

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

BKY Case No. 15-34301

Christ's Household of Faith, Inc.,

Chapter 11 Case

Debtor.

**DISCLOSURE STATEMENT IN SUPPORT OF
DEBTOR'S CHAPTER 11 PLAN OF REORGANIZATION
DATED JANUARY 13, 2017**

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| THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS 5:00 P.M. CENTRAL TIME ON _____, 2017, UNLESS EXTENDED BY ORDER OF THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MINNESOTA |
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THIS DISCLOSURE STATEMENT, THE DEBTOR'S CHAPTER 11 PLAN OF REORGANIZATION DATED JANUARY 13, 2017, THE ACCOMPANYING BALLOTS, AND THE RELATED MATERIALS ARE BEING FURNISHED BY THE DEBTOR, PURSUANT TO SECTIONS 1125 AND 1126 OF THE BANKRUPTCY CODE, IN CONNECTION WITH THE SOLICITATION BY THE DEBTOR OF VOTES TO ACCEPT THE PLAN AS DESCRIBED IN THIS DISCLOSURE STATEMENT.

THE CONFIRMATION AND EFFECTIVENESS OF THE PLAN ARE SUBJECT TO MATERIAL CONDITIONS PRECEDENT, SOME OF WHICH MAY NOT BE SATISFIED. SEE ARTICLE IX OF THE PLAN. THERE IS NO ASSURANCE THAT THESE CONDITIONS WILL BE SATISFIED OR WAIVED.

HOLDERS OF CLAIMS AGAINST THE DEBTOR ARE ENCOURAGED TO READ AND CAREFULLY CONSIDER THE MATTERS DESCRIBED IN THIS DISCLOSURE STATEMENT.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS AGAINST THE DEBTORS (INCLUDING, WITHOUT LIMITATION, THOSE HOLDERS OF CLAIMS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE BOUND BY THE TERMS OF THE PLAN AND THE TRANSACTIONS DESCRIBED.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF ANY SECURITIES THAT MAY BE DEEMED TO HAVE BEEN ISSUED PURSUANT TO THE

PLAN OR OF THIS DISCLOSURE STATEMENT, OR HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT.

THIS DISCLOSURE STATEMENT IS NOT AN OFFER TO SELL SECURITIES AND IS NOT A SOLICITATION OF AN OFFER TO BUY SECURITIES IN ANY STATE WHERE SUCH OFFER OR SALE IS NOT PERMITTED.

TO THE EXTENT ANY TREATMENT UNDER THE PLAN IS DEEMED TO CONSTITUTE THE ISSUANCE OF A SECURITY, NONE OF SUCH SECURITIES WILL HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT, OR UNDER ANY STATE SECURITIES OR "BLUE SKY" LAWS, AND SUCH SECURITIES WILL BE ISSUED IN RELIANCE UPON EXEMPTIONS FROM THE SECURITIES ACT AND EQUIVALENT STATE LAWS OR SECTION 1145 OF THE BANKRUPTCY CODE.

THERE HAS BEEN NO INDEPENDENT AUDIT OF THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT OR IN ANY EXHIBIT EXCEPT AS EXPRESSLY INDICATED IN THIS DISCLOSURE STATEMENT OR IN ANY EXHIBIT. THIS DISCLOSURE STATEMENT WAS COMPILED FROM INFORMATION OBTAINED BY THE DEBTOR FROM NUMEROUS SOURCES BELIEVED TO BE ACCURATE TO THE BEST OF THE DEBTOR'S KNOWLEDGE, INFORMATION, AND BELIEF.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF, AND THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION IS CORRECT AT ANY TIME SUBSEQUENT TO THIS DATE AND THE DEBTOR UNDERTAKES NO DUTY TO UPDATE THE INFORMATION.

THIS DISCLOSURE STATEMENT AND THE RELATED DOCUMENTS ARE THE ONLY DOCUMENTS AUTHORIZED BY THE BANKRUPTCY COURT TO BE USED IN CONNECTION WITH THE SOLICITATION OF VOTES ACCEPTING OR REJECTING THE PLAN. NO REPRESENTATIONS ARE AUTHORIZED BY THE BANKRUPTCY COURT CONCERNING THE DEBTOR, ITS BUSINESS OPERATIONS, THE VALUE OF ITS ASSETS OR THE VALUES OF ANY INTERESTS DESCRIBED TO BE ISSUED OR BENEFITS OFFERED PURSUANT TO THE PLAN, EXCEPT AS EXPLICITLY SET FORTH IN THIS DISCLOSURE STATEMENT, OR ANY OTHER DISCLOSURE STATEMENT OR OTHER DOCUMENT APPROVED FOR DISTRIBUTION BY THE BANKRUPTCY COURT. HOLDERS OF CLAIMS SHOULD NOT RELY UPON ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE ACCEPTANCE OF THE PLAN OTHER THAN THOSE SET FORTH IN THIS DISCLOSURE STATEMENT.

FOR THE CONVENIENCE OF HOLDERS OF CLAIMS, THIS DISCLOSURE STATEMENT SUMMARIZES THE TERMS OF THE PLAN AND CERTAIN OF THE PLAN DOCUMENTS. IF THERE IS ANY INCONSISTENCY BETWEEN THE PLAN OR THE APPLICABLE PLAN DOCUMENTS AND THIS DISCLOSURE STATEMENT, THE TERMS OF THE PLAN OR THE APPLICABLE PLAN DOCUMENTS ARE CONTROLLING. THE

SUMMARIES OF THE PLAN AND THE PLAN DOCUMENTS IN THIS DISCLOSURE STATEMENT DO NOT PURPORT TO BE COMPLETE AND ARE SUBJECT TO, AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO, THE FULL TEXT OF THE PLAN AND THE APPLICABLE PLAN DOCUMENTS, INCLUDING THE DEFINITIONS OF TERMS CONTAINED IN THE PLAN AND OTHER PLAN DOCUMENTS. ALL HOLDERS OF CLAIMS ARE ENCOURAGED TO REVIEW THE FULL TEXT OF THE PLAN AND THE PLAN DOCUMENTS, AND TO READ CAREFULLY THIS ENTIRE DISCLOSURE STATEMENT, INCLUDING ALL EXHIBITS.

THIS DISCLOSURE STATEMENT MAY NOT BE RELIED ON FOR ANY PURPOSES OTHER THAN TO DETERMINE WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN, AND NOTHING STATED IN THIS DISCLOSURE STATEMENT SHALL CONSTITUTE AN ADMISSION OF ANY FACT OR LIABILITY BY ANY PERSON, OR BE ADMISSIBLE IN ANY PROCEEDING INVOLVING THE DEBTOR OR ANY OTHER PERSON, OR BE DEEMED CONCLUSIVE EVIDENCE OF THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN ON THE DEBTOR OR HOLDERS OF CLAIMS.

THIS DISCLOSURE STATEMENT CONTAINS STATEMENTS THAT ARE FORWARD-LOOKING. FORWARD-LOOKING STATEMENTS ARE STATEMENTS OF EXPECTATIONS, BELIEFS, PLAN, OBJECTIVES, ASSUMPTIONS, PROJECTIONS, AND FUTURE EVENTS OF PERFORMANCE. AMONG OTHER THINGS, THIS DISCLOSURE STATEMENT CONTAINS FORWARD-LOOKING STATEMENTS WITH RESPECT TO ANTICIPATED FUTURE PERFORMANCE OF THE DEBTOR AND RELATED ENTITIES, DETERMINATION OF CLAIMS, AND DISTRIBUTIONS ON CLAIMS. THESE STATEMENTS, ESTIMATES, AND PROJECTIONS MAY OR MAY NOT PROVE TO BE CORRECT. ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE REFLECTED IN THESE FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS ARE SUBJECT TO INHERENT UNCERTAINTIES AND TO A WIDE VARIETY OF SIGNIFICANT BUSINESS, ECONOMIC, AND COMPETITIVE RISKS, INCLUDING THOSE DESCRIBED IN THIS DISCLOSURE STATEMENT. THE DEBTOR UNDERTAKES NO OBLIGATION TO UPDATE ANY FORWARD-LOOKING STATEMENT. NEW FACTORS EMERGE FROM TIME TO TIME AND IT IS NOT POSSIBLE TO PREDICT ALL SUCH FACTORS, NOR CAN THE IMPACT OF ANY SUCH FACTORS BE ASSESSED.

HOLDERS OF CLAIMS SHOULD NOT CONSTRUE THE CONTENTS OF THIS DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. EACH HOLDER SHOULD CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL, AND TAX ADVISORS WITH RESPECT TO ANY SUCH MATTERS CONCERNING THIS DISCLOSURE STATEMENT, THE SOLICITATION OF VOTES TO ACCEPT THE PLAN, THE PLAN, AND THE TRANSACTIONS DESCRIBED.

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I. INTRODUCTION.

The Debtor's Chapter 11 Plan of Reorganization, dated January 13, 2017 (the "Plan") is proposed by debtor Christ's Household of Faith, Inc., a Minnesota 501(d) organization (the "Debtor"). The Plan sets forth, among other things, the proposed treatment of claims in accordance with the Bankruptcy Code.

This Disclosure Statement is intended to explain the Plan and provide adequate information to allow an informed judgment regarding the Plan. A copy of the Plan is included with this Disclosure Statement. If the Plan and this Disclosure Statement are not consistent, the terms of the Plan control. Capitalized terms used but not defined in this Disclosure Statement have the meanings ascribed to them in the Plan.

A. Summary of the Plan.

On the Effective Date, the Debtor, Christ's Household of Faith Church, Inc., the Venture Guarantors, Venture, and Cobalt will enter into a certain refinancing transaction—the Venture Loan Transaction.¹ The Venture Loan Transaction will provide for a \$7,500,000 loan from Venture to the Debtor for the purpose of funding a \$7,500,000 cash payment to Cobalt on the Effective Date in partial satisfaction of the Cobalt Plan Indebtedness. The Debtor, the Church, and the Venture Guarantors will be obligated to repay Venture and certain of their assets will be pledged as collateral to secure the loan from Venture. The Venture Loan Transaction will also provide for a subordinated note—the Cobalt Subordinated Note, which will require the Debtor to pay Cobalt \$3,000,000 over a five-year term to satisfy the remaining Cobalt Plan Indebtedness. Other secured lenders will retain their liens in assets owned by the Debtor and receive payments in full over time. Unsecured creditors will be paid 100% of their allowed claims, without interest, in two distributions made within approximately 180 days of the Effective Date. The payments to Venture, Cobalt, and the other secured lenders and the distributions to the unsecured creditors will primarily be funded by the Contributing Non-Debtor Entities. In addition, the Contributing Non-Debtor Entities will provide collateral, including previously unpledged collateral, to secure the Venture Loan Transaction. In exchange for their contributions that are critical to the success of the Plan, the Debtor's creditors will release the Contributing Non-Debtor Entities from all claims.

B. Voting Procedures.

Ballots to be used for voting to accept or reject the Plan are enclosed with all copies of this Disclosure Statement mailed to all classes entitled to vote.

Please fill out, sign and mail the enclosed ballot to the following address:

Clerk of Bankruptcy Court
200 Warren E. Burger Federal Building and U.S. Courthouse
316 North Robert Street

¹ The term sheet for the Venture Loan Transaction is attached as Exhibit A. Before the hearing on confirmation of the Plan, the Debtor intends to file and serve drafts of the Venture Loan Transaction Documents.

St. Paul, MN 55101

The deadline for delivery of ballots is _____, 2017.

THE DEBTOR URGES CREDITORS TO VOTE IN FAVOR OF THE PLAN. THE DEBTOR BELIEVES THAT THE PLAN OFFERS THE BEST POSSIBLE RECOVERY FOR CREDITORS, AND WILL FACILITATE THE SURVIVAL OF A LONG-STANDING ORGANIZATION THAT BENEFITS MANY INDIVIDUALS AND THE LARGER ST. PAUL COMMUNITY. QUESTIONS CONCERNING THE PLAN SHOULD BE ADDRESSED IN WRITING OR BY TELEPHONE TO DEBTOR'S COUNSEL, CONTACT INFORMATION BELOW.

C. Brief Explanation of Chapter 11.

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. Upon the filing of a petition for reorganization under Chapter 11, section 362 of the Bankruptcy Code generally provides for an automatic stay of all attempts to collect claims or enforce liens that arose prior to the commencement of the bankruptcy case or that otherwise interfere with a debtor's property or business.

The principal objective of a Chapter 11 reorganization is the confirmation of a plan of reorganization. The plan sets forth the means for satisfying the claims of creditors and interests of stockholders of the debtor. The plan and a disclosure statement that contains information necessary to allow creditors and shareholders to evaluate the plan are sent to creditors and shareholders whose claims or interests are impaired, who then vote to accept or reject the plan.

A class of claims is entitled to vote to accept or reject a plan if that class is "impaired" by the plan. A class of claims is impaired unless the plan cures any defaults that may exist with respect to the claims and leaves unaltered the legal, equitable, and contractual rights to which the claim entitles the holder of the claim.

A plan may be confirmed under section 1129(a) of the Bankruptcy Code if each class of claims or interests is not impaired by the plan or if each such class has voted to accept the plan. Votes will be counted only with respect to claims: (1) that are listed on the Debtor's Schedules other than as disputed, contingent, or unliquidated; or (2) for which a proof of claim was filed on or before the bar date set by the Court for the filing of proofs of claim. However, any vote by a holder of a claim will not be counted if such claim has been disallowed or is the subject of an unresolved objection, absent an order from the Court allowing such a claim for voting purposes. A class of claims has accepted a plan if creditors that hold at least two-thirds in amount and more than one-half in number of the allowed voting claims in the class have voted to accept the plan.

If an impaired class votes to reject the plan, the proponent of the plan can attempt to "cram down" the plan by confirming it under section 1129(b) of the Bankruptcy Code. A plan proponent may cram down a plan upon a rejecting class only if another impaired class has voted to accept the plan, and the plan does not discriminate unfairly and is fair and equitable with respect to each impaired class that has not voted to accept the plan.

Voting on the plan by each holder of a claim in an impaired class is important. After carefully reviewing the Plan and Disclosure Statement, each holder of such a claim should vote on the enclosed ballot either to accept or reject the Plan. Any ballot that does not appropriately indicate acceptance or rejection of the Plan will not be counted. A ballot that is not received by the deadline will not be counted. If a ballot is lost, damaged, or missing, a replacement ballot may be obtained by sending a written request to the Debtor's attorney at the address below.

Section 1129(a) of the Bankruptcy Code establishes the conditions for the confirmation of a plan. These conditions are too numerous to be fully explained here. Parties are encouraged to seek independent legal counsel to answer any questions concerning the Chapter 11 process. Among the conditions for plan confirmation is that either each holder of a claim or interest must accept the plan, or the plan must provide at least as much value as would be received upon liquidation under Chapter 7 of the Bankruptcy Code.

If the Plan is confirmed by the Court, its terms are binding on the Debtor, all creditors, and all other parties in interest, regardless of whether they have accepted the Plan.

II. DESCRIPTION OF THE DEBTOR'S BUSINESS AND OPERATIONS.

A. Nature and History of the Debtor's Business.

The Debtor is a non-profit entity organized under section 501(d) of the Internal Revenue Code, and is one of a group of related entities that makes up an apostolic Community in which individual members contribute their labor and services to support the Community and its Christian mission. Generally speaking, the purpose and goal of the Community is to be a charitable, benevolent, and educational organization dedicated to fostering a better understanding of Christ and providing a framework in which its members can pursue their commitments to living a spiritual life focused on serving God and others.

