opposition to the Motion to Value remains pending as of the date of this Disclosure Statement. Nevertheless, even if Ocwen's asserted value of \$200,000.00 is determined to be the value of

this property, due to the three pre-petition liens against the property: \$140.12 to the City of Baltimore for water/sewer, Ocwen Loan Servicing, LLC (Claim No. 19) for a deed of trust in the amount of \$144,600.00, and Harbor Bank (Claim No. 19) for a deed of trust in the amount of \$240,158.56, this property has no liquidation value.

15. *230 South Gilmor Street, Baltimore, Maryland 21223.* Pursuant to Court Order entered November 5, 2015 at Docket No. 148, this property was valued at \$5,000.00. There are two pre-petition liens against this property: \$832.47 owed the City of Baltimore for property taxes, and Popular Loan Services, LLC (no Proof of Claim filed) for a deed of trust in the amount of \$208,611.58. Based on these numbers, this property has no liquidation value.

16. *35 South Highland Avenue, Baltimore, Maryland 21224.* Pursuant to the appraisal attached as part of Exhibit E, the value of this property is \$109,004.00. There are two pre-petition liens against this property: \$2,572.43 owed the City of Baltimore for water/sewer, and Inversiones Kaialde, CA (no Proof of Claim filed) for a deed of trust in the amount of \$171,666.68. Based on these numbers, this property has no liquidation value.

17. *227 South Vincent Street, Baltimore, Maryland 21223.* Pursuant to Court Order entered October 16, 2015 at Docket No. 133, this property was valued at \$64,900.00. There are two pre-petition liens against this property: \$316.61 owed the City of Baltimore for property taxes, and Lakeside National, LLC (no Proof of Claim filed) for a deed of trust in the amount of \$75,000.00. Based on these numbers, this property has no liquidation value.

18. *242 South Wolfe Street, Baltimore, Maryland 21231.* Harbor Bank and the Debtor have agreed to a value for this property at \$103,600.00. Ocwen and the Debtor have not yet reached an agreement as to value, but anticipate such an agreement being reached before confirmation, and the Debtor's Motion to Value and Ocwen's Opposition to the Motion to Value remains pending as of the date of this Disclosure Statement. Nevertheless, even if Ocwen's asserted value of \$238,000.00 is determined to be the value of this property, due to the three pre-petition liens against the property: \$2,210.83 to the City of Baltimore for water/sewer, Popular Loan Services, LLC (no Proof of Claim filed) for a deed of trust in the amount of \$158,747.01, and Harbor Bank (Claim No. 19) for a deed of trust in the amount of \$240,158.56, this property has no liquidation value.

19. *524 Royal Palm Drive, Kissimmee, Florida.* This property is owned jointly with Roberto Noya and Sonia Davila, with the Debtor having a 1/3 interest. Pursuant to the Assessment from the Osceola County Tax Collector's Office, the value of this property is \$87,846.00, and the Debtor's interest is 1/3 of this sum, or \$29,282.00. There are no liens on this property. Based on these numbers, and providing for an estimated 10% for the costs and expenses of sale and Chapter 7 Trustee commissions of \$3,678.20, this property has a net liquidation value of \$16,812.20.

20. *Parcel #331, Rural Saldana, Bo., Rio Arriba, Fajardo, Puerto Rico.* This property is owned jointly with Roberto Noya, Sonia Davila and Eli Sepulveda (the Debtor's step-father), with the Debtor having a 1/6 interest. Although the Debtor has attempted to obtain a written valuation for this raw land, he has been unable to do so. The Debtor's interest was scheduled at \$2,500.00. There are no liens on this property. It is believed that this property has nominal value to the Estate. The debtor's family has been trying to sell the property for the past five years, most recently for \$75,000, with no interest in purchase. The property has no public water or sewer or electricity, and it is believed that, *at best*, the property can be sold for \$60,000. Due to the difficulty of obtaining a written valuation, the full amount of the Debtor's asserted interest, 1/6 of \$60,000.00, or \$10,000.00, will be included in the liquidation analysis.

Personal Property

The Debtor's personal property was scheduled on Schedule B, with applicable exemptions listed on Schedule C.

1. *Cash on Hand.* Cash on hand of \$465.00 was scheduled and exempted in full. This asset has no liquidation value.

