IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
At Greenbelt

In Re: PJ Real Estate LLC	*	Case No. 17-18758-WIL
Debtor (s)	*	Chapter 11

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AMENDED DISCLOSURE STATEMENT

I. INTRODUCTION.

PJ REAL ESTATE LLC ("debtor" or "PJ REAL ESTATE"), provides this Disclosure Statement (hereinafter "Statement") to all of its known creditors in order to disclose that information deemed by the debtor to be material, important, and necessary for its creditors to arrive at a reasonably informed decision in exercising their right to vote for acceptance of the debtor's proposed Plan of Liquidation.

After approval of this Statement by the United States Bankruptcy Court, and the Plan or Reorganization filed and served on the creditors, and the creditors will have the opportunity object and/or be heard.

NO REPRESENTATIONS CONCERNING THE DEBTOR (PARTICULARLY AS TO HIS FUTURE INCOME AND EXPENSES AND THE VALUE OF ANY PROPERTY) ARE AUTHORIZED BY THE DEBTOR OTHER THAN AS SET FORTH IN THIS STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE WHICH ARE OTHER THAN AS CONTAINED IN THIS STATEMENT SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION, AND SUCH ADDITIONAL REPRESENTATION AND INDUCEMENT SHOULD BE REPORTED TO COUNSEL FOR THE DEBTOR, WHO IN TURN SHALL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE. THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECTED TO A CERTIFIED AUDIT. FOR THE FOREGOING REASON, AS WELL AS BECAUSE OF THE COMPLEXITY OF THE DEBTOR'S FINANCIAL MATTERS, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THE INFORMATION CONTAINED HEREIN IS WITHOUT ANY INACCURACY, ALTHOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE.

II. **HISTORICAL BACKGROUND**.

PJ Real Estate LLC is a holdings company and is a single asset real estate debtor. It now holds commercial real property located at 5710 Woodcliff Road, Units 4, Bowie, Maryland, 20719.

PJ Real Estate is a small limited liability company being owned and operated by its principals, Paul Burns and Jennifer Keller. The single asset real estate owned by the debtor was purchased on or about April 13 2006, with a mortgage held by M&T Bank, who filed its proof of claim on July 27, 2017, at claim no. 4-1.

As the principals stated in the 341 meeting of creditors, the debtor as a shell holdings company, "rents" or leases its space to the principals' main incorporated business, doing business as Porcelain Tub/Porcelain Refinishers. This company primarily engages in repair work for bathroom showers and tubs. The business conducted has been ongoing since the acquisition of the real estate back in 2006.

This is not your typical Chapter 11 case with large assets and multiple creditors. There is one primary secured creditor – M&T Bank, and a total of five (5) claims, 4 of which are secured, and one small unsecured, general non-priority tax claim for only $500.

The Debtor engaged the services of a realtor who is authorized by the Court to list and sell said property. The real property is presently listed for sale at $380,000.

The Debtor has worked a temporary operating agreement with counsel for M&T Bank, Mr. Dubose, to pay reasonable "adequate protection" payments in the amount of $2500 while the commercial property is listed on the market and pending sale.

The following is the proposed "Plan of Liquidation".

III. PLAN OF LIQUIDATION (through 363(b) sale of Asset(s)).

Provisions of Plan: The debtor's Plan of Reorganization divides his creditors into four (4) Classes.

Class 1 -- U. S. Trustee Quarterly Fees. Class 1 consists of the Administrative Claim of the Office of the United States Trustee for quarterly fees required to be paid pursuant to 28 U.S.C. § 1930(a)(6) both pre-confirmation and post-confirmation of this Plan until the Case is closed by the entry of a Final Decree or dismissed, and the debtor's Plan provides that the date of entry of a Final Decree will relate back to the date of filing of a request for entry of same so that in the event that an Order closing the Case is entered in a later calendar year quarter the quarterly fees which the debtor might otherwise be obligated to pay will terminate with the quarter during which the request for Final Decree is filed in order to maximize the debtor's assets available for distribution to creditors. The debtor believes that this Class is not impaired pursuant to 11 U.S.C. §.1124(1); as such, this Class does not vote on the Plan.