The Community was founded in 1971 and is based in St. Paul, Minnesota. There are approximately 470 individual members of the Community, including over 200 children. All of the Community members live in homes owned by the Debtor in St. Paul, except for two families that live on property in Washington County used by the Community's church and school for summer worship services, family camping, and equestrian and horticultural programs. The Community operates a school serving over 165 children from pre-kindergarten through 12th grade. The Community includes a church—Christ's Household of Faith Church, which is a non-profit organization exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code. The Community also operates a summer bible camp on separate property owned by the Church.

The Community also includes entities through which business activities—principally home renovation and remodeling services—are conducted to support the Community's members, school, and church. The operating entities and their business activities are discussed in detail in below. In the 2014 fiscal year, the operating entities, the Debtor, and the Church had combined gross revenues of approximately \$12 million and net income of approximately \$1 million. In the 2015 fiscal year, the operating entities, the Debtor, and the Church had combined gross revenues of approximately 12.3 million and net income of approximately \$942,000. Most of the adult

members of the Community work in the Community's school, its businesses, or in their homes. A few of the Community members have jobs outside of the Community and contribute income to the Community.

The Debtor owns real property that is located in St. Paul and used by the Community, including 32 residential properties and one Commercial Property consisting of two buildings located at 23 and 27 Empire Drive, St. Paul. The residential properties are single or multi-family homes (the largest of the multi-family properties has six units) of the Community members. The homes are homesteaded by individual Community members. In total, there are 56 separate dwelling units in the residential properties owned by the Debtor. The Debtor also leases seven other residential properties from unrelated entities. These leased properties have a total of eleven dwelling units and are also lived in by Community members. The residential properties owned or leased by the Debtor and lived in by the Community members are principally located within approximately a one square mile radius in St. Paul. The proximity of members is a key component of the Community and facilitates the members' ability to live and work with each other, and serve the needs of the Community.

The Commercial Property on Empire Drive consists of two buildings, covers approximately 3.2 acres and has approximately 62,000 square feet of multi-tenant office and warehouse space. The smaller building is currently vacant due to needed repairs. The majority of the space in the larger building is leased to unrelated entities, and the remaining portion is either used by the Debtor and certain of the operating entities or is vacant. Approximately \$30,000 in rental income is generated each month by the leases to unrelated entities.

The Debtor has diligently maintained and improved the residential properties and the Commercial Property. For example, since October 2013, significant improvements have been made to 23 Empire Drive, one of two of the buildings comprising the Commercial Property that is leased to third party tenants. More than \$625,000 in capital expenditures have been invested directly into the building. Community members have also contributed their specialized labor. As a result, 23 Empire Drive has been improved by, among other work, the installation of a new roof; replacement of the majority of the AC condenser units and furnace units along with HVAC ducting improvements; extensive build-out of approximately 20,000 square feet of space to provide turn-key space for two long-term tenants; and renovation of a large conference room for tenant use. The improvements have resulted in an increase in occupancy rates and rental income. In addition, the Debtor has continued to maintain 27 Empire Drive—the other building comprising the Commercial Property—that has been condemned since before Cobalt acquired its interests. Structural work has been done by Community members to prevent any further deterioration. In addition, the Debtor and Community members ensure that the residential properties are maintained through their own labor, as well as by regular capital expenditures to the properties and their fixtures.

The Debtor also operates an automotive sale and service business under the name North Star Services Auto ("NSSA"). NSSA procures, services, and maintains a fleet of used vehicles to serve the needs of the Community. Used vehicles are purchased, restored, used by and maintained for the Community, and sometimes resold to the public. The labor and services

needed to operate NSSA are provided by Community members. The revenue generated by NSSA is minimal.

The Debtor's revenue is insufficient to meet its obligations and to maintain its assets, in particular the 32 residential properties and Commercial Property. As a result, the Debtor has relied upon advances from the operating entities. For example, the operating entities advanced approximately \$1.8 million to the Debtor in the 2014 fiscal year and approximately \$1.9 million in the 2015 fiscal year.

B. Relationship and Common Treasury with Related Operating Entities.

As noted above, revenue is generated primarily by a group of operating entities owned by the Debtor. The Debtor is, directly or indirectly, the 100% owner of each of the following eleven currently-operating operating entities:

- i. Authentic Stone, LLC. This entity does business as Francois & Co., and sells and installs natural and cast-stone products such as fireplace mantels, kitchen hoods, and other architectural products. It also sells and installs custom mosaic tiles and antique stone and wood flooring. Products are sold to both trade and retail customers.
- ii. Commercial Surfaces Group, LLC. This entity does business under the name Surfaces Group, LLC. It fabricates and installs surface products, specializing in ecological privacy compartments and solid surfaces, such as countertops, restroom partitions, tabletops, windowsills, and millwork. It also provides product procurement and engineering services.
- iii. Domestic Services, LLC. This entity is separate and different from the other operating entities, as it does not conduct a specific business; instead, it exists for the purpose of tracking funds earned by Community members through individually-undertaken work or projects outside of the other operating entities. These funds are tracked by this entity to ensure that the income is properly reported for tax purposes. Members regularly utilize this income to support the Debtor and the Community.
- iv. Empire Builder Auto, LLC. This entity purchases and resells vehicles, including automobiles and recreational vehicles.
- v. Fabricator's Choice, LLC. This entity markets and distributes CNC (Computer Numerical Control) equipment used in the countertop and cabinet industries. It also markets and supports digital templating for the countertop industry. Its customers are located throughout the United States, and in some territories in Canada.
- vi. North Star Kitchens, LLC. This entity works in the kitchen design industry, and designs and builds custom kitchen remodels. It offers its customers exclusive brands of cabinetry showcasing timeless, classic styling and

design. In addition to many customers in the metropolitan area, it does work throughout Minnesota (and, on occasion, in other states) for second homes. This entity also offers similar services under the name The Kitchen Design Studio out of an office in Rochester, Minnesota

- vii. North Star Remodeling, LLC. This entity focuses on residential remodeling, and specializes in work such as second floor additions to existing homes and dormer and basement remodeling.
- viii. North Star Services Electric, LLC. This entity is a custom electrical contractor for residential homes.
- ix. North Star Services Management, LLC. This entity manages operations of the Debtor and the other operating entities. It handles the leasing of the Debtor's Commercial Property. It also assists in planning, directing, and undertaking the accounting, banking, insurance, and other financial activities for the Debtor and the operating entities. This entity also does business under the name Fresh Start Services, through which it provides commercial janitorial and property maintenance services, including to unrelated parties.
- x. North Star Surfaces, LLC. This entity is a national distributor of solid surface and quartz-based surfaces, as well as stainless steel sinks and related products, used in residential and commercial construction.
- xi. The Electronic Easel, LLC. This entity designs sales presentations, interactive media, customer-driven websites, and provides services related to corporate and brand identity.²

Together, the Debtor and the operating entities support the Debtor, the Community and the Church. Seven of the currently-operating entities are among the Cobalt Pledgors. The other Cobalt Pledgors are the Church and two of the dormant operating entities: Softwares, LLC and Quantum, LLC. All of the operating entities are Contributing Non-Debtor Entities, including for purposes of obtaining, securing and satisfying the Venture Loan Transaction and Debtor's obligations under the Plan.

Until the Debtor's bankruptcy filing, the Debtor maintained a common treasury system through which revenue from the Community's business operations, primarily from the operating entities, was distributed and used to support the Community and its members. Specifically, prior to the Filing Date, the Debtor and the operating entities maintained bank accounts at the same bank. At the end of each business day, all funds in these accounts were swept into an account held in the name of, and managed by, operating entity North Star Services Management, LLC. When an expense owed by the Debtor or an operating entity came due, the funds to pay the expense would either be drawn from the sweep account or would be transferred from the sweep

² The Debtor also owns the following entities that are currently defunct or otherwise dormant: Individual Learning, LLC; North Star Services Realty, LLC; Quantum, LLC; and Softwares, LLC.

account to the applicable entity's account for payment of the expense. All intra-entity transfers were recorded and reflected in the books and records.

When this Chapter 11 Case was filed, the sweep function on the Debtor's bank accounts was disabled, removing the Debtor from the pre-petition common treasury system. However, as further described in the Debtor's motions for use of cash collateral, many of the Debtor's post-petition expenses continue to be paid by advances from one or more of the operating entities. Without those advances, the Debtor would have insufficient funds to pay all of its expenses.

C. Prepetition Debt Structure.

1. Principal Secured Debt Now Held by Cobalt.

In 2004, M&I Marshall & Ilsley Bank ("M&I"), which later became BMO Harris, N.A. ("BMO"), made loans to the Debtor (with certain of the operating entities as co-borrowers or guarantors). These loans are the Debtor's largest obligations, and are secured by most of the Debtor's real property and certain other assets, as well as by certain real and personal property pledged by the Cobalt Pledgors, which consist of the Church and certain assets of other related entities. Before 2013, the Debtor and M&I or BMO regularly amended the loans to extend the maturity dates and made certain other modifications, including to the applicable interest rates. For example, by renewals or other amendments dated February 26, 2010, the interest rate of all the loans was set at LIBOR plus 2.5%. At that time, the applicable LIBOR rate was 0.229%; accordingly, the interest rate for the loans at that time would have been 2.729%.

In 2013, the Debtor was surprised to receive notice that BMO sold the loan documents to LSREF2 Cobalt, LLC, which later transferred them to the LSREF2 Cobalt Trust 2013 and then to LSREF2 Cobalt (MN), LLC. The "Cobalt" entities appear to be ultimately owned or controlled by Lone Star Funds—a global private equity fund that has organized at least 15 private equity funds with aggregate capital commitments totaling over \$60 billion. Cobalt asserted that the loans were purchased from BMO in September 2013. The loans matured in 2013.

As described in detail below, Cobalt filed lawsuits seeking to foreclose on the collateral. Cobalt filed a proof of claim asserting that the outstanding principal amount of the loans totaled approximately \$11.35 million.

2. Other Secured Creditors.

The Debtor has three other secured creditors. The Debtor owes Maple Bank approximately \$386,000, which debt is secured by mortgages on two of the residential properties owned by the Debtor. The Debtor owes MidWestOne Bank (formerly known as Central Bank) approximately \$205,000, which debt is secured by a mortgage on one of the residential properties owned by the Debtor. Finally, the Debtor owes the Center for Energy and Environment approximately \$7,500, which debt is secured by certain lighting improvements that were funded by the loan from the Center for Energy and Environment.

3. Other Obligations.

As of the Filing Date, the Debtor was current on its obligations and was making payments as they came due to trade vendors and other unsecured creditors. In addition, the Debtor was current on tax obligations, including its property tax obligations. The Debtor intends to remain current by paying the 2016 property taxes as they come due on May 15, 2017 (first half) and October 15, 2017 (second half).

As a result, the total amount of unsecured claims held by unrelated entities is relatively minimal. The Debtor estimates that the allowed amount of claims held by unsecured creditors totals \$89,367.08.

D. Cobalt Foreclosure Litigation.

In March 2014, Cobalt commenced three state court actions against the Debtor and certain Debtor Affiliates—two in Ramsey County, Minnesota and one in Washington County, Minnesota. See *LSREF2 Cobalt (MN), LLC v. Christ's Household of Faith, Inc., et al.*, Ramsey County Case No. 62-CV-14-1533; *LSREF2 Cobalt (MN), LLC v. Christ's Household of Faith, Inc., et al.*, Ramsey County Case No. 62-CV-14-1535; *LSREF2 Cobalt (MN), LLC v. Christ's Household of Faith, Inc., et al.*, Washington County Case No. 82-CV-14-1182. In the actions, Cobalt sought to foreclose on approximately 33 properties—30 of which are the residential properties that are the homes of the Community members. Cobalt also sought entry of a money judgment.

The Debtor and Cobalt engaged in extensive and good-faith negotiation efforts in connection with the state court actions. The Debtor was unable to reach a resolution with Cobalt. During that process, Cobalt represented to the Debtor that certain settlements could only be implemented through a bankruptcy plan.

E. Decision to File under Chapter 11.

If Cobalt foreclosed on the properties, the Community would have been destroyed. Over 470 members, including over 200 children, would have been forced to leave their homes, the Community as it is currently known would have ceased to exist, the income from the commercial properties would have been lost, the businesses of the operating entities would have ceased without the continued support of Community members, and there would have been no ability to support the Church, the school, and the Community's mission. In addition, the Debtor would not have been able to repay obligations to other creditors including Maple Bank, MidWestOne Bank, Center for Energy and Environment, taxing authorities, and trade vendors and other unsecured creditors. Further, given that the residential properties on which Cobalt seeks to foreclose are located within approximately one square mile in St. Paul, a foreclosure upon all these properties would have dramatically depressed the value of those properties as well as other properties in that area. That destruction of value would have harmed not only the Debtor, the Community, and its members, but also other home owners in St. Paul and the greater St. Paul community.

The trial in the Ramsey County state court foreclosure actions was scheduled to begin on December 7, 2015. To prevent the destruction of the Community and the loss of value to the

Debtor and its creditors and the greater St. Paul community, the Debtor filed this bankruptcy case on December 4, 2015. The bankruptcy filing stayed the foreclosure trial and other actions and provided the Debtor and Cobalt additional time to attempt to reach a resolution.

The Debtor now seeks to confirm a plan of reorganization that restructures its debts to a level that it can support through continued operations and contributions from the Contributing Non-Debtor Entities. If this goal is achieved, the Debtor will be able to protect and preserve the Community and its members, as well as the value of its assets for the benefit of all constituents, including creditors.

III. EVENTS DURING THE CHAPTER 11 CASE.

A. Bank Accounts.

The only first day motion for which the Debtor sought expedited relief in this case was a Motion for Order (I) Granting Expedited Relief and (II) Authorizing Maintenance of Existing Bank Accounts and Check Stock [dkt. no. 5], filed on December 7, 2015. In that motion, the Debtor described its prepetition central treasury cash management practices and how it proposed to adjust those practices during the Chapter 11 case. Specifically, the Debtor proposed to continue using its two bank accounts at Western Bank, but to terminate the sweep function, so that funds deposited in the accounts remained in the accounts until used for authorized purposes. The Court granted the motion by order dated December 10, 2015. Subsequently, the Debtor was informed by Western Bank that it was not willing to comply with the requirements of the United States Trustee's Office regarding serving as an authorized depository of debtor-in-possession funds, so the Debtor moved its two debtor-in-possession bank accounts to Venture.

B. Cash Collateral and Adequate Protection of Cobalt.

On December 8, 2015, the Debtor filed a Motion for Order Authorizing Use of Cash Collateral for a Limited Purpose [dkt. no. 10]. The Debtor sought authorization to use cash collateral in which Cobalt claimed an interest through the week beginning February 29, 2016, for the limited purpose of paying expenses directly related to the Commercial Property. The motion described that the Debtor would pay for other amounts with funds advanced by one or more of the operating entities, as further described below. The Court granted the Debtor's motion by order dated December 22, 2015.