2. *M&T Bank Checking.* This account was scheduled at \$5,352.08, and \$4,335.00 of this sum was exempted. The net liquidation value is \$1,017.08.

3. *Wells Fargo Checking.* This account was scheduled at \$33,430.01, of which \$11,350.00 was indicated as representing security deposits for tenants, leaving a net of \$22,080.01, which is its net liquidation value.

4. *Wells Fargo Savings.* This account of \$5,502.68 was scheduled and exempted in full. This asset has no liquidation value.

5. *Bank of America Savings.* This account was scheduled at \$1,966.40, which is its net liquidation value.

6. *E*Trade Account.* This account was scheduled at \$54.32, which is its net liquidation value.

7. *Trade Station Account.* This account was scheduled at \$764.06, which is its net liquidation value.

8. *Household Goods and Furnishings.* These items, jointly held with the Debtor's spouse, were scheduled at \$14,757.00, and \$1,000.00 of this sum was exempted. The remainder, as tenancy by the entireties property, is not subject to attachment or levy for the Debtor's individual debts, and therefore has no net liquidation value.

9. *Books, Pictures, Art Objects, etc.* These items were scheduled at \$1,000.00. Due to their low individual value, it is not anticipated that a Chapter 7 Trustee would liquidate these items, and therefore they have no net liquidation value.

10. *Clothing and Wearing Apparel.* These items were scheduled at \$100.00. Due to their low individual value, it is not anticipated that a Chapter 7 Trustee would liquidate these items, and therefore they have no net liquidation value.

11. *Misc. Jewelry and Watches.* These items were scheduled at \$200.00. Due to their low value, it is not anticipated that a Chapter 7 Trustee would liquidate these items, and therefore they have no net liquidation value.

12. *Bicycle and Camera.* These items were scheduled at \$150.00. Due to their low individual value, it is not anticipated that a Chapter 7 Trustee would liquidate these items, and therefore they have no net liquidation value.

13. *IRA with E*Trade.* This account of \$56.22 was scheduled and exempted in full. This asset has no liquidation value.

14. *100% of Noya Corporation.* This interest was scheduled as having an “unknown” value. As indicated by the pre-petition and post-petition valuations attached and incorporated as Exhibit F, the Debtor’s interest in this business had no liquidation value as of the date of filing, or at the current time.

15. *Purchase and Sale Agreement/Management contract with Kenneth Wentzler and Amanda Fitch.* This interest was scheduled as having an “unknown” value. Although scheduled on Schedule B, this item actually reflected the settlement of a pre-petition lawsuit brought by Mr. Wentzler and Ms. Fitch related to the expiration of the Debtor’s franchise agreements with them for insurance adjusting. Without the contract, there was nothing to operate, and no value for the Debtor’s business operations. Thus the “transfer” of the business operations was, in effect, the transfer of a valueless business. By virtue of the agreement, however, Mr. Noya was able to receive substantial income as an employee. Accordingly, this interest has no liquidation value.

16. *Rental Payments Owed not Reduced to Judgment.* This interest was scheduled as having a value of \$39,720.39. Since the date of filing, the Debtor has collected a portion of this amount, which is currently being calculated, and will be updated as more precise numbers are available, which may increase the distribution to the Class C creditors. A summary of these accounts as of the date of filing will be subsequently attached as Exhibit J.

17. *Rental Payments Owed Reduced to Judgment.* This interest was scheduled as having a value of \$184,817.89. Since the date of filing, the Debtor has collected no monies on these judgments. Most of the accounts are for Section 8 tenants, who are judgment proof, and three of the judgment debtors have died. A summary of these ac-

counts as of the date of filing is attached as Exhibit K. Accordingly, it is not believed that these accounts receivable had any liquidation value as of the date of filing, or at the current time.

18. *Potential Claims.* The Debtor scheduled a number of potential claims, with an unknown value. Since the filing, the Debtor has taken no actions against any of the potential claimants, and does not currently plan on taking any such action, other than claims for due but unpaid rent incurred in the ordinary course of his business. Accordingly, this items has no liquidation value.

19. *Office Equipment.* These items were scheduled at \$125.00. Due to their low individual value, it is not anticipated that a Chapter 7 Trustee would liquidate these items, and therefore they have no net liquidation value.