Class 2 -- Allowed Administrative Claims. Class 2 consists of holders of Allowed Administrative Claims incurred in the administration of the Case for the fees and expenses of Professional Persons as allowed by the Court, including the costs and attorneys' fees incurred in the preparation and resolution of the Plan and this Statement. These allowed claims shall be paid in full on the later of (a) the Effective Date of the Plan (as defined in the Plan), (b) the date when payment next becomes due in the ordinary course of business, (c) the date upon which the claim becomes an Allowed Claim (as defined in the Plan), or (d) at such other time as may be agreed upon. The Plan does not impair these claims. The Plan provides that claims in this Class for costs and expenses in or in connection with the Case, or in connection with the Plan and incident to the Case are subject to the approval of the Court as reasonable. The debtor's undersigned special counsel, John P. Roberts, estimates that upon confirmation of the Plan that his administrative claim for professional services rendered in this case will be approximately $10,000 in excess of the retainer received. Notice to creditors will be issued on any application for compensation and reimbursement of expenses. Allowed Claims in Class 2 are not claims for voting purposes. The debtor believes that this Class is not impaired pursuant to 11 U.S.C. §.1124(1); as such, this Class does not vote on the Plan.

Class 3 -- Allowed Pre-petition Secured Claims. This Class consists of the Allowed Secured Claims. Allowed Claims in the total amount are shown below as adjusted after the sale of the first unit (Unit 3):

Claimant		Amount Owed	Claim Number
M&T Bank		$ 356,135.16	4
Prince George's County, MD*	n/a	$ 3765.53	2
Prince George's County, MD**	n/a	$ 71.79	3
Woodcliff Condominium Assoc.		$ 20,625.00	6

*Property Tax for each unit (Units 3 and 4)
**Personal property tax bill for the Debtor

The Bar Date deadline for the timely filing of proofs of claim is October 30, 2017, for all creditors except a governmental unit and December 26, 2017, for a governmental unit claims. The amount of general unsecured debts listed on Schedule F by the debtor was none.

Proposal to Allowed Class 3 Secured Claims: After the Debtor files its motion to sell the real property under Section 363(b), and after a hearing, the secured claims will be treated for and paid in the ordinary course of business in commercial real estate sales transaction, with an approved arms-length bona fide purchaser for value at fair market rate.

Class 4 – Allowed Pre-Petition General Unsecured Claims This Class consists of Allowed Pre-petition General Unsecured Claims, not entitled to priority and not otherwise classified in any other Class.

Claimant	Claimed	Number
IRS	$ 780.00	5

Proposal to Allowed Class 4 General Un-Secured Claims: After the Debtor liquidates and sells its assets under Section 363(b), any surplus left over after all secured claims are paid in full, *if any*, will be distributed to each allowed Class 4 Claim on a pro-rata basis. Otherwise, if there is no surplus after all allowed secured claims are paid, in full, then these Class 4 claims will go unpaid, as they would be treated in a Chapter 7 liquidation setting.

IV. VOTING ON PLAN, AND CONFIRMATION REQUIREMENTS

A. Ballots and Voting Deadline:

A Ballot is to be used for 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 of the Bankruptcy Court. Creditors of the Debtor must carefully (1) review the Ballot and instructions thereon; (2) execute the Ballot and return the completed ballot to John Roberts, Esq., 348 Thompson Creek Mall #212, Stevensville, MD 21666, so as to be received by 5:00 p.m. on ____________________.

B. Creditors Entitled to Vote

You are entitled to vote on the Plan unless: (1) your claim or interest is Disputed (as defined in the Plan); (2) your class is to receive no distribution (presumed to reject the Plan); (3) your class is "unimpaired" (presumed to accept the Plan) or (4) your claim is unclassified (and thus is required by law to be paid in full) (§§ 1123(a)(1) & 1129(a)(9)(A) & (C)). If your claim or interest is Disputed then you must file a motion to have it allowed for voting purposes (you must do that soon, so that your motion can be heard before votes are counted) (Rule 3018(a)).

C. Effect of vote:

The Plan will be confirmed only if (1) it is accepted by each impaired class, or (2) it is accepted by at least one impaired class (without counting the votes of "insiders," as defined in § 101(31)) and the court determines that the Plan is "fair and equitable" (as defined by § 1129(b)) to all rejecting classes of creditors, and (3) it meets all of the other legal requirements for confirmation. A class of creditors accepts the Plan if a majority in number and at least two-thirds in dollar amount of the claims in that class are timely voted in favor of the Plan (§ 1126(c)). A class of interests accepts the Plan if at least two-thirds of those interests are timely voted in favor of the Plan (§ 1126(d)).