On February 2, 2016, Cobalt filed a motion seeking adequate protection in the form of monthly payments from the Debtor [dkt. no. 38]. On February 11, 2016, the Debtor filed a motion for further use of cash collateral through August 31, 2016 [dkt. no. 40]. The Debtor objected to Cobalt's adequate protection motion and Cobalt objected to the Debtor's motion for further use of cash collateral. The Debtor and Cobalt reached a resolution and filed a stipulation with proposed order resolving both motions. The Court approved the stipulation by order dated March 2, 2016. Pursuant to the stipulation, the Debtor made monthly payments to Cobalt in the amount of \$46,600.17.

On August 1, 2016, the Debtor filed a motion for an order authorizing the continued use of cash collateral through February 28, 2017 [dkt. no. 92]. The Debtor and Cobalt again reached

a resolution and filed a stipulation with a proposed order [dkt. no. 95]. The Court approved the stipulation by order dated August 16, 2016. Pursuant to the stipulation, the Debtor is continuing to make monthly payments to Cobalt in the amount of \$46,600.17.

C. Advances from Operating Entities.

As described above and in the Debtor's cash collateral motions, the Debtor's revenues consist principally of rental income from its owned commercial real estate and sporadic limited revenue from NSSA, its automotive services business. These revenues are not sufficient to cover all of the expenses the Debtor incurs and pays for itself and the Community, including items like property taxes and utilities for the residential properties it owns and stipends to Community members. Historically, the Debtor would utilize funds from the common treasury, received and advanced by the operating entities, to pay such expenses as they came due. Thus, it was in the ordinary course for the operating entities to advance funds to the Debtor for use in paying expenses of the Community. All such contributions were booked and tracked.

During the case, the operating entities have continued to advance funds as needed by the Debtor. The Debtor has paid the expenditures authorized by the use of cash collateral orders out of its bank accounts, and the remaining expenses—including expenses to maintain the residential properties and Commercial Properties, the United States Trustee quarterly fee and portions of the adequate protection payments to Cobalt—are paid through funds advanced to the Debtor by the operating entities. As described in the Debtor's monthly operating reports, the amounts advanced by the operating entities to pay expenses of the Debtor do not flow through the Debtor's bank accounts. Instead, the operating entities advance funds to a new account opened in the name of operating entity North Star Services Management, LLC, which then pays the expenses out of that account. These advances to, and expenditures on behalf of, the Debtor—made through and out of the new North Star Services Management, LLC account—are being recorded and reported.

The main reason for this system and the operating entities' willingness to advance funds is that the goal and purpose of both the Debtor and the operating entities is to support the Community and provide for its members and its ministry. In addition, the operating entities are wholly-owned by the Debtor, and certain of them are liable on the amounts owed to Cobalt or have pledged their assets as collateral to Cobalt, so it is in all of their best interests to contribute funds for the continued operations and success of the Debtor and the Community.

D. Professionals

The Bankruptcy Court has approved the Debtor's employment of professionals Platinum Management, LLC (business and financial consultant); Fredrikson & Byron, P.A. (Chapter 11 counsel); Alan T. Tschida (special counsel); and CBIZ Accounting, Tax & Advisory of Minnesota, Inc. and Mayer Hoffman McCann P.C. (accountants).

No Official Committee of Unsecured Creditors was appointed in the Chapter 11 Case.

IV. LITIGATION.

A. Pending Litigation.

As described above, prior to the bankruptcy filing, the Debtor was in the midst of foreclosure litigation with Cobalt. Such litigation has been stayed during the Chapter 11 Case. There was no other pending litigation as of the Filing Date and there is no other pending litigation at this time.

B. Claim Objections.

The Debtor or Reorganized Debtor may object to any scheduled or filed claims that are incorrect, but will compare filed claims to those scheduled and attempt to resolve any discrepancies before commencing the objection process. The Plan provides that any objections to claims other than administrative expense claims must be made within 30 days after the Effective Date, unless the objection deadline is further extended by the Court.

C. Avoidance Actions and other Litigation.

Under section 547 of the Bankruptcy Code, certain transfers made by the Debtor to creditors within 90 days (or, in some cases, one year) of the Filing Date may be recovered as preferential payments. Section 548 of the Bankruptcy Code gives the Debtor power to avoid fraudulent transfers. Such claims, and all Avoidance Claims, are preserved by the Debtor under the Plan. The Causes of Action include, but are not limited to, those items identified on Exhibit B to the Plan. No person may rely on the absence of a specific reference in the Plan, the Disclosure Statement, or Exhibit B to the Plan to any Cause of Action as any indication that the Debtor will not pursue any and all available Causes of Action. The Debtor expressly reserves all Causes of Action for later adjudication and, therefore, no preclusion doctrine shall apply to a Cause of Action upon, after, or as a consequence of the Confirmation Order. All recoveries on any Causes of Action, including Avoidance Claims, shall be retained by the Debtor for use in making payments under this Plan or for general working capital purposes, at the Debtor's option.

V. SUMMARY OF THE PLAN.

The below summary is provided for the convenience of holders of claims. If any inconsistency exists between the Plan and this Disclosure Statement, the terms of the Plan are controlling. The summary of the Plan in this Disclosure Statement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the full text of the Plan, including the definitions of terms contained in the Plan. All holders of claims are encouraged to review the full text of the Plan and to read carefully this entire Disclosure Statement, including all exhibits hereto.

A. Overview

The purpose of the Plan is to restructure the Debtor's debt obligations to a level that the Debtor—with contributions by the Contributing Non-Debtor Entities—can afford while also maintaining the Community. The Debtors believe that creditors will realize a more favorable distribution of value under the Plan than would occur under any liquidation.

B. Overview of Classification and Treatment of Claims and Interests

Following the requirements of the Bankruptcy Code, all claims are placed in categories. Most are placed into separate classes, others are unclassified. These categories are described in detail in the Plan and later in this paragraph.

The Plan proposes certain different “treatment” for all the claims in the unclassified categories and the classes. Following is a chart of the estimated amounts in each unclassified category and class along with the proposed treatment for each.

| Class No. | Description of the Class | Estimated Amount | Proposed Treatment |
|------------------|---------------------------------|--|--|
| N/A | Administrative Expenses | \$282,000 | Payment in full on the Effective Date, as due, as allowed, or as otherwise agreed |
| N/A | Statutory Fees and Court Costs | N/A | Payment in full on the Effective Date or as due |
| N/A | Priority Claims | \$0 | Payment in full on the Effective Date, as due, or as allowed |
| 1-A | Secured Claim – Cobalt | \$10,500,000 | Initial cash payment of \$7,500,000 and, pursuant to the Cobalt Subordinated Note, monthly interest-only payments in the amount of \$10,000 for 59 months and payment of principal and unpaid interest on the 60th month, secured by a lien on the Commercial Property junior to the lien of Venture |
| 1-B | Secured Claim – Maple Bank | \$385,650, plus interest accrued from the Filing Date through the Effective Date | Retention of liens and payment in full with monthly payments of \$3,415 at 6.0% interest rate, and payment of principal and unpaid interest on September 10, 2019 |

| Class No. | Description of the Class | Estimated Amount | Proposed Treatment |
|------------------|---|--|--|
| 1-C | Secured Claim – MidWestOne Bank | \$205,181, plus interest accrued from the Filing Date through the Effective Date | Retention of liens and payment in full with monthly payments of \$2,500 at 6.0% interest rate, and payment of principal and unpaid interest on August 15, 2020 |
| 1-D | Secured Claim – Center for Energy and Environment | \$7,513 | Retention of liens and payment in full on or soon after Effective Date |
| 2-A | General Unsecured Claims | \$89,367 | Paid in full without interest; half at 60 days after Effective Date; half at 180 days after Effective Date |
| 2-B | Subordinated Unsecured Claims (Debtor Affiliates) | In excess of \$8,000,000 | Waived by claim holders in exchange for release |

The holders of claims that are classified and are “impaired” are entitled to vote on the Plan. The classes that are entitled to vote under the Plan are:

- 1-A Secured Claim – Cobalt
- 1-B Secured Claim – Maple Bank
- 1-C Secured Claim – MidWestOne Bank
- 2-A General Unsecured Claims
- 2-B Subordinated Unsecured Claims (Debtor Affiliates)

C. Detailed Description of Classes and Treatment

Following is a description of claims, classes, and treatment. The treatment is taken from the Plan, but additional information and descriptions regarding the claims and various estimates are provided herein. In case of inconsistency, the Plan controls.

1. Allowed Administrative Expense Claims

Except as otherwise provided in this Article, claims specified in Bankruptcy Code § 507(a)(2), including fees of professionals, shall be paid in full in cash as soon as reasonably practical following the later of: the Effective Date; the due date; the date of Court allowance; or as otherwise agreed among the parties.

The Debtor estimates that allowed administrative expense claims outstanding on the Effective Date shall not exceed a total of \$282,000, which is projected to consist of approximately: (a) \$30,000 of ordinary course postpetition expenses incurred but not yet due or paid before the Effective Date; (b) \$110,000 of professional fees; and (c) approximately \$142,000 in property taxes owed to Ramsey County, which shall be paid on or before the due

date of May 15, 2017. Any cure costs for assumed executory contracts or leases would also be included in this class, but the Debtor does not believe any cure costs are or will be owed.

2. Statutory Fees and Court Costs

Court costs and fees payable by the Debtor or Reorganized Debtor under 28 U.S.C. § 1930 shall be paid in full in cash on the Effective Date or as soon as practicable thereafter or as required under the Office of the United States Trustee's quarterly payment guidelines. The Debtor estimates these claims shall be nominal, as it has remained current on such payments. After confirmation, the Reorganized Debtor shall continue to pay quarterly fees to the Office of the United States Trustee and to file quarterly reports with the Office of the United States Trustee until this case is closed by the Court, dismissed or converted. This requirement is subject to any amendments to 28 U.S.C. § 1930(a)(6) that Congress makes retroactively applicable to confirmed Chapter 11 cases.

3. Unsecured Priority Claims

(a) Priority Tax Claims

Allowed Priority Tax Claims shall be paid in full in cash as soon as practicable following the later of: (i) the Effective Date, (ii) the due date, or (iii) the date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim. The Debtor estimates that the amount of Allowed and unpaid Priority Tax Claims shall total \$0.00.

Notwithstanding anything to the contrary herein, the holder of an Allowed Priority Tax Claim shall not be entitled to receive any payment on account of any penalty arising with respect to or in connection with the Allowed Priority Tax Claim. Any such claim or demand for any such penalty shall be subject to treatment in Class 2-A (General Unsecured Claims), if not subordinated to Class 2-A Claims pursuant to an order of the Court. The holder of an Allowed Priority Tax Claim shall not assess or attempt to collect such penalty from the Debtor, the Reorganized Debtor, or the property of either (other than as a holder of a Class 2-A Claim).

(b) Other Priority Claims

All other Allowed claims not specifically treated in this section and entitled to priority under § 507(a) of the Bankruptcy Code shall be paid in full in cash as soon as practicable following the later of: (i) the Effective Date, (ii) the due date, or (iii) the date on which such claims are Allowed. The Debtor does not believe there are any claims of this type.

4. Class 1-A: Secured Claim – Cobalt (mortgages and liens on various assets)

This class consists of the secured claim of Cobalt. The basis of Cobalt's claim is four revolving loans and three term loans. The claimed total principal amount as of the Filing Date for each loan is as follows:

| | |
|---------------------------------|--------------------|
| Revolving Note A | \$1,000,000 |
| Revolving Note B | \$600,000 |
| Revolving Note C | \$310,999 |
| Revolving Note D | \$150,000 |
| Term Note A | \$1,369,374 |
| Term Note C | \$455,975 |
| <u>Term Note Dated 11/22/04</u> | <u>\$7,463,400</u> |
| TOTAL | \$11,349,748 |

Cobalt's claim is secured by a lien on the Cobalt Collateral. The holder of the Class 1-A claim will receive the following treatment:

(a) Allowance of Claim.

On the Effective Date, Cobalt shall have an allowed secured claim in the amount of \$10,500,000 (the allowed amount, the "Cobalt Indebtedness").

(b) Cash Payment.

On the Effective Date, the Debtor shall satisfy, in part, the Cobalt Plan Indebtedness by paying Cobalt a cash payment of \$7,500,000. The \$7,500,000 payment shall be funded by the Venture Loan Transaction.

(c) Cobalt Subordinated Note.

On the Effective Date, the Debtor and Cobalt shall satisfy the remaining Cobalt Plan Indebtedness by executing and delivering the Cobalt Subordinated Note and all other Venture Loan Transaction Documents.

The Cobalt Subordinated Note shall obligate the Debtor to pay Cobalt \$3,000,000 over a five-year term at a 4% fixed interest rate with interest-only payments of \$10,000 per month for 59 months and with the principal and unpaid interest due on the 60th month. The Debtor's payments to Cobalt will be subject to the terms provided for in the Venture Loan Transaction. The Debtor may pay the outstanding balance of the Cobalt Subordinated Note, in whole or in part, at any time, without prepayment penalty, defeasance cost, or yield maintenance fee. Upon payment of the obligations due under the Cobalt Subordinated Note, the Cobalt Plan Indebtedness shall be fully satisfied.

(d) Satisfaction of Cobalt Original Loan Documents and Release of Liens.

All of the documents entered into between the Debtor and/or any of the Cobalt Pledgors, on the one hand, and Cobalt or the party or parties from which Cobalt acquired the indebtedness—including but not limited to M&I Bank, BMO Harris Bank, and Cobalt affiliates—on the other hand (the "Cobalt Original Loan Documents"), shall be deemed satisfied and replaced by the \$7,500,000 cash payment to Cobalt and the entry into the Cobalt Subordinated Note by Cobalt and the Debtor. Cobalt shall release all liens or other security

interests Cobalt holds in the Cobalt Collateral and to secure Debtor's obligations to Cobalt pursuant to the terms of the Cobalt Subordinated Note Cobalt shall be granted a second position lien, behind the lien held by Venture, on the Commercial Property. Cobalt shall release all claims it may hold against the Debtor, Cobalt Pledgors and any individual guarantor, including Vernon Harms, Donald O. Alsbury, Mark R. Alleman, and Verne Butler Jr. In addition, as provided in Article IX, Cobalt shall also release all claims it may hold against the Debtor, the Cobalt Pledgors and Contributing Non-Debtor Entities. Cobalt shall retain all claims it holds against the Debtor pursuant to the terms of the Cobalt Subordinated Note.

(e) Mutual Release.

On the Effective Date, Cobalt—on behalf of itself, its parent entity, members, affiliates, agents (including representatives), successors, and assigns—on the one hand, and the Debtor and the Contributing Non-Debtor Entities—each on behalf of itself, its parent entity, members, affiliates, agents (including representatives such as Vernon Harms, Donald O. Alsbury, Mark R. Alleman, and Verne Butler Jr.), successors, and assigns—on the other hand, shall be deemed to release each other and their respective heirs, successors, and assigns, from any and all claims of every kind and nature arising prior to the Effective Date, including but not limited to claims related to loans, notes, guaranties, or other instruments of indebtedness; *provided, however*, that such release shall not release claims created by the Cobalt Plan Indebtedness or the express terms of the Venture Loan Transaction Documents.