20. *Misc. Tools and Equipment.* These items were scheduled at \$400.00. Due to their low individual value, it is not anticipated that a Chapter 7 Trustee would liquidate these items, and therefore they have no net liquidation value.

21. *Animals.* The Debtor's pet Chihuahua, "Lovely," is not believed to have any liquidation value. She is not a show or breeding animal.

Potential Fraudulent Conveyance.

There is a potential fraudulent conveyance involving the property formerly owned by the Debtor at 640 East 33rd Street, Baltimore, Maryland 21218. This property was purchased by the Debtor in 2007, and was transferred to his spouse, Irene Azkue, by a no-consideration deed recorded on March 8, 2013. This property was valued on Schedule A at \$185,000.00, and is encumbered by a deed of trust in favor of Marko Mortgage Company, LLC, for approximately \$240,000.00. Marko was scheduled as a secured creditor, and the property was scheduled, with the indication that it was in the Debtor's spouse's name.

At the time of the transfer, the liens on the property exceed its value. Accordingly, it is believed that this transfer did not constitute a fraudulent conveyance under Md. Code Ann., Com. Law § 15-204, and that the estate is not required to and will not pursue the property's recovery under 11 U.S.C. § 548.

There is a potential fraudulent conveyance with regard to the purchase and sale management contract with Wentzler & Fitch. This agreement was reached as the result of negotiations and settlement of pre-petition litigation. It is believed that the contract was a favorable resolution of the litigation, and that comparable value was received for the transfer. The contract is ongoing, did not constitute a fraudulent conveyance under Md. Code Ann., Com. Law § 15-204, and the estate is not required to and will not pursue the "property's" recovery under 11 U.S.C. § 548.

Debtor In Possession Account.

On the date of filing, the Debtor had \$47,069.55 in cash in the Debtor in Possession (“DIP”) Account, as shown on the June 2014 Monthly Operating Report (“MOR”) filed at Docket No. 54. As of the most recently filed MOR for August 2016, filed at Docket No. 231, the Debtor showed \$82,674.29 in the DIP Account, a difference of \$35,604.74, which reflects post-petition cash on hand resulting from post-petition income.

Although post-petition income from wages in an individual Chapter 11 case does not constitute an asset for the purposes of the Chapter 7 liquidation analysis, *see Press & Weiss, Who Gets the Money? The DIP Account, Liquidation Test and Conversion in Individual Chapter 11 Cases*, ABI Journal, February 2014 at 16, post-petition rents *are* considered such an asset. In the within case, because the Debtor receives income both from rents and from employment, determining what portion of the DIP account is attributable to each is difficult. For the purposes of the liquidation analysis, however, the Debtor will look at the percentage of his total post-petition income attributable to his net rents, and the percentage attributable to his net employment income.

It appears that Debtor’s current income from employment is \$6,706.93 per month, and his current rental income is \$17,418.50 per month. However, these figures do not accurately reflect the origin of the proceeds of the funds in the DIP account. It is necessary to take into account the expenses associated with the properties, \$12,563.84 per month, which leaves a net of \$4,854.66 per month. Thus, 42% of the funds in the DIP account should be allocatable to the Debtor’s post-petition rent, and thus includible for the purposes of the Chapter 7 Liquidation Analysis. Taking 42% of the \$35,604.74 post-petition DIP funds means that the liquidation value of the DIP account is \$14,953.99.

Liquidation Summary.

In the event of liquidation of the Debtor’s estate, as indicated on the Liquidation Analysis Worksheet attached as Exhibit L, the net liquidation value of the Debtor’s estate is, pre-tax, \$80,554.44. The Plan pays \$95,000.00 to general unsecured creditors, which is approximately 6.02% of general unsecured claims (which includes the unsecured portion of stripped down/stripped off claims). There are no avoidable prepetition transfers.

As such, after payment of secured claims, it is clear that the distribution to unsecured creditors in a Chapter 7 liquidation would be less than under this Plan.

VII. CURRENT CIRCUMSTANCES AND REPAYMENT PROJECTIONS

The circumstances that led to Mr. Noya’s bankruptcy filing were largely caused by the global recession, franchise litigation, and by the steep drop in value of his properties. With the restructuring of a number of the debts on his investment properties, and the surrender of other property, Mr. Noya will be able to rent these properties at a profit, which

will enable him to make payments to his creditors. Mr. Noya also believes that the local economy has stabilized to such an extent that he will be able to rent his properties to tenants who will be able to maintain their rent payments.