D. Solicitation of votes:

Nobody is permitted to solicit your vote to accept or reject any plan during the bankruptcy case unless, at or before the time of the solicitation, you have been provided with the plan or a summary of the plan and a written disclosure statement that has been approved by the court as containing adequate information for you to make an informed judgment about the plan. Then any person may solicit your vote for or against the Plan.

E. Who may object:

Even if you are not entitled to vote, you can object to confirmation of the Plan if you believe that the requirements for confirmation are not met (and if you are a party in interest in this bankruptcy case). For the deadlines and procedures, see the enclosed order or court-approved notice.

V. FINANCIAL INFORMATION.

A. Analysis of Liabilities.

In order for a creditor to arrive at a reasonably informed decision before exercising its rights to vote on a Plan of Reorganization or the expected proposed 363(b) sale of assets, the proposed distribution under a Plan must be considered in light of what the creditor could reasonably anticipate receiving under the alternative of a liquidation (Chapter 7) case. In arriving at this decision, a creditor must consider two factors: (1) the liabilities to be paid in a Chapter 7 case in the order of their priority as established by the Bankruptcy Code, and (2) the liquidation value of the debtor's assets in a Chapter 7 case. The first area of inquiry encompasses the liabilities as scheduled by the debtor or as claimed by the creditors. The debtor's schedules, claims filed, and Orders of the Bankruptcy Court reflect the following debts:

Secured debts (Schedule D):	$578000.00
Priority Unsecured debts (Schedule E):	$ 0.00
General Unsecured debts (Schedule F):	$ 0.00
Total:	$578,000.00

Timely filed proofs of claim, when analyzed in comparison to scheduled debts, reflect the following, as has been discussed above:

Secured debts (Schedule D):	$ 706,413.34
Priority Unsecured debts (Schedule E):	$ 0.00
General Unsecured debts (Schedule F):	$ 780.00
Total:	$ 707,193.34

In a Chapter 7 proceeding, in addition to and prior to any payment on the foregoing liabilities, the bankruptcy estate would be responsible for the payment of the costs of administration incurred by the trustee in the Chapter 7 case and the costs of administration incurred by the debtor in the Chapter 11 case as may be approved by the Bankruptcy Court. Chapter 11 administrative expenses are estimated at $10,000.00 and are classified in Class 2. Chapter 7 administrative expenses would consist primarily of trustee's commissions and expenses for the liquidation of the debtor's assets as established by the Bankruptcy Code and any professional fees incurred by the trustee for attorneys or accountants; these are estimated at $5,000.00 in light of the absence of any non-exempt equity in assets that would be available for unsecured creditors in the debtor's opinion. The proceeds of the sale of the debtor's non-exempt assets, if any, would first distributed to these debts and then priority tax debts, if any, and only then to the payment of general unsecured claims in the following priority:

Chapter 7 administrative expenses (est.)	$ 5,000.00
Chapter 11 Administrative Expenses (est.)	$ 10,000.00
Scheduled and Claimed Secured, Tax and General Unsecured debts:	$707,193.34
Total:	$722,193.34

B. Analysis of Assets.

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

Book Value:	Acquisition cost less depreciation, if any.
Going Concern Value:	Estimated market value, regardless of cost, of a business continuing in operation.
Liquidation Value:	Value estimated to be realizable in the event of a forced liquidation.

The schedules of assets filed by the debtor show the following assets and fair market values:

Real property	Scheduled Value
5710 Woodcliff	
Personal property	
None	
	Total: $578,000.00

Experience has proven that there is a substantial difference in the valuation of assets between the book value and the value actually realized upon liquidation. Therefore, the central issue is what the debtor or a Chapter 7 trustee would realize from the debtor's assets in the event that the debtor were forced to convert his Chapter 11 case to a Chapter 7 case and were his non- exempt assets forced to be liquidated at public sale.

REAL PROPERTY

The Scheduled Real Property is divided into two units. The assessed value, if the Debtor reads the the property tax claims properly, is $182,600, for each unit, multiplied by two, or $365,200. Determining the Fair market value is difficult in a commercial setting, but it is believed to be roughly between $275,000 and $300,000 each unit, or $550,000 - $600,000.

C. Analysis of Financial Performance.

Monthly Operating reports show essentially no income. Again, the Debtor is a shell holdings company. The principals who run their business can barely afford to maintain rent payments to the Debtor, which rent is then forwarded to M&T Bank, at $2500 monthly.