5. Class 1-B: Secured Claim – Maple Bank (mortgages on real property located at 723 Laurel and 1148 Dayton)

This class consists of the secured claim of Maple Bank. The bases of Maple Bank's claim are: (i) a promissory note dated June 16, 2004, in the original principal amount of \$290,000, with any amendments or extensions, and (ii) a promissory note dated August 29, 2013, in the original principal amount of \$195,000, with any amendments or extensions. As of the Filing Date, the remaining combined amount owed to Maple Bank on the notes was approximately \$385,649.69. This claim is secured by first priority mortgages on the Maple Bank Collateral. The holder of the Class 1-B claim shall receive the following treatment:

The holder of the claim shall have an allowed secured claim in the amount of \$385,649.69 plus accrued interest from the Filing Date through November 23, 2016, in the amount of \$24,409.41, and all additional accrued interest from November 24, 2016, through the Effective Date. On and after the Effective Date, interest shall accrue on the unpaid balance at the fixed rate of 6% per annum. The allowed claim shall be paid in full in monthly installments of principal and accrued interest in the amount of \$3,415, plus a final balloon payment. The first monthly payment shall begin on the 15th day of the first full month following the Effective Date, and additional monthly payments shall continue to be paid on that date of each successive month through August 15, 2019. The remaining unpaid balance of the claim and unpaid and accrued interest shall be due and payable in full on September 10, 2019. The Reorganized Debtor's obligations hereunder shall be secured by the existing liens of Maple Bank on the Maple Bank Collateral. Such liens shall have the same priority, dignity, and effect as the pre-petition liens of Maple Bank as of the Filing Date. On or as soon as reasonably practicable after the Effective Date, the Reorganized Debtor and Maple Bank may amend and restate the pre-petition loan

documents between them to reflect the terms hereunder, to the extent that the Reorganized Debtor and Maple Bank agree that such formal amendment is required. Except as provided in the Plan, the terms of those pre-petition documents shall remain in full force and effect.

6. Class 1-C: Secured Claim – MidWestOne Bank, f/k/a Central Bank (mortgage on real property located at 833-837 Hague)

This class consists of the secured claim of MidWestOne Bank (formerly known as Central Bank). The basis of MidWestOne Bank's claim is a promissory note dated March 10, 2008, in the original principal amount of \$249,500, with any amendments or extensions. As of the Filing Date, the remaining amount owed to MidWestOne Bank on the note was approximately \$205,181.19. This claim is secured by a first priority mortgage on the MidWestOne Bank Collateral. The holder of the Class 1-C claim shall receive the following treatment:

The holder of the claim shall have an allowed secured claim in the amount of \$205,181.19 plus accrued interest from the Filing Date through the Effective Date. On and after the Effective Date, interest shall accrue on the unpaid balance at the fixed rate of 6.0% per annum. The allowed claim shall be paid in full in monthly installments of principal and accrued interest in the amount of \$2,500, plus a final balloon payment. The first monthly payment shall begin on the 15th day of the first full month following the Effective Date, and additional monthly payments shall continue to be paid on that date of each successive month through July 15, 2020. The remaining unpaid balance of the claim and unpaid and accrued interest shall be due and payable in full on August 15, 2020. The Reorganized Debtor's obligations hereunder shall be secured by the existing lien of MidWestOne Bank on the MidWestOne Bank Collateral. Such lien shall have the same priority, dignity, and effect as the pre-petition liens of MidWestOne Bank as of the Filing Date. On or as soon as reasonably practicable after the Effective Date, the Reorganized Debtor and MidWestOne Bank may amend and restate the pre-petition loan documents between them to reflect the terms hereunder, to the extent that the Reorganized Debtor and MidWestOne Bank agree that such formal amendment is required. Except as provided in the Plan, the terms of those pre-petition documents shall remain in full force and effect.

7. Class 1-D: Secured Claim – Center for Energy and Environment (certain fixtures of commercial real property)

This class consists of the secured claim of Center for Energy and Environment. The basis of this claim is a loan note dated November 6, 2012, in the original principal amount of \$18,430.72. As of the Filing Date, the remaining amount owed on that note was approximately \$7,512.75. This claim is fully secured by a first priority lien on certain commercial lighting equipment. The holder of the Class 1-D claim shall receive the following treatment:

The holder of the claim shall have an allowed secured claim in the amount of \$7,512.75 as of the Effective Date, which shall be paid in full on, or as soon as reasonably practicable after, the Effective Date.

8. Class 2-A – General Unsecured Claims

This class consists of all allowed unsecured claims against the Debtor that are not entitled to priority and are not classified elsewhere in the Plan. The Debtor estimates that allowed claims in this class total approximately \$89,367.08. Holders of allowed claims shall receive 100% of their allowed claims, with no interest. Payments on allowed claims in this class shall be made in two installment payments, each for half of the amount of the allowed claim, or later as any Contested Claims in this class are allowed by the Court. The first of the installment payments shall be made on, or as soon as reasonably practicable after, 60 days after the Effective Date, and the second installment payment shall be made on, or as soon as reasonably practicable after, 180 days after the Effective Date.

9. Class 2-B – Subordinated Unsecured Claims (Debtor Affiliates)

This class consists of all allowed claims against the Debtor that are held by one or more of the Debtor Affiliates. The Debtor estimates that claims in this class likely exceed \$8 million, based on the fact that the Debtor Affiliates advanced to the Debtor approximately \$1.8 million in the 2014 fiscal year, \$1.9 million in the 2015 fiscal year, \$2.8 million from the Filing Date through November 30, 2016, and are likely to advance an additional \$1.5 million from December 1, 2016 through the Effective Date. All claims in this class shall be treated as unsecured claims not entitled to priority. Holders of claims in this class have agreed to waive any right to repayment. The Plan shall treat the allowed claims as gifts from the Debtor Affiliates to the Debtor and the Debtor Affiliates shall not receive any payments under the Plan.

D. Executory Contracts and Unexpired Leases

The Plan provides that, on the Confirmation Date, all executory contracts and unexpired leases shall be assumed, except for any contracts and leases identified on the list attached to the Plan as Exhibit A. **The Debtor believes that no cure amounts are owed for any assumed contracts and leases.** Unless an objection is filed prior to entry of the Confirmation Order, then it shall be conclusively determined that no amounts are required to cure any monetary or non-monetary default under any assumed contract or lease. If a contract and/or lease is shown on Exhibit A, and has not been previously dealt with by prior Court order, such contract or lease shall be deemed rejected effective on the Confirmation Date. All parties to any contracts and leases rejected pursuant to this provision **must file a proof of claim within 30 days of the Confirmation Order**, or such other period set forth in the Confirmation Order if such Order sets a deadline for filing a proof of claim, or be forever barred from receiving any distribution under the Plan. The Debtor reserves the right to alter, amend, or add to the list of contracts and leases set forth on Exhibit A to the Plan at any time prior to the Confirmation Date.

E. Claims Belonging to the Estate

On the Effective Date, the Reorganized Debtor shall be vested with, shall retain, and may, at its option, contest any claim or interest belonging to the estate, including all Causes of Action, to the extent not expressly released under this Plan or by any Final Order of the Bankruptcy Court. The Causes of Action include, but are not limited to, those items identified on Exhibit B to the Plan. No person may rely on the absence of a specific reference in the Plan, the Disclosure Statement, or

Exhibit B to any Cause of Action as any indication that the Debtor or Reorganized Debtor shall not pursue any and all available Causes of Action. The Debtor expressly reserves all Causes of Action for later adjudication and, therefore, no preclusion doctrine shall apply to a Cause of Action upon, after, or as a consequence of the Confirmation Order. All recoveries on any Causes of Action, including Avoidance Claims, shall be retained by the Reorganized Debtor for use in making payments under this Plan or for general working capital purposes, at the Reorganized Debtor's option.

F. Distributions and Claims Administration

1. Method and Timeliness of Distributions.

Payments under this Plan shall be made by check (mailed with first class postage pre-paid), ACH, or wire transfer to the holder of each claim. If made by check, payments shall be mailed to the claim holder at the address listed on its proof of claim as of the Confirmation Date or, if no proof of claim has been filed by the date of the hearing on confirmation, to the address listed on the Schedules as of the Confirmation Date. If made by ACH or wire transfer, payments shall be made to the claim holder using the bank account or other routing information provided by the claim holder to the Debtor or Reorganized Debtor. Holders of claims as of the Confirmation Date may contact the Reorganized Debtor to amend their addresses or bank account information at:

Christ's Household of Faith, Inc.
Attn: Mark Alleman
23 Empire Drive
Saint Paul, MN 55103

2. Claim Objections and Administration.

Unless a claim is specifically allowed under this Plan, or otherwise allowed prior to or after the Effective Date, the Debtor reserves any and all objections to any and all claims and motions or requests for the payment of claims, whether an administrative expense claim, a secured claim, or an unsecured claim, including without limitation any and all objections to the validity or amount of any and all alleged administrative expense claims, priority tax claims, liens, and security interests, whether under the Bankruptcy Code, other applicable law, or contract. Unless otherwise extended by the Bankruptcy Court, any objections to claims other than administrative expense claims shall be filed within 30 days after the Effective Date (unless such day is not a business day, in which case such deadline shall be the next business day thereafter). A claim to which an objection has been made is a "Contested Claim."

No payments or distributions shall be made with respect to all or any portion of a Contested Claim unless and until all objections to such Contested Claim have been settled or withdrawn or have been determined by a Final Order, and the Contested Claim has become an allowed claim. The Debtor may request estimation or limitation of any Contested Claim to the extent authorized by the Bankruptcy Code, and the estimate may become the allowed amount of the claim or the maximum limit on the claim.

If the Debtor has a claim, including an Avoidance Claim, or right to setoff against the holder of a claim against the estate, no payment or distribution will be made on the holder's claim until the Debtor's claim or the Avoidance Claim has been settled or withdrawn or has been determined by the Court. Failure to set off or hold payment of a distribution will not waive or otherwise compromise the Debtor's ability or right to make the claim or setoff later.

If a distribution is returned to the Reorganized Debtor unclaimed, with no indication of the payee's forwarding address, the Reorganized Debtor will hold the distribution for six months from the date of return. If not claimed by the payee by the end of that period, the distribution will become property of the Reorganized Debtor.

If proof of a claim is required under Bankruptcy Rule 3003 and is not timely filed according to the provisions of the Bankruptcy Code or applicable Court order, the holder of the claim will not be treated as a creditor for purposes of distribution under the Plan and will receive no distribution under the Plan on account of the claim.

G. Effect of Confirmation

1. Discharge.

The confirmation of the Plan will discharge the Debtor of all claims against it except to the extent that the claims are preserved by the Plan. The Debtor seeks to have the full benefit of section 1141 of the Bankruptcy Code. The language of the Plan is as follows:

Except as otherwise provided in this Plan, confirmation of this Plan discharges, waives, and releases the Debtor from any debt that arose before the Confirmation Date and any debt of a kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, regardless of whether or not the proof of the claim based on such debt was filed or deemed filed under section 501 of the Bankruptcy Code, such Claim is allowed under section 502 of the Bankruptcy Code, or the holder of such claim has accepted the Plan. The payments of, distributions on account of, or treatments of claims in this Plan are deemed to satisfy in full all claims.

2. Discharge Injunction.

The Plan also gives to the Debtor an injunction to enforce the discharge. The Debtor seeks the full protections of section 524 of the Bankruptcy Code. The language of the Plan is as follows:

Except as provided in this Plan, as of the Effective Date and subject to its occurrence, all persons that have held, currently hold, or may have asserted a claim, a Cause of Action, or other debt, liability, or interest that is discharged, released, or terminated pursuant to the Plan, are hereby permanently enjoined from taking action against the Debtor or Reorganized Debtor with respect to such claim, Cause of Action, or other debt, liability, or interest, including by: commencing or continuing, in any manner or in any place, any action or other

proceeding; enforcing, collecting, or recovering in any manner any judgment, award, decree, or order; creating, perfecting, or enforcing any lien or encumbrance; or asserting a set-off, right of subrogation, or recoupment of any kind. Nothing contained in this paragraph is intended to release, discharge, or enjoin any claims against any party other than the Debtor or Reorganized Debtor.

3. **Release of Contributing Non-Debtor Entities.**

The Church and the Venture Guarantors will agree to be obligated under the Venture Loan Transaction and will pledge collateral to secure the Venture Loan Transaction. The Contributing Non-Debtor Entities, which include the Church and Venture Guarantors, will further provide contributions toward the execution of the Plan, including distributions under the Plan and payments to Venture and Cobalt pursuant to the Venture Loan Transaction. In exchange, confirmation of the Plan will provide the Contributing Non-Debtor Entities with a release as to any and all liabilities otherwise owed to Cobalt and all of the Debtor's other creditors, *except for* those liabilities and obligations imposed by the Plan. The language of the Plan is as follows:

On the Effective Date, in consideration of the substantial and critical contributions being made by the Contributing Non-Debtor Entities, Cobalt and any other creditor of the Debtor, on behalf of itself, its parent entity, members, affiliates, agents (including legal representatives), successors, and assigns, shall be deemed to release the Contributing Non-Debtor Entities and their respective heirs, successors, and assigns, from any and all claims of every kind and nature arising prior to the Effective Date, including but not limited to claims related to indebtedness owed to Cobalt pursuant to loans, notes, guaranties, or other instruments of indebtedness and claims related to any other type of indebtedness owed to any other creditor of the Debtor; *provided, however*, that such release shall not release the Contributing Non-Debtor Entities from claims created by the express terms of the Venture Loan Transaction Documents.

More information regarding the basis for this release is set forth in Section V(H)(3) below.

4. **Injunction Related to Release of Contributing Non-Debtor Entities.**

The Plan also gives to the Contributing Non-Debtor Entities an injunction to enforce the release against Cobalt. The language of the Plan is as follows:

The release pursuant to Section 9.5.4 of this Plan shall also act as an injunction. Specifically, except as provided in this Plan, as of the Effective Date and subject to its occurrence, Cobalt and any other creditor of the Debtor is hereby permanently enjoined from taking action against the Contributing Non-Debtor Entities with respect to any and all claims of every kind and nature arising prior to the Effective Date, including but not limited to claims related to Cobalt and any other creditor of the Debtor pursuant to loans, notes, guaranties, or other instruments of indebtedness, including by:

commencing or continuing, in any manner or in any place, any action or other proceeding; enforcing, collecting, or recovering in any manner any judgment, award, decree, or order; creating, perfecting, or enforcing any lien or encumbrance; or asserting a set-off, right of subrogation, or recoupment of any kind.

More information regarding the basis for the release and this injunction is set forth in Section V(H)(3) below.

H. Means of Execution.

1. Vesting of Property in the Reorganized Debtor.

All property of the Debtor and the estate is dealt with by this Plan; therefore, on the Effective Date, to the full extent allowed by section 1141(b) of the Bankruptcy Code, all property of the Debtor and the estate vests in the Reorganized Debtor and such property is free and clear of all liens, encumbrances, claims, and interests of creditors, including any notices of *lis pendens*, except to the extent the Plan explicitly provides that such liens, encumbrances, claims, or interests are retained. From and after the Effective Date, the Reorganized Debtor may operate, use, acquire, and dispose of property in accordance with the Plan, free and clear of any restrictions of the Bankruptcy Code and the Bankruptcy Rules, and in all respects as if there were no pending case under any chapter or provision of the Bankruptcy Code, except as provided in this Plan.