Additionally, Mr. Noya has continued to build his independent insurance adjusting business over the past several years. The debtor believes that he will be able to increase his salary as the business continues to grow.

The Debtor projects that the priority claims of the City of Baltimore will be paid in full over 48 months, with interest. The secured claims of the City of Baltimore and Baltimore County for property tax claims and water/sewer claims will be paid in full over 48 months, with interest, except for the claim of City of Baltimore on South Vincent Street, where the property securing its lien will be surrendered in full satisfaction of that debt. The secured claims of the two tax sale purchasers will be paid in full over approximately 36 months, with any statutory interest due.

The secured claims of MD Specialty Homes, LLC will be paid the value of its collateral, over 36 months, with the balance of its claims to be treated as a general unsecured claim.

The secured claims of The Harbor Bank of Maryland will be paid the value of its collateral, over time, with the balance of its claims to be treated as a general unsecured claim.

The secured claim of Americas Servicing Company will be paid the value of its collateral, over time, with the balance of its claims to be treated as a general unsecured claim.

The secured claim of ETC will be paid a reduced secured claim at a reduced interest rate, with interest only payments for five years and a balloon.

The secured claim of Joan & C. Robert Revocable Trust will be paid a reduced secured claim at a reduced interest rate, with interest only payments for five years and a balloon.

The secured claim of Ocwen Loan Servicing, LLC on Mosby Avenue will be paid pre-confirmation arrearages over time. Its secured claim on South Durham will be paid the value of its collateral, over time, with the balance of its claim to be treated as a general unsecured claim.

The secured claim of Seterus Inc. will be paid pre-confirmation arrearages over time.

The secured claim of JPMorgan Chase Bank will be paid the value of its collateral, over time, with the balance of its claim to be treated as a general unsecured claim.

The secured claims of Popular Loan Services, LLC will be paid the value of its collateral, over time, with the balance of its claims to be treated as a general unsecured claim.

The secured claim of Inversiones Kaialde, CA will be paid pre-confirmation arrearages over time.

The property securing the claim of Lakeside National, LLC, will be surrendered in full satisfaction of its claim.

The secured claim of BSI Financial Services, Inc. will be paid pre-confirmation arrearages over time.

General unsecured creditors, including the unsecured portion of stripped off/stripped down claims, will be paid a portion of their claims.

VIII. TAX CONSEQUENCES

The Debtor is not qualified to advise creditors of the specific tax ramifications to them of confirmation of the Plan, and therefore make no representations in this regard. However, the Debtor is not aware of any potential material federal tax consequences to creditors that would result from confirmation of the Plan. Each creditor is urged to consult with a tax advisor as to such matters.

No material tax consequences to the Debtor is anticipated as a result of confirmation of the Plan. Any forgiveness of indebtedness would be exempt from taxation under IRC § 108. The Debtor's basis in the secured property will have to be adjusted, but no tax will be due as a result thereof until any such property is sold.

IX. INCOME

As indicated in the Monthly Operating Report summary (Exhibit B), the Debtor's cash flow since the date of filing has generally been positive. Due in large measure to a number of secured creditors not seeking adequate protection payments, the Debtor has been able to accumulate approximately \$83,000.00 in the Debtor-in-Possession account. These funds, along with income from rental of the Debtor's investment property and employment income, are sufficient to allow appropriate funding of the Chapter 11 Plan.

X. MODIFICATIONS OR WITHDRAWALS OF THE PLAN

The Debtor may alter, amend, or modify the Plan under § 1127(a) of the Bankruptcy Code at any time before the Confirmation Date, so long as the Plan, as modified, meets the requirements of §§ 1122 and 1123. The Debtor may also alter, amend, or modify the Plan under § 1127(b), following the Confirmation Date but before the Effective

Date. The Debtor may revoke or withdraw the Plan before the Confirmation Date. If the Plan is revoked or withdrawn before the Confirmation Date, the Plan shall be of no force or effect, and shall be deemed null and void. If the Plan is revoked or withdrawn before the Confirmation Date, nothing contained herein shall in any way effect or prejudice the rights of the Debtor with regard to claims, avoidance actions, or any other rights or interests. After confirmation, the plan may be modified pursuant to § 1127(e). The payments on the Class B claims shall not be deemed payments under the plan for purposes of § 1127(e), such that the plan may not be modified under § 1127(e) after payment in full of Class C claims.