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

VI. **OBJECTIONS TO PROOFS OF CLAIM**.

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

The Plan of Liquidation filed, though a §363(b) motion to sell assets would provide for the Court to retain jurisdiction for the purposes of resolving objections to claims which may be filed after the Effective Date of the Plan. The filing of an objection to any proof of claim filed against the debtor and/or his estate shall preclude the consideration of any such claim as "Allowed" for the purposes of a distribution which otherwise might be due to such claimant in accordance with the terms of the Plan. In all contested proof of claim matters, distributions upon the claim amount, to the extent it has actually become payable, will be deposited in a non-interest bearing escrow account pending resolution of the dispute, either through negotiation or judicial determination. If the objection is sustained, in whole or in part, or if any claim is determined to be in the amount of zero ($0.00) dollars, then the funds previously reserved to which the creditor may no longer be entitled to receive as distribution shall be redistributed among creditors *pro rata* as appropriate.

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

A. Recommendation .

At this juncture, the debtor recommends proceeding toward a Plan of Liquidation through the mechanism of a motion to sell assets under 363(b) of the US Bankruptcy code.

B. Tax Ramifications.

Any distribution under the Plan or through a §363(b) sale entails certain tax consequences for the recipient. In addition, the debtor's discharge of his obligations upon substantial consummation of his Plan will impact his creditors. The debtor makes no representation with regard to any such tax consequences. To the extent necessary, you may wish to consult with your financial or tax advisor. Certainly, the receipt of income by the debtor has tax ramifications to the debtor as well, which in turn, could reduce the projected disposable income. The debtor's discharge, if any, will also have tax implications for the debtor which may affect his future disposable income. In particular, the sale or other disposition of any of the debtor's property may result in capital gains or other tax consequences to the debtor under circumstances where the debtor may not receive any monetary benefit from the sale of the property in light of a lack of equity, necessitating the use of the debtor's present disposable income for the payment of these tax consequences. The debtor is utilizing his future income for the payment of debts to retain possession of property -- particularly under circumstances where there may be little or no equity which might be available to general unsecured creditors, it is reasonable for the debtor to propose that the future income also pay any future tax liability, including tax liability which will arise from the discharge of indebtedness. These and other tax consequences have not been taken into account in the formulation of their Plan and thus the debtor's future ability to maintain the payments which he has proposed to make may be impacted by events which can not be anticipated or foreseen.

VIII. CONCLUSION.

The debtor believes that based on the financial information disclosed herein and the documents filed in the Bankruptcy Court that the proposed Plan of Liquidation filed concurrently herein to sell the asset(s) under section 363(b) free and clear of all liens affords its creditors an opportunity to realize amounts equal to or in excess of that which would be realized upon the liquidation of the debtor's assets under Chapter 7. The debtor urges each creditor to review this Disclosure Statement, and the Statement of Affairs and Schedules on file with the Bankruptcy Court, as well as the debtor's monthly report(s) of income and expenses which are also on file with the Bankruptcy Court, before coming to a decision as to the acceptability of this proposed Plan or Reorganization or Plan of Liquidation through §363(b) sale of assets.

Should you have any questions after consulting with your own counsel, you may contact the offices of John Roberts at the address below.

Dated: April 2, 2018

Respectfully submitted:

/s/ Paul Burns, President
PJ Real Estate, LLC

/s/ John P. Roberts
John P. Roberts, Bar No. 17578
The John Roberts Law Firm, PC
348 Thompson Creek Mall #212
Stevensville, MD 21666

CERTIFICATE OF SERVICE

I hereby certify that on the 3rd day April, 2018, I reviewed the Court's CM/ECF system and it reports that an electronic copy of the **Debtor's Amended Disclosure Statement**

was served electronically by the Court's CM/ECF system on the following:

Chapter 11 Trustee, Leander D. Barnhill leander.d.barnhill@usdoj.gov

US Trustee - Greenbelt USTPRegion04.GB.ECF@USDOJ.GOV

Richard A. DuBose rdubo@gebsmith.com

Attorney for M&T Bank

M. Evan Meyers bdept@mrrlaw.net

Attorney for Prince George's County

I hereby further certify that on the 3rd day of April, 2018, I caused to be mailed by US Mail, postage prepaid the **Debtor's Amended Disclosure Statement**, to the following:

See Attached Service List for Mailing

/s/ John P. Roberts
John P. Roberts, Bar No. 17578
The John Roberts Law Firm, PC
348 Thompson Creek Mall #212
Stevensville, MD 21666
202-350-0336