2. Venture Loan Transaction.

On the Effective Date, the Debtor, the Church, the Venture Guarantors, Venture, and Cobalt shall execute the Venture Loan Transaction Documents.

The Venture Loan Transaction shall provide for a \$7,500,000 loan from Venture to the Debtor for the purpose of funding the \$7,500,000 cash payment to Cobalt. The Venture Loan Transaction shall also obligate the Debtor, the Church, and the Venture Guarantors to pay Venture \$7,500,000 over a five-year term at 6% fixed interest rate amortized over 25 years with the principal and unpaid interest due at the end of the five years and secured by a first priority lien in the Venture Loan Collateral. The Venture Loan Transaction shall also include the Cobalt Subordinated Note, which will be secured by a second position lien in the Commercial Property.

3. Continued Corporate Existence and Ongoing Operations.

Christ's Household of Faith, Inc. shall, as the Reorganized Debtor, continue to exist after the Effective Date, with all powers under section 501(d) of the Internal Revenue Code and applicable laws of the State of Minnesota, without prejudice to any right to alter or terminate such existence under applicable state law. On and after the Effective Date, the Reorganized Debtor shall continue in business and carry on its Community and ministry. Cash flow generated from the Reorganized Debtor's ongoing operations shall be used for general working capital purposes, to make distributions under the Plan, and to make payments to Venture and Cobalt pursuant to the Venture Loan Transaction. From and after the Effective Date, the Reorganized Debtor shall continue to be

managed as it was prior to and during the Chapter 11 Case, including as further described in Section 4.7 of the Plan.

4. Contributions from Contributing Non-Debtor Entities.

The Debtor's financial position, including its real estate interests, was insufficient to obtain the Venture Loan Transaction by itself. To obtain the Venture Loan Transaction, the Church and the Venture Guarantors were required to become parties to the Venture Loan Transaction, which obligated the Church and the Venture Guarantors to pay \$7,500,000 to Venture over the five-year term. The Church and the Venture Guarantors also pledged assets, including the Church Pledged Cobalt Residential Property, the Christ's Household of Faith School Complex, and the inventory, equipment, accounts and other rights to payment, and intangibles of the Church and the Venture Guarantors, to secure the Venture Loan Transaction. While some of the assets pledged by the Church and the Venture Guarantors were pledged as Cobalt Collateral, certain assets are not currently encumbered or included as Cobalt Collateral, such as the Christ's Household of Faith School Complex, and the inventory, equipment, accounts and other rights to payment, and intangibles of the Church and some of the Venture Guarantors.

Moreover, the anticipated cash flow generated solely from the Reorganized Debtor's ongoing operations was also projected to be insufficient to make the required distributions under the Plan and the payments to Venture and Cobalt under the Venture Loan Transaction. Consequently, one or more of the Contributing Non-Debtor Entities, which include the Church and the Venture Guarantors, shall, as and when necessary, contribute to the Reorganized Debtor cash in the amount required to make the required distributions under the Plan and the payments to Venture and Cobalt pursuant to the Venture Loan Transaction. All such contributions to the Reorganized Debtor by the Contributing Non-Debtor Entities shall be booked and treated as gifts, and the Contributing Non-Debtor Entities shall not be entitled to any claim against the Debtor or Reorganized Debtor in connection with such contributions. The Debtor estimates that the cash contributions from the Contributing Non-Debtor Entities shall be in the approximate annual amount of \$1.8 million.

Finally, the Contributing Non-Debtor Entities have agreed to waive any claims for payments made to or for the benefit of the Debtor before the Filing Date and throughout this bankruptcy case. In total, the Debtor estimates that the Contributing Non-Debtor Entities have agreed to waive claims in excess of \$8 million, based on the fact that the Debtor Affiliates advanced to the Debtor approximately \$1.8 million in the 2014 fiscal year, \$1.9 million in the 2015 fiscal year, \$2.8 million from the Filing Date through November 30, 2016, and are likely to advance an additional \$1.5 million from December 1, 2016 through the Effective Date.

Thus, the Contributing Non-Debtor Entities shall provide substantial and critical contributions to the Debtor's Plan by ensuring that the Debtor is able to obtain the Venture Loan Transaction, by ensuring the Debtor is able to make payments under the Plan and the Venture Loan Transaction, and by waiving claims the Contributing Non-Debtor Entities hold against the Debtor. As primarily wholly-owned subsidiaries of the Debtor with common management and organizational goals—namely, the support and maintenance of the Community—there is no risk that the Contributing Non-Debtor Entities will refuse to make such contributions as and when needed. In addition, many of the Contributing Non-Debtor Entities are Cobalt Pledgors, who

have an interest in facilitating the payment of Cobalt—by far the largest creditor in this case—through the Venture Loan Transaction pursuant to the Plan.

As set forth in Sections 9.5.4 and 9.5.5, in exchange for the substantial contributions by the Contributing Non-Debtor Entities, including participation in the Venture Loan Transaction, cash contributions for distribution under the Plan and payments pursuant to the Venture Loan Transaction, which are likely to exceed a total of \$10.6 million through the life of the Plan, and the waiver of claims held against the Debtor likely totaling in excess of \$8 million, the Contributing Non-Debtor Entities shall receive a release from all obligations owed to the Debtor’s creditors.

Certain of the many factors supporting the appropriateness of the release by the Debtor’s creditors of the Contributing Non-Debtor Entities were noted above. A summary of those and other key factors supporting the release is as follows:

(a) There is a strong identity of interest between the Debtor and the Contributing Non-Debtor Entities. All of the Contributing Non-Debtor Entities, with the sole exception of the Church, are wholly-owned by the Debtor. In addition, each of the Contributing Non-Debtor Entities shares common management and organizational goals—namely, the support and maintenance of the Community—with the Debtor. As a result, a lawsuit or other proceeding by any of the Debtor’s creditors against one or more of the Contributing Non-Debtor Entities would essentially be a suit against the Debtor. Furthermore, given that the Debtor was—and the Reorganized Debtor will be—dependent upon advances from the Contributing Non-Debtor Entities, any litigation expenses or judgments that the Contributing Non-Debtor Entities are required to pay would reduce the resources available to the Debtor and the Reorganized Debtor, including for Plan payments.

(b) The Contributing Non-Debtor Entities will contribute substantial assets to the Debtor’s reorganization, including significant cash contributions, the pledging of collateral to secure the Venture Loan Transaction, and the agreement to be obligated under the Venture Loan Transaction.

(c) The release and injunction are essential to a successful reorganization by the Debtor. If the Contributing Non-Debtor Entities are unable to obtain the release and injunction, they may be forced to defend against ongoing collection efforts by any of the Debtor’s creditors, including as to the indebtedness addressed in the Plan. Given the close relationship between the Contributing Non-Debtor Entities and the Debtor—as well as the Debtor’s dependence, even prior to its bankruptcy, on funds advanced by the Contributing Non-Debtor Entities—a lawsuit or collection effort against the Contributing Non-Debtor Entities is essentially an action against the Debtor. In addition, any such action by any of the Debtor’s creditors would likely cause the Contributing Non-Debtor Entities to have insufficient assets or cash to make the contributions required to effectuate the Plan, or may force them into their own bankruptcy cases, which would result in additional expenses and delays that could hinder or

prevent the reorganization pursued by the Debtor. Thus, without the release and injunction, there is little likelihood that the Debtor on its own could successfully reorganize.

(d) In addition, the releases granted herein with respect to Cobalt are essential. Not only do the factors described above apply, but they were requested by Cobalt as part of the negotiation of its treatment under the Plan. The negotiated treatment of Cobalt proposed in the Plan is favorable to the Debtor and critical to a successful implementation of and performance under the Plan. For example, the Cobalt treatment results in a significant reduction of the amount owed to Cobalt (from a debt claimed by Cobalt to be in excess of \$12.6 million to an allowed claim under the Plan of \$10.5 million). It will also conclude the litigation between Cobalt, the Debtor, and certain of the Debtor Affiliates, which will save the Debtor and its related entities a substantial amount of fees, costs, and attention. Such a conclusion of the litigation will also remove the risk of a potential foreclosure on the homes lived in by members of the Community, and a resulting depression in home prices for other property owners in the area. For these and other reasons, the releases granted in connection with Cobalt are necessary, appropriate, and beneficial to the Debtor and its creditors.

Additional information regarding the appropriateness of the release will be further set forth, if necessary, in a separate brief to be filed prior to the hearing on confirmation of the Plan.

5. Sale of Maple Bank Collateral or MidWestOne Bank Collateral.

If the proceeds from a proposed sale are sufficient to pay the amount owed to Maple Bank or MidWestOne Bank (as applicable), on a loan secured by real property, the Reorganized Debtor may, at its discretion, sell or refinance some or all of the Maple Bank Collateral or the MidWestOne Bank Collateral. Proceeds from such a sale or refinancing shall be first used to pay any claims secured by a mortgage on the parcel of real property that is sold and, if any proceeds remain after such payment, the Debtor may use the remaining proceeds to fund general operations, make distributions under the Plan, or make payments to the Post-Confirmation Secured Creditors.

If the proceeds from such a sale or refinancing are not sufficient to satisfy the entire amount owed on the loan secured by the real property, the Reorganized Debtor may, with the permission of Maple Bank or MidWestOne Bank (as applicable) sell the real property. If Maple Bank or MidWestOne Bank grants such permission, it does not waive any claim as to a deficiency owed on the loan. Any deficiency remaining on the loan shall continue to be paid to Maple Bank or MidWestOne Bank, by the Reorganized Debtor, as provided for in the Plan.

6. Resolution of Cobalt Litigation.

Within five business days after the Effective Date and receipt of the \$7,500,000 payment, Cobalt shall dismiss with prejudice all pending litigation or other proceedings involving the Debtor or Contributing Non-Debtor Entities, including but not limited to the following actions: (a) *LSREF2 Cobalt (MN), LLC v. Christ's Household of Faith, Inc., et al.*, Ramsey County Case

No. 62-CV-14-1533; (b) *LSREF2 Cobalt (MN), LLC v. Christ's Household of Faith, Inc., et al.*, Ramsey County Case No. 62-CV-14-1535; and (c) *LSREF2 Cobalt (MN), LLC v. Christ's Household of Faith, Inc., et al.*, Washington County Case No. 82-CV-14-1182.

7. Treatment of Proceeds of Litigation.

To the extent that any proceeds are realized from Causes of Action, the proceeds shall be used for operating expenses.

8. Management of the Reorganized Debtor.

On the Effective Date, the following individuals, all of whom are Community members, shall continue to serve the following roles for the Reorganized Debtor:

| Name | Role |
|--------------------|----------------------------------|
| Donald O. Alsbury | Director/President/CEO |
| Charles R. Geerdes | Director/Vice President/Chairman |
| Vernon R. Harms | Director/Secretary |
| Mark R. Alleman | Director/CFO/Treasurer |
| Thomas J. Harms | Director |
| Derrick J. Otten | Director |
| Donald G. Gustason | Director |

The Reorganized Debtor may replace any such individuals in its discretion and in accordance with applicable state law. Aside from (and in the same amount as) the regular stipends paid to all members of the Community, these individuals shall receive no salary for serving in these positions.

9. Corporate Action.

On the Effective Date, the matters under this Plan involving or requiring action of the Debtor, including, but not limited to, execution of all documentation incident to this Plan, will be deemed to have been authorized by the confirmation order and to have occurred and be in effect from and after the Effective Date without any further action by the Bankruptcy Court or the officers or directors of the Debtor.

VI. PROOFS OF CLAIM AND ADMINISTRATIVE CLAIMS.

The deadline to file proofs of claim in this case was April 6, 2016. The procedures for distribution on claims and for objections to claims are set out in Article V(F) above. Local Bankruptcy Rules govern the method of filing administrative expense claims and the Court's order approving the Plan will set a bar date for filing such claims.

VII. TAX CONSEQUENCES OF THE PLAN.

The following discussion summarizes certain federal income tax consequences of the Plan to the Debtor and to holders of general unsecured claims. This summary does not address the federal income tax consequences to holders of allowed administrative expense claims,

priority claims, or secured claims. This summary does not address foreign, state, or local income tax consequences, or any estate or gift tax consequences of the Plan, nor does it address the federal income tax consequences of the Plan to special classes of taxpayers. Accordingly, this summary should not be relied upon for purposes of determining the specific tax consequences of the Plan with respect to a particular holder of a claim.

THE TAX CONSEQUENCES TO HOLDERS OF CLAIMS MAY VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH SUCH HOLDER. THIS SUMMARY DOES NOT CONSTITUTE TAX ADVICE OR A TAX OPINION CONCERNING THE MATTERS DESCRIBED. THERE CAN BE NO ASSURANCE THAT THE INTERNAL REVENUE SERVICE WILL NOT CHALLENGE ANY OR ALL OF THE TAX CONSEQUENCES DESCRIBED HEREIN, OR THAT SUCH A CHALLENGE, IF ASSERTED, WOULD NOT BE SUSTAINED. ACCORDINGLY, EACH HOLDER OF A CLAIM IS STRONGLY URGED TO CONSULT WITH HIS, HER, OR ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, FOREIGN, OR OTHER TAX CONSEQUENCES OF THE PLAN.

A. Federal Income Tax Consequences to the Debtor.

Given the Debtor's status as a non-profit entity organized under section 501(d) of the Internal Revenue Code, as well as provisions of the Internal Revenue Code related to the discharge of indebtedness in a Title 11 case (*see* I.R.C. § 108(a)(1)(A)), the Debtor anticipates that confirmation of the Plan will have no material federal income tax consequences for the Debtor.

B. Federal Income Tax Consequences to Holders of General Unsecured Claims.

In accordance with the Plan, holders of general unsecured claims will receive a distribution, likely a full distribution, on such claims. Any holder of a general unsecured claim will realize a loss in an amount equal to such claim, minus any recovery, on an adjusted tax basis.

The tax consequences to holders of general unsecured claims will differ and will depend on factors specific to such holder, including but not limited to: (i) whether the claim, or a portion thereof, constitutes a claim for interest or principal, (ii) the origin of the claim, (iii) the type of consideration received in exchange for the claim, (iv) whether the holder is a United States person or a foreign person for tax purposes, (v) whether the holder reports income on the accrual or cash basis method, and (vi) whether the holder has taken a bad debt deduction or otherwise recognized a loss with respect to the claim.

THERE ARE MANY FACTORS THAT WILL DETERMINE THE TAX CONSEQUENCE TO EACH HOLDER OF A GENERAL UNSECURED CLAIM. FURTHERMORE, THE TAX CONSEQUENCES OF THE PLAN ARE COMPLEX, AND IN SOME CASES, UNCERTAIN. THEREFORE, IT IS IMPORTANT THAT EACH HOLDER OF A GENERAL UNSECURED CLAIM OBTAIN HIS, HER, OR ITS OWN PROFESSIONAL TAX ADVICE REGARDING THE TAX CONSEQUENCES TO SUCH HOLDER OF A GENERAL UNSECURED CLAIM AS A RESULT OF THE PLAN.

C. Withholding and Reporting.

Payments of interest, dividends, and certain other payments are generally subject to backup withholding at the rate of 28% unless the payee furnishes his, her, or its correct taxpayer identification number to the payor. The Reorganized Debtor may be required to withhold the applicable percentage of any payments made to a holder who does not provide its taxpayer identification number. Backup withholding is not an additional tax, but an advance payment that may be refunded to the extent it results in an overpayment of tax.