XI. OBJECTIONS TO CLAIMS, COUNTERCLAIMS, AND AVOIDANCE ACTIONS

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

XII. MISCELLANEOUS PLAN PROVISIONS

A. *Executory Contracts and Unexpired Leases.*

Pursuant to Article VI of the Plan, any prepetition Executory Contracts and Leases in effect as of the Effective Date (other than any leases to tenants) 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 Debtor's Estate, Assets, or properties. All Rejection Claims shall be Class C General Unsecured Claims.

B. *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. Upon substantial consummation of the plan, the case shall be closed, but shall be subject to re-

opening to enforce the terms of this Plan and to enter a discharge. This provision serves to avoid the need to pay U.S. Trustee fees after substantial consummation, an expense Debtor can ill afford. The Debtor is authorized and empowered to issue, execute and deliver such documents and instruments and to take such action as may be necessary to implement the Plan and the actions authorized by this Order.

C. *Absolute Priority Rule.*

Pursuant to the United States Court of Appeals for the Fourth Circuit's ruling in *In re Maharaj*, 681 F.3d 558 (4th Cir. 2012), the Absolute Priority Rule ("APR") provisions of 11 U.S.C. § 1129(b)(2)(B)(ii) may be applicable to the within case. This section states, "the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property, except that in a case in which the debtor is an individual, the debtor may retain property included in the estate under section 1115, subject to the requirements of subsection (a)(14) of this section." Subsection (a)(14) deals with domestic support obligations inapplicable to this case. The APR applies only where the general unsecured class, here Class C, votes against its proposed treatment under the Plan. It is believed that the Class C creditors will vote in favor of the Plan; if they do not, the APR would apply.

If the APR applies, the Debtor is proposing that on the Effective Date of the Plan, his existing equity interests in the Estate shall be cancelled, and that he shall pay to General Unsecured Creditors a total of \$5,000.00 on the Effective Date of the Plan as new value to reacquire the equity in the Estate, which new sum will come from funds which are exempt and/or not property of the Estate. This sum is in addition to the payment of the sums to be paid to the General Unsecured Creditors pursuant to Section QQ. This sum is believed to be sufficient to address the requirements of the "new value rule." The new value is paid into the Plan by the debtor to essentially "repurchase" this old equity, so that the debtor may continue ownership of his assets "on account of a substantial, necessary, and fair new value contribution." *In re RTJJ, Inc.*, 2013 Bankr. LEXIS 481 (Bankr. W.D.N.C. Feb. 6, 2013) (quoting *In re Bonner Mall P'ship*, 2 F.3d 899, 909 (9th Cir. 1993)). The value of the non-exempt assets retained, as demonstrated in Section VI herein, is \$80,554.44. A sum greater than this amount, \$95,000.00, will be paid to the General Unsecured Creditors through the Plan. No creditor has sought to file a competing Disclosure Statement or Chapter 11 Plan, nor despite the fact that the first Disclosure Statement in this case proposing the \$5,000.00 APR payment was filed over 10 months ago, has a creditor submitted a competing offer. Accordingly, it is believed that the \$5,000.00 payment proposed is reasonably equivalent to the value received.

D. *Liens.*

Except as otherwise provided herein, holders of allowed secured claims shall retain their liens.

XIII. DISCHARGE

Upon completion of all payments due to Class C 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 A, B and C claims). The payments on the Class B claims shall not be deemed payments under the plan for purposes of § 1141(d)(5)(A), such that the Debtor shall be entitled to his discharge upon completion of payments to Class C claims.

XIV. CONCLUSION

As stated previously, the Debtor is the proponent of the Plan and urges you to vote to accept the Plan. The information and materials provided in this Disclosure Statement are intended to assist you in voting on the Plan in an informed fashion. Since confirmation of the Plan will be binding on your interests, the Debtor invites you to review these materials and make such further inquiries as may be appropriate.

November 13, 2016

Respectfully Submitted,

CHUNG & PRESS, LLC

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