THE FOREGOING IS INTENDED TO BE ONLY A SUMMARY OF CERTAIN FEDERAL INCOME TAX CIRCUMSTANCES OF THE PLAN, AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FEDERAL, STATE, AND LOCAL INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN SOME CASES, UNCERTAIN. SUCH CONSEQUENCES MAY ALSO VARY BASED ON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM. ACCORDINGLY, EACH HOLDER OF A CLAIM IS STRONGLY URGED TO CONSULT WITH HIS, HER, OR ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, AND LOCAL INCOME AND OTHER TAX CONSEQUENCES UNDER THE PLAN.

VIII. ALTERNATIVES TO THE PLAN.

The overall recovery to unsecured creditors under the Plan is expected to be 100%. In the event the Plan is not confirmed, the case could be converted to Chapter 7 liquidation, Cobalt and other secured lenders could seek relief from the automatic stay, or the case could be dismissed.

If this case were converted to a Chapter 7 bankruptcy case, the Debtor expects that unsecured creditors would receive less than the recovery projected under the Plan. In a liquidation scenario, the Debtor would cease operating and a Chapter 7 trustee would liquidate the Debtor's assets. Many of the assets of the Debtor would sell at a substantial discount. For instance, given that the Residential Properties are located within the same approximately one square mile in St. Paul, a sale of all the Residential Properties in a liquidation would dramatically depress the value of those properties as well as other properties in that area. The estate would also incur transaction costs. Moreover, the Chapter 7 trustee would receive a large statutory commission. Finally, the Debtor's future income and the income of the Contributing Non-Debtor Entities would be lost and not available to pay creditors. Attached as Exhibit B is the Debtor's analysis of expected recoveries to creditors under a hypothetical chapter 7 liquidation of the Debtor. If the case were converted to a Chapter 7 bankruptcy case, the Debtor estimates that general unsecured creditors would recover 9.2% of their claims. Consequently, the analysis demonstrates that, on balance and considering the interests of all creditors, parties are better off under the Plan of Reorganization than under a conversion of the case to Chapter 7.

Pursuant to 11 U.S.C. § 1112(c), because the Debtor is a non-profit, this case may not be converted to Chapter 7 without the Debtor's consent. If no plan was confirmed, the only option would be for this case to be dismissed, forcing creditors to initiate individual collection activity,

or remain a Chapter 11 case, allowing Cobalt and other secured lenders to seek relief from the automatic stay in order to pursue their secured assets, which the Debtor believes Cobalt will do.

Conversion of the case to a Chapter 7 case, the dismissal of the case, or the granting of relief from the automatic stay for Cobalt to continue its foreclosure proceedings, would all likely terminate the Debtor's apostolic Community as it currently exists. Over 470 members, including over 200 children, would be forced to leave their homes, the income from the Commercial Property would be lost, the businesses of the operating entities would cease without the continued support of Community members, and there would be no ability to support the Church, the school, and the Community's mission.

IX. ACCEPTANCE AND CONFIRMATION OF THE PLAN.

A. General Confirmation Requirements.

Bankruptcy Code section 1129(a) contains several requirements for confirmation of a plan. Among these requirements are that a plan be proposed in good faith, that certain information be disclosed regarding payments made or promised to be made to insiders, and that the plan comply with the applicable provisions of Chapter 11. The Debtor believes that it has complied with these requirements, including those requirements discussed below.

B. Best Interests Test.

The "best interests of creditors" test requires that the Bankruptcy Court find either that all members of each impaired class have accepted the plan or that each holder of an allowed claim or interest of each impaired class of claims or interest will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the Debtor was liquidated under Chapter 7 of the Bankruptcy Code on such date.

To calculate what holders of claims would receive if the Debtor was hypothetically liquidated under Chapter 7 of the Bankruptcy Code, the Court must first determine the dollar amount that would be realized from the liquidation (the "Chapter 7 Liquidation Fund") of the Debtor. The Chapter 7 Liquidation Fund would consist of the net proceeds from the disposition of the Debtor's assets (after satisfaction of all valid liens) augmented by the cash held by the Debtor and recoveries on actions against third parties, if any. The Chapter 7 Liquidation Fund would then be reduced by the costs of the liquidation. The costs of the liquidation under Chapter 7 would include the fees and expenses of a trustee, as well as those of counsel and other professionals that might be retained by the trustee, selling expenses, and unpaid expenses incurred by the Debtor during its Chapter 11 case (such as fees for attorneys, financial advisors and accountants) which would be allowed in Chapter 7 proceedings, interest expense on secured debt, and claims incurred by the Debtor during the pendency of the case. These claims would be paid in full out of the Chapter 7 Liquidation Fund before the balance of the Chapter 7 Liquidation Fund, if any, would be made available to holders of unsecured claims. In addition, other claims which would arise upon conversion to a Chapter 7 case would dilute the balance of the Chapter 7 Liquidation Fund available to holders of claims. Moreover, additional claims against the Debtor's estate might arise as the result of the establishment of a new bar date for the

filing of claims in the hypothetical Chapter 7 case. The present value of the distributions out of the Chapter 7 Liquidation Fund (after deduction the amounts described above) are then compared with the present value of the property offered to each of the classes of claims and holders of interests under the Plan to determine if the Plan is in the best interests of each holder of a claim.

The Debtor believes that the Plan as proposed is in the best interest of all creditors. As described above and set forth in the liquidation analysis attached as Exhibit B, if impaired creditors did not accept the Plan and the Debtor was forced to liquidate its assets in Chapter 7, unsecured creditors would receive 9.2% of their claims. Cobalt asserts security interests in almost all of the Debtor's assets, and other secured creditors assert security interests in most of the remaining assets. Although the Debtor believes that the real property collateral has a greater value as a going concern, Cobalt and the other secured lenders are owed substantially more than a forced liquidation of the real property collateral would yield, as demonstrated by the liquidation analysis. Furthermore, a liquidation will result in the Debtor and the Contributing Non-Debtor Entities ceasing operations and no future income from the Debtor and the Contributing Non-Debtor will be available to pay creditors.

Under the Plan, the Debtor projects that holders of secured claims will receive payment of the full amount of their claims or an agreed amount. Holders of unsecured claims will likely receive a 100% distribution on their claims, over a relatively short period of time. The Plan maximizes the value of the Debtor's assets, and obtains contributions from the Contributing Non-Debtor Entities that will allow the Debtor to essentially pay all creditors in full. In addition, it reduces the potential costs and delays associated with a Chapter 7 liquidation, such as: (a) the substantial time which would elapse before creditors would receive any distribution in respect of their claims due to a trustee's need to become familiar with the Chapter 11 case and the Debtor's books and records and the trustee's duty to conduct independent investigations; (b) the additional unsecured claims that may be asserted against the Debtor, including for rejection of contracts; (c) the uncertainty of a trustee's ability to maintain tenants in the Commercial Property while liquidating the Debtor's assets; (d) the lack of the trustee's knowledge and the likely inability of the trustee to retain key personnel who can provide such knowledge regarding Debtor's properties; and (e) the trustee would not be able to obtain contributions from the Contributing Non-Debtor Entities. Accordingly, the Debtor believes the Plan meets the best interests test.

C. Financial Feasibility Test.

In addition to the requirements discussed above, the Bankruptcy Code requires that consummation of the Plan will not likely be followed by the liquidation or the need for further financial reorganization of the Debtor. The Debtor believe that the Reorganized Debtor's post-confirmation efforts will result in continued rental income from the Commercial Property, and that improvements and a rebounding market will increase the value of all of the Debtor's real property. In addition, the Contributing Non-Debtor Entities have agreed to contribute funds as needed to ensure that Plan payments are timely made. Based on their historical financials and projected future financials, the Contributing Non-Debtor Entities will have sufficient cash flow to make all required contributions to the Debtor for the Plan payments. Thus, the Debtor's future cash flow, combined with the contributions of the Contributing Non-Debtor Entities, provides evidence of the feasibility of the Plan. *See* Exhibit C to this Disclosure Statement (cash flow

projections). In sum, the Plan strikes a balance between providing the maximum possible recovery for creditors and reducing debt enough to be serviceable going forward while maintaining the Community that has been built over more than 45 years. Accordingly, the Debtor believes that the Plan passes the feasibility test.

X. CONCLUSION.

The Plan offers the best alternative for payment to creditors. If the Debtor was merely liquidated in a Chapter 7 case, asset values would not be maximized, claims would increase, unsecured creditors would be left with nothing or a dramatically-reduced recovery, and the Community and its members would suffer. Accordingly, the Debtor requests that each holder of a claim accept the proposed Plan and complete and return the ballot.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Statement in Support of Debtor's Chapter 11 Plan of Reorganization as of the date set forth above.

Christ's Household of Faith, Inc.

By: Mark R. Alleman
Mark Alleman
Chief Financial Officer

/s/ Ryan T. Murphy
Ryan T. Murphy (#0311972)
Sarah M. Olson (#0390238)
FREDRIKSON & BYRON, P.A.
200 South Sixth Street, Suite 4000
Minneapolis, MN 55402-1425
Telephone: 612.492.7000
rmurphy@fredlaw.com
solson@fredlaw.com

ATTORNEYS FOR DEBTOR

60162249

EXHIBIT A

Venture Loan Transaction Term Sheet



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November 16, 2016

Mark R. Alleman, CFO/Treasurer
Christ's Household Of Faith, Inc.
Christ's Household Of Faith Church, Inc.
23/27 Empire Drive
St. Paul, MN 55103

Dear Mark,

Venture Bank (the "Bank") is pleased to advise Christ's Household of Faith, Inc., and Christ's Household of Faith Church, Inc. (the "Borrower's") that the Bank proposes to extend credit to the Borrower's upon the terms and subject to the conditions set forth below and subject to formal approval from Venture Bank.

This proposal is subject to the negotiation and execution of definitive credit, security, and related loan documents (the "Credit Documents") satisfactory to the Bank. The Credit Documents will embody the structure, pricing, and other terms described below. They will also include provisions viewed by the Bank and its counsel as appropriate for this transaction and for transactions of this type. Accordingly, it should be recognized that this letter is indicative, but not exhaustive, as to the terms and conditions that shall govern these facilities.

Commercial Real Estate
1st Mortgage

| | |
|---------------------|--|
| Borrower: | Christ's Household Of Faith, Inc. and Christ's Household Of Faith Church, Inc. |
| Amount: | \$7,500,000 Commercial Real Estate Loan. |
| Purpose: | Refinance real estate loan on commercial property located at 23/27 Empire Drive in St. Paul, thirty single family dwellings located in St. Paul, and land known as "Scandia Farm" located in Scandia, MN. |
| Interest Rate: | Fixed at 6% for five years. |
| Loan Fee: | 1% origination fee to Venture Bank. |
| Other costs: | Borrower to pay all costs associated with closing the loan, including but not limited to, mortgage filing fees, title insurance policy and examination fees, survey fee, flood determination fees, appraisal fees, environmental report fee, legal documentation and review fees, etc. |
| Term: | 25-year amortization; 5-year balloon. |
| Payment: | Monthly principal and interest. |
| Prepayment Penalty: | 5% during Year One, 4% during Year Two, 3% during Year Three, 2% during Year Four, and 1% during Year Five. Ability to pre-pay 20% of principal annually without penalty. |
| Collateral: | 1 st mortgage and assignment of leases and rents on commercial property located at 23/27 Empire Drive in St. Paul, thirty single family dwellings located in St. Paul, and land known as "Scandia Farm" located in Scandia. In addition, a \$2,500,000 1 st mortgage lien on the CHOF School complex located on Marshall Avenue in St. Paul. MN. UCC-1 filing on |



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borrowing entities.

Guarantee: Secured guarantees to include UCC-1 filings on Fabricator's Choice, LLC. North Star Remodeling, LLC. North Star Kitchens, LLC. North Star Services Electric, LLC. Empire Builder Auto, LLC/North Star Services Auto. Electronic Easel, LLC. North Star Services Management, LLC. Commercial Surfaces Group, LLC. Authentic Stone, LLC and North Star Services, LLC.

Covenants:

- Covenants will include a 1.25x's Debt Service Ratio based on a rolling twelve month quarterly Compiled financial and annual Consolidated Reviewed financial. Final definition to be determined upon a complete analysis of the financials.

In addition, this proposal is subject to the following terms and conditions and is subject to there being no material adverse change in the financial condition of the Borrower:

1. Annual reviewed consolidated financial provided to Venture Bank within 120-days of Year End.
2. Quarterly compiled statements provided to Venture Bank within 90-days of each quarter end, to include all businesses.
3. Real estate appraisals with third party review required on all referenced properties, with aggregate LTV limited to 50%.
4. Phase-I environmental report on commercial property at 23/27 Empire Drive in St. Paul and possibly the Marshal Ave. School complex.
5. Review of leases and attorney prepared SNDA's required on commercial property located at 23/27 Empire Drive in St. Paul.
6. Survey required on commercial property located at 23/27 Empire Drive in St. Paul.
7. Borrower environmental questionnaires completed on thirty residential properties located in St. Paul and land in Scandia, MN.
8. Bank to escrow for real estate taxes.
9. Appropriate property insurance listing Venture Bank as Mortgagee on all properties.
10. Venture Bank listed as Lender Loss Payee on insurance for borrowing and guaranteeing entities.
11. Title Work required on all properties.
12. Flood determination on all properties.
13. Attorney prepared loan documentation and review of third party services.
14. Attorney review and opinion of Chapter-11 filing, to ensure Venture Bank is comfortable engaging in a transaction where a recent filing could put the bank at risk.
15. Full Standby Subordination (no payments allowed) of estimated \$3,000,000 note due to Cobalt/Lone Star. Venture Bank will consider allowing a monthly payment of \$10,000 to Cobalt/Lone Star, as long as a rolling twelve month quarterly DSC of 1.25x's is met, if in default payments to Cobalt are suspended. Cobalt note limited to a 2nd lien on 23/27 Empire Drive.
16. Attorney review and approval of any and all documents and conditions related to Lone Star note.



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17. Borrowing and guaranteeing entities to maintain a full depository and cash management services relationship at Venture Bank for the life of the loan.
18. Positive references from Ryan Murphy at Frederickson and Brian Bergmann at Mayer Hoffman.

Please feel free to call me at (763) 398-5813 or email me at kdoyle@venturebankonline.com for additional questions on this proposal.

Venture Bank,

A handwritten signature in black ink, appearing to read 'K. Doyle'.

Kevin P. Doyle
Commercial Loan Officer, V.P.
Venture Bank

Christ's Household Of Faith, Inc.,

Mark R. Alleman
CFO/Treasurer

EXHIBIT B

Liquidation Analysis

Liquidation Analysis

Christ's Household of Faith, Inc.

| Secured Creditors | |
|--|-----------------------|
| Cobalt | |
| Debtor-owned collateral (net value) | |
| Commercial Property | 2,428,006.00 |
| 29 Residential Properties | 3,877,950.67 |
| A/R | 61,622.49 |
| Equipment | 14,161.80 |
| Inventory | 2,435.00 |
| Cash | 100,000.00 |
| <i>Subtotal</i> | 6,484,175.95 |
| Non-debtor collateral (net value) | |
| Real Property | 784,270.00 |
| Operating Company Assets | 1,961,323.42 |
| <i>Subtotal</i> | 2,745,593.42 |
| Net value of all collateral | 9,229,769.38 |
| Total claim amount (per proof of claim) | 12,688,204.39 |
| Secured portion of claim | 9,229,769.38 |
| Surplus/(deficiency) | (3,458,435.01) |
| Maple Bank (788 Laurel, 1148 Dayton) | |
| Collateral (net value) | 250,124.00 |
| Total claim amount | 385,649.69 |
| Secured portion of claim | 250,124.00 |
| Surplus/(deficiency) | (135,525.69) |
| MidWestOne Bank (833-837 Hague) | |
| Collateral (net value) | 99,058.00 |
| Total claim amount | 204,412.11 |
| Secured portion of claim | 99,058.00 |
| Surplus/(deficiency) | (105,354.11) |
| Center for Energy/Environment | |
| Collateral (net value) | 0.00 |
| Total claim amount | 7,512.75 |
| Secured portion of claim | 0.00 |
| Surplus/(deficiency) | (7,512.75) |
| TOTAL Secured Creditor Surplus/(Deficiency) | |
| | (3,706,827.56) |
| Unsecured Creditors | |
| Distributable Assets | |
| Surplus from collateral | 0.00 |
| Assets not subject to liens (net value) | |
| Vehicles | 629,930.00 |
| Avoidance Actions | 170,594.10 |
| Total net value | 800,524.10 |
| Administrative Claims | |
| Chapter 7 Trustee commission | 334,634.26 |
| Chapter 7 Trustee's professionals | 25,000.00 |
| Unpaid Chapter 11 administrative expenses | 90,000.00 |
| <i>Subtotal</i> | 449,634.26 |
| Total Available for Distribution to Unsecured Claims | 350,889.84 |
| Unsecured Claims | |
| General unsecured | 89,367.08 |
| Deficiency | 3,706,827.56 |
| <i>Subtotal</i> | 3,796,194.64 |
| Estimated Percentage Recovery to Unsecured Claims | |
| | 9.2% |

EXHIBIT C

Cash Flow Projections

Christ's Household of Faith, Inc.
Cash Flow Projections
Assumes Plan Effective Date in April 2017

| Income Statement | Summary by Year | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2017 (Apr-Dec) | 2018 | 2019 | 2020 | 2021 | 2022 |
| Cash Receipts | | | | | | |
| Commercial Property rental income | \$ 270,000 | \$ 370,800 | \$ 381,924 | \$ 393,382 | \$ 405,183 | \$ 417,339 |
| Sale of automobiles | 18,000 | 24,720 | 25,462 | 26,225 | 27,012 | 27,823 |
| Funds from Contributing Non-Debtor Entities | 1,480,000 | 1,875,000 | 1,870,000 | 1,760,000 | 1,835,000 | 1,800,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | 7,500,000 | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - | 9,803,229 |
| Refinance Maple Mortgage (September 2019) | - | - | 379,259 | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | 140,076 | - | - |
| Total receipts | 9,268,000 | 2,270,520 | 2,656,645 | 2,319,683 | 2,267,195 | 12,048,390 |
| Operating Disbursements | | | | | | |
| Refuse/garbage collection | \$ 7,200 | \$ 9,792 | \$ 9,988 | \$ 10,188 | \$ 10,391 | \$ 10,599 |
| Utilities | 258,000 | 351,900 | 358,938 | 366,117 | 373,439 | 380,908 |
| Insurance | 100,350 | 136,476 | 139,206 | 141,990 | 144,829 | 147,726 |
| Real estate tax | 284,000 | 289,680 | 295,474 | 301,383 | 307,411 | 313,559 |
| Housing rent | 134,550 | 182,988 | 186,648 | 190,381 | 194,188 | 198,072 |
| Facility maintenance | 135,000 | 183,600 | 187,272 | 191,017 | 194,838 | 198,735 |
| Auto insurance | 130,500 | 177,480 | 181,030 | 184,650 | 188,343 | 192,110 |
| Medical disbursements | 66,555 | 90,515 | 92,325 | 94,172 | 96,055 | 97,976 |
| Telephone/Internet | 6,030 | 8,201 | 8,365 | 8,532 | 8,703 | 8,877 |
| Office supplies | 2,385 | 3,244 | 3,308 | 3,375 | 3,442 | 3,511 |
| Fuel | 1,935 | 2,632 | 2,684 | 2,738 | 2,793 | 2,849 |
| Licenses/Permits | 360 | 490 | 499 | 509 | 520 | 530 |
| Statutory fees and court costs | 17,875 | - | - | - | - | - |
| Total operating disbursements | 1,144,740 | 1,436,996 | 1,465,736 | 1,495,051 | 1,524,952 | 1,555,451 |
| Cash available after operating disbursements | \$ 8,123,260 | \$ 833,524 | \$ 1,190,908 | \$ 824,632 | \$ 742,243 | \$ 10,492,939 |
| Plan Disbursements | | | | | | |
| Principal pay down on Cobalt Sr. Sec. Note | 7,500,000 | - | - | - | - | - |
| Interest payments on Cobalt Sr. Sec. Note | 46,600 | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 386,581 | 579,871 | 579,871 | 579,871 | 579,871 | 6,938,197 |
| Maple Bank (788 Laurel, 1148 Dayton) | 27,317 | 40,975 | 409,990 | - | - | - |
| MidWestOne Bank (833-837 Hague) | 20,002 | 30,003 | 30,003 | 160,078 | - | - |
| Center for Energy and Environment | 7,513 | - | - | - | - | - |
| General Unsecured Claims | 89,367 | - | - | - | - | - |
| Cobalt Subordinated Note | 50,000 | 120,000 | 120,000 | 120,000 | 120,000 | 3,040,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | 458,470 |
| Refinance Maple Mortgage (September 2019) | - | - | 6,651 | 26,605 | 26,605 | 26,605 |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | 3,275 | 9,826 | 9,826 |
| Chapter 11 administrative expenses | 140,000 | - | - | - | - | - |
| Total plan disbursements | 8,267,380 | 770,849 | 1,146,516 | 889,830 | 736,303 | 10,473,098 |
| Cash available after financial disbursements | \$ (144,120) | \$ 62,675 | \$ 44,393 | \$ (65,198) | \$ 5,940 | \$ 19,841 |
| Beginning cash | \$ 197,136 | \$ 53,017 | \$ 115,691 | \$ 160,084 | \$ 94,886 | \$ 100,827 |
| Ending cash | \$ 53,017 | \$ 115,691 | \$ 160,084 | \$ 94,886 | \$ 100,827 | \$ 120,667 |
| Balance Sheet | | | | | | |
| Debt Obligations | End 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,411,889 | \$ 7,272,951 | \$ 7,125,445 | \$ 6,968,840 | \$ 6,802,576 | \$ - |
| Maple Bank (788 Laurel, 1148 Dayton) | 409,455 | 392,588 | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | 193,178 | 174,251 | 154,156 | - | - | - |
| Center for Energy and Environment | - | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - | - |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | - |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | 9,669,597 |
| Refinance Maple Mortgage (September 2019) | - | - | 377,341 | 369,422 | 361,099 | 352,350 |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | 139,129 | 136,193 | 133,106 |
| Chapter 11 administrative expenses | - | - | - | - | - | - |
| Total debt | \$ 11,014,521 | \$ 10,839,790 | \$ 10,656,942 | \$ 10,477,392 | \$ 10,299,868 | \$ 10,155,053 |

Christ's Household of Faith, Inc.

Cash Flow Projections

Assumes Plan Effective Date in April 2017

| Income Statement | | | | | | |
|---|------------------|----------------|----------------|----------------|----------------|--|
| Cash Receipts | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | |
| Commercial Property rental income | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | |
| Sale of automobiles | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | |
| Funds from Contributing Non-Debtor Entities | 150,000 | 160,000 | 200,000 | 160,000 | 160,000 | |
| Venture Bank Fund \$7.5MM Mortgage Facility | 7,500,000 | - | - | - | - | |
| Refinance Venture and Cobalt Notes | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | |
| Total receipts | 7,682,000 | 192,000 | 232,000 | 192,000 | 192,000 | |

| Operating Disbursements | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | |
|---|---------------------|--------------------|-------------------|------------------|------------------|--|
| Refuse/garbage collection | \$ 800 | \$ 800 | \$ 800 | \$ 800 | \$ 800 | |
| Utilities | 28,000 | 27,000 | 28,000 | 29,000 | 30,000 | |
| Insurance | 11,150 | 11,150 | 11,150 | 11,150 | 11,150 | |
| Real estate tax | - | 142,000 | - | - | - | |
| Housing rent | 14,950 | 14,950 | 14,950 | 14,950 | 14,950 | |
| Facility maintenance | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | |
| Auto insurance | 14,500 | 14,500 | 14,500 | 14,500 | 14,500 | |
| Medical disbursements | 7,395 | 7,395 | 7,395 | 7,395 | 7,395 | |
| Telephone/Internet | 670 | 670 | 670 | 670 | 670 | |
| Office supplies | 265 | 265 | 265 | 265 | 265 | |
| Fuel | 215 | 215 | 215 | 215 | 215 | |
| Licenses/Permits | 40 | 40 | 40 | 40 | 40 | |
| Statutory fees and court costs | 4,875 | - | - | 13,000 | - | |
| Total operating disbursements | 97,860 | 233,985 | 92,985 | 106,985 | 94,985 | |
| Cash available after operating disbursements | \$ 7,584,140 | \$ (41,985) | \$ 139,015 | \$ 85,015 | \$ 97,015 | |

| Plan Disbursements | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | |
|---|-------------------|---------------------|--------------------|------------------|------------------|--|
| Principal pay down on Cobalt Sr. Sec. Note | \$ 7,500,000 | \$ - | \$ - | \$ - | \$ - | |
| Interest payments on Cobalt Sr. Sec. Note | 46,600 | - | - | - | - | |
| Venture Bank Mortgage Facility (\$7.5MM) | - | 48,323 | 48,323 | 48,323 | 48,323 | |
| Maple Bank (788 Laurel, 1148 Dayton) | - | 3,415 | 3,415 | 3,415 | 3,415 | |
| MidWestOne Bank (833-837 Hague) | - | 2,500 | 2,500 | 2,500 | 2,500 | |
| Center for Energy and Environment | 7,513 | - | - | - | - | |
| General Unsecured Claims | - | - | 44,684 | - | - | |
| Cobalt Subordinated Note | - | - | - | - | 10,000 | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | |
| Chapter 11 administrative expenses | 30,000 | 55,000 | 55,000 | - | - | |
| Total plan disbursements | 7,584,113 | 109,237 | 153,921 | 54,237 | 64,237 | |
| Cash available after financial disbursements | \$ 27 | \$ (151,222) | \$ (14,906) | \$ 30,778 | \$ 32,778 | |
| Beginning cash | \$ 197,136 | \$ 197,163 | \$ 45,941 | \$ 31,035 | \$ 61,812 | |
| Ending cash | \$ 197,163 | \$ 45,941 | \$ 31,035 | \$ 61,812 | \$ 94,590 | |

| Balance Sheet | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| Debt Obligations | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,500,000 | \$ 7,489,177 | \$ 7,478,301 | \$ 7,467,370 | \$ 7,456,384 | |
| Maple Bank (788 Laurel, 1148 Dayton) | 420,151 | 418,837 | 417,517 | 416,190 | 414,856 | |
| MidWestOne Bank (833-837 Hague) | 205,181 | 203,707 | 202,225 | 200,736 | 199,239 | |
| Center for Energy and Environment | - | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | - | |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | |
| Chapter 11 administrative expenses | - | - | - | - | - | |
| Total debt | \$ 11,125,332 | \$ 11,111,721 | \$ 11,098,042 | \$ 11,084,295 | \$ 11,070,479 | |

Christ's Household of Faith, Inc.

Cash Flow Projections

Assumes Plan Effective Date in April 2017

Income Statement

| Cash Receipts | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 |
|---|----------------|----------------|----------------|----------------|----------------|
| Commercial Property rental income | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,900 |
| Sale of automobiles | 2,000 | 2,000 | 2,000 | 2,000 | 2,060 |
| Funds from Contributing Non-Debtor Entities | 160,000 | 200,000 | 150,000 | 140,000 | 140,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Total receipts | 192,000 | 232,000 | 182,000 | 172,000 | 172,960 |

| Operating Disbursements | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 |
|---|------------------|-------------------|------------------|------------------|------------------|
| Refuse/garbage collection | \$ 800 | \$ 800 | \$ 800 | \$ 800 | \$ 816 |
| Utilities | 28,000 | 29,000 | 29,000 | 30,000 | 30,600 |
| Insurance | 11,150 | 11,150 | 11,150 | 11,150 | 11,373 |
| Real estate tax | - | 142,000 | - | - | - |
| Housing rent | 14,950 | 14,950 | 14,950 | 14,950 | 15,249 |
| Facility maintenance | 15,000 | 15,000 | 15,000 | 15,000 | 15,300 |
| Auto insurance | 14,500 | 14,500 | 14,500 | 14,500 | 14,790 |
| Medical disbursements | 7,395 | 7,395 | 7,395 | 7,395 | 7,543 |
| Telephone/Internet | 670 | 670 | 670 | 670 | 683 |
| Office supplies | 265 | 265 | 265 | 265 | 270 |
| Fuel | 215 | 215 | 215 | 215 | 219 |
| Licenses/Permits | 40 | 40 | 40 | 40 | 41 |
| Statutory fees and court costs | | | | | |
| Total operating disbursements | 92,985 | 235,985 | 93,985 | 94,985 | 96,885 |
| Cash available after operating disbursements | \$ 99,015 | \$ (3,985) | \$ 88,015 | \$ 77,015 | \$ 76,075 |

| Plan Disbursements | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 |
|---|-------------------|---------------------|------------------|------------------|------------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | 3,415 | 3,415 | 3,415 | 3,415 | 3,415 |
| MidWestOne Bank (833-837 Hague) | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | 44,684 | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total plan disbursements | 64,237 | 108,921 | 64,237 | 64,237 | 64,237 |
| Cash available after financial disbursements | \$ 34,778 | \$ (112,906) | \$ 23,778 | \$ 12,778 | \$ 11,838 |
| Beginning cash | \$ 94,590 | \$ 129,368 | \$ 16,462 | \$ 40,239 | \$ 53,017 |
| Ending cash | \$ 129,368 | \$ 16,462 | \$ 40,239 | \$ 53,017 | \$ 64,855 |

Balance Sheet

| Debt Obligations | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,445,343 | \$ 7,434,247 | \$ 7,423,096 | \$ 7,411,889 | \$ 7,400,626 |
| Maple Bank (788 Laurel, 1148 Dayton) | 413,516 | 412,169 | 410,815 | 409,455 | 408,087 |
| MidWestOne Bank (833-837 Hague) | 197,735 | 196,224 | 194,705 | 193,178 | 191,644 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total debt | \$ 11,056,594 | \$ 11,042,640 | \$ 11,028,616 | \$ 11,014,521 | \$ 11,000,356 |

Christ's Household of Faith, Inc.
 Cash Flow Projections
 Assumes Plan Effective Date in April 2017

| Income Statement | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|--|
| Cash Receipts | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 | |
| Commercial Property rental income | \$ 30,900 | \$ 30,900 | \$ 30,900 | \$ 30,900 | \$ 30,900 | |
| Sale of automobiles | 2,060 | 2,060 | 2,060 | 2,060 | 2,060 | |
| Funds from Contributing Non-Debtor Entities | 140,000 | 140,000 | 140,000 | 180,000 | 175,000 | |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - | |
| Refinance Venture and Cobalt Notes | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | |
| Total receipts | 172,960 | 172,960 | 172,960 | 212,960 | 207,960 | |

| Operating Disbursements | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 | |
|---|------------------|------------------|------------------|--------------------|-------------------|--|
| Refuse/garbage collection | \$ 816 | \$ 816 | \$ 816 | \$ 816 | \$ 816 | |
| Utilities | 29,580 | 28,560 | 28,560 | 27,540 | 28,560 | |
| Insurance | 11,373 | 11,373 | 11,373 | 11,373 | 11,373 | |
| Real estate tax | - | - | - | 144,840 | - | |
| Housing rent | 15,249 | 15,249 | 15,249 | 15,249 | 15,249 | |
| Facility maintenance | 15,300 | 15,300 | 15,300 | 15,300 | 15,300 | |
| Auto insurance | 14,790 | 14,790 | 14,790 | 14,790 | 14,790 | |
| Medical disbursements | 7,543 | 7,543 | 7,543 | 7,543 | 7,543 | |
| Telephone/Internet | 683 | 683 | 683 | 683 | 683 | |
| Office supplies | 270 | 270 | 270 | 270 | 270 | |
| Fuel | 219 | 219 | 219 | 219 | 219 | |
| Licenses/Permits | 41 | 41 | 41 | 41 | 41 | |
| Statutory fees and court costs | | | | | | |
| Total operating disbursements | 95,865 | 94,845 | 94,845 | 238,665 | 94,845 | |
| Cash available after operating disbursements | \$ 77,095 | \$ 78,115 | \$ 78,115 | \$ (25,705) | \$ 113,115 | |

| Plan Disbursements | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 | |
|---|------------------|------------------|-------------------|--------------------|------------------|--|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - | |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 | |
| Maple Bank (788 Laurel, 1148 Dayton) | 3,415 | 3,415 | 3,415 | 3,415 | 3,415 | |
| MidWestOne Bank (833-837 Hague) | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | |
| Center for Energy and Environment | - | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | - | |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | |
| Chapter 11 administrative expenses | - | - | - | - | - | |
| Total plan disbursements | 64,237 | 64,237 | 64,237 | 64,237 | 64,237 | |
| Cash available after financial disbursements | \$ 12,858 | \$ 13,878 | \$ 13,878 | \$ (89,942) | \$ 48,878 | |
| Beginning cash | \$ 64,855 | \$ 77,713 | \$ 91,591 | \$ 105,468 | \$ 15,526 | |
| Ending cash | \$ 77,713 | \$ 91,591 | \$ 105,468 | \$ 15,526 | \$ 64,404 | |

| Balance Sheet | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| Debt Obligations | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 | |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,389,306 | \$ 7,377,930 | \$ 7,366,497 | \$ 7,355,007 | \$ 7,343,459 | |
| Maple Bank (788 Laurel, 1148 Dayton) | 406,713 | 405,332 | 403,944 | 402,549 | 401,148 | |
| MidWestOne Bank (833-837 Hague) | 190,101 | 188,552 | 186,994 | 185,429 | 183,856 | |
| Center for Energy and Environment | - | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | - | |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | |
| Chapter 11 administrative expenses | - | - | - | - | - | |
| Total debt | \$ 10,986,121 | \$ 10,971,814 | \$ 10,957,436 | \$ 10,942,985 | \$ 10,928,463 | |

Christ's Household of Faith, Inc.

Cash Flow Projections

Assumes Plan Effective Date in April 2017

Income Statement

| Cash Receipts | Jul-18 | Aug-18 | Sep-18 | Oct-18 | Nov-18 |
|---|----------------|----------------|----------------|----------------|----------------|
| Commercial Property rental income | \$ 30,900 | \$ 30,900 | \$ 30,900 | \$ 30,900 | \$ 30,900 |
| Sale of automobiles | 2,060 | 2,060 | 2,060 | 2,060 | 2,060 |
| Funds from Contributing Non-Debtor Entities | 160,000 | 160,000 | 160,000 | 160,000 | 160,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Total receipts | 192,960 | 192,960 | 192,960 | 192,960 | 192,960 |

| Operating Disbursements | Jul-18 | Aug-18 | Sep-18 | Oct-18 | Nov-18 |
|---|------------------|------------------|------------------|--------------------|------------------|
| Refuse/garbage collection | \$ 816 | \$ 816 | \$ 816 | \$ 816 | \$ 816 |
| Utilities | 29,580 | 30,600 | 28,560 | 29,580 | 29,580 |
| Insurance | 11,373 | 11,373 | 11,373 | 11,373 | 11,373 |
| Real estate tax | - | - | - | 144,840 | - |
| Housing rent | 15,249 | 15,249 | 15,249 | 15,249 | 15,249 |
| Facility maintenance | 15,300 | 15,300 | 15,300 | 15,300 | 15,300 |
| Auto insurance | 14,790 | 14,790 | 14,790 | 14,790 | 14,790 |
| Medical disbursements | 7,543 | 7,543 | 7,543 | 7,543 | 7,543 |
| Telephone/Internet | 683 | 683 | 683 | 683 | 683 |
| Office supplies | 270 | 270 | 270 | 270 | 270 |
| Fuel | 219 | 219 | 219 | 219 | 219 |
| Licenses/Permits | 41 | 41 | 41 | 41 | 41 |
| Statutory fees and court costs | | | | | |
| Total operating disbursements | 95,865 | 96,885 | 94,845 | 240,705 | 95,865 |
| Cash available after operating disbursements | \$ 97,095 | \$ 96,075 | \$ 98,115 | \$ (47,745) | \$ 97,095 |

| Plan Disbursements | Jul-18 | Aug-18 | Sep-18 | Oct-18 | Nov-18 |
|---|------------------|-------------------|-------------------|---------------------|------------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | 3,415 | 3,415 | 3,415 | 3,415 | 3,415 |
| MidWestOne Bank (833-837 Hague) | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total plan disbursements | 64,237 | 64,237 | 64,237 | 64,237 | 64,237 |
| Cash available after financial disbursements | \$ 32,858 | \$ 31,838 | \$ 33,878 | \$ (111,982) | \$ 32,858 |
| Beginning cash | \$ 64,404 | \$ 97,262 | \$ 129,100 | \$ 162,978 | \$ 50,996 |
| Ending cash | \$ 97,262 | \$ 129,100 | \$ 162,978 | \$ 50,996 | \$ 83,854 |

Balance Sheet

| Debt Obligations | Jul-18 | Aug-18 | Sep-18 | Oct-18 | Nov-18 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,331,854 | \$ 7,320,191 | \$ 7,308,469 | \$ 7,296,689 | \$ 7,284,850 |
| Maple Bank (788 Laurel, 1148 Dayton) | 399,739 | 398,323 | 396,900 | 395,470 | 394,033 |
| MidWestOne Bank (833-837 Hague) | 182,275 | 180,686 | 179,089 | 177,485 | 175,872 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total debt | \$ 10,913,868 | \$ 10,899,200 | \$ 10,884,458 | \$ 10,869,643 | \$ 10,854,754 |

Christ's Household of Faith, Inc.

Cash Flow Projections

Assumes Plan Effective Date in April 2017

Income Statement

| Cash Receipts | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 |
|---|----------------|----------------|----------------|----------------|----------------|
| Commercial Property rental income | \$ 30,900 | \$ 31,827 | \$ 31,827 | \$ 31,827 | \$ 31,827 |
| Sale of automobiles | 2,060 | 2,122 | 2,122 | 2,122 | 2,122 |
| Funds from Contributing Non-Debtor Entities | 160,000 | 160,000 | 160,000 | 160,000 | 160,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Total receipts | 192,960 | 193,949 | 193,949 | 193,949 | 193,949 |

| Operating Disbursements | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 |
|---|------------------|------------------|------------------|------------------|------------------|
| Refuse/garbage collection | \$ 816 | \$ 832 | \$ 832 | \$ 832 | \$ 832 |
| Utilities | 30,600 | 31,212 | 30,172 | 29,131 | 29,131 |
| Insurance | 11,373 | 11,600 | 11,600 | 11,600 | 11,600 |
| Real estate tax | - | - | - | - | - |
| Housing rent | 15,249 | 15,554 | 15,554 | 15,554 | 15,554 |
| Facility maintenance | 15,300 | 15,606 | 15,606 | 15,606 | 15,606 |
| Auto insurance | 14,790 | 15,086 | 15,086 | 15,086 | 15,086 |
| Medical disbursements | 7,543 | 7,694 | 7,694 | 7,694 | 7,694 |
| Telephone/Internet | 683 | 697 | 697 | 697 | 697 |
| Office supplies | 270 | 276 | 276 | 276 | 276 |
| Fuel | 219 | 224 | 224 | 224 | 224 |
| Licenses/Permits | 41 | 42 | 42 | 42 | 42 |
| Statutory fees and court costs | | | | | |
| Total operating disbursements | 96,885 | 98,822 | 97,782 | 96,742 | 96,742 |
| Cash available after operating disbursements | \$ 96,075 | \$ 95,126 | \$ 96,167 | \$ 97,207 | \$ 97,207 |

| Plan Disbursements | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | 3,415 | 3,415 | 3,415 | 3,415 | 3,415 |
| MidWestOne Bank (833-837 Hague) | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total plan disbursements | 64,237 | 64,237 | 64,237 | 64,237 | 64,237 |
| Cash available after financial disbursements | \$ 31,838 | \$ 30,889 | \$ 31,929 | \$ 32,970 | \$ 32,970 |
| Beginning cash | \$ 83,854 | \$ 115,691 | \$ 146,580 | \$ 178,510 | \$ 211,480 |
| Ending cash | \$ 115,691 | \$ 146,580 | \$ 178,510 | \$ 211,480 | \$ 244,449 |

Balance Sheet

| Debt Obligations | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,272,951 | \$ 7,260,993 | \$ 7,248,976 | \$ 7,236,898 | \$ 7,224,760 |
| Maple Bank (788 Laurel, 1148 Dayton) | 392,588 | 391,137 | 389,678 | 388,212 | 386,738 |
| MidWestOne Bank (833-837 Hague) | 174,251 | 172,622 | 170,985 | 169,339 | 167,686 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total debt | \$ 10,839,790 | \$ 10,824,752 | \$ 10,809,638 | \$ 10,794,449 | \$ 10,779,184 |

Christ's Household of Faith, Inc.

Cash Flow Projections

Assumes Plan Effective Date in April 2017

| Income Statement | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| Cash Receipts | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 |
| Commercial Property rental income | \$ 31,827 | \$ 31,827 | \$ 31,827 | \$ 31,827 | \$ 31,827 |
| Sale of automobiles | 2,122 | 2,122 | 2,122 | 2,122 | 2,122 |
| Funds from Contributing Non-Debtor Entities | 160,000 | 155,000 | 155,000 | 155,000 | 155,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | 379,259 |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Total receipts | 193,949 | 188,949 | 188,949 | 188,949 | 568,208 |

| Operating Disbursements | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 |
|---|--------------------|------------------|------------------|------------------|-------------------|
| Refuse/garbage collection | \$ 832 | \$ 832 | \$ 832 | \$ 832 | \$ 832 |
| Utilities | 28,091 | 29,131 | 30,172 | 31,212 | 29,131 |
| Insurance | 11,600 | 11,600 | 11,600 | 11,600 | 11,600 |
| Real estate tax | 147,737 | - | - | - | - |
| Housing rent | 15,554 | 15,554 | 15,554 | 15,554 | 15,554 |
| Facility maintenance | 15,606 | 15,606 | 15,606 | 15,606 | 15,606 |
| Auto insurance | 15,086 | 15,086 | 15,086 | 15,086 | 15,086 |
| Medical disbursements | 7,694 | 7,694 | 7,694 | 7,694 | 7,694 |
| Telephone/Internet | 697 | 697 | 697 | 697 | 697 |
| Office supplies | 276 | 276 | 276 | 276 | 276 |
| Fuel | 224 | 224 | 224 | 224 | 224 |
| Licenses/Permits | 42 | 42 | 42 | 42 | 42 |
| Statutory fees and court costs | | | | | |
| Total operating disbursements | 243,438 | 96,742 | 97,782 | 98,822 | 96,742 |
| Cash available after operating disbursements | \$ (49,489) | \$ 92,207 | \$ 91,167 | \$ 90,126 | \$ 471,466 |

| Plan Disbursements | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | 3,415 | 3,415 | 3,415 | 3,415 | 382,674 |
| MidWestOne Bank (833-837 Hague) | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total plan disbursements | 64,237 | 64,237 | 64,237 | 64,237 | 443,497 |
| Cash available after financial disbursements | \$ (113,727) | \$ 27,970 | \$ 26,929 | \$ 25,889 | \$ 27,970 |
| Beginning cash | \$ 244,449 | \$ 130,723 | \$ 158,693 | \$ 185,622 | \$ 211,511 |
| Ending cash | \$ 130,723 | \$ 158,693 | \$ 185,622 | \$ 211,511 | \$ 239,481 |

| Balance Sheet | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt Obligations | May-19 | Jun-19 | Jul-19 | Aug-19 | Sep-19 |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,212,561 | \$ 7,200,301 | \$ 7,187,980 | \$ 7,175,598 | \$ 7,163,153 |
| Maple Bank (788 Laurel, 1148 Dayton) | 385,257 | 383,769 | 382,273 | 380,770 | - |
| MidWestOne Bank (833-837 Hague) | 166,024 | 164,354 | 162,675 | 160,989 | 159,293 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | 379,259 |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total debt | \$ 10,763,842 | \$ 10,748,424 | \$ 10,732,929 | \$ 10,717,356 | \$ 10,701,705 |

Christ's Household of Faith, Inc.
 Cash Flow Projections
 Assumes Plan Effective Date in April 2017

| Income Statement | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| Cash Receipts | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 |
| Commercial Property rental income | \$ 31,827 | \$ 31,827 | \$ 31,827 | \$ 32,782 | \$ 32,782 |
| Sale of automobiles | 2,122 | 2,122 | 2,122 | 2,185 | 2,185 |
| Funds from Contributing Non-Debtor Entities | 155,000 | 155,000 | 140,000 | 140,000 | 140,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Total receipts | 188,949 | 188,949 | 173,949 | 174,967 | 174,967 |

| Operating Disbursements | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 |
|---|--------------------|------------------|------------------|------------------|------------------|
| Refuse/garbage collection | \$ 832 | \$ 832 | \$ 832 | \$ 849 | \$ 849 |
| Utilities | 30,172 | 30,172 | 31,212 | 31,836 | 30,775 |
| Insurance | 11,600 | 11,600 | 11,600 | 11,832 | 11,832 |
| Real estate tax | 147,737 | - | - | - | - |
| Housing rent | 15,554 | 15,554 | 15,554 | 15,865 | 15,865 |
| Facility maintenance | 15,606 | 15,606 | 15,606 | 15,918 | 15,918 |
| Auto insurance | 15,086 | 15,086 | 15,086 | 15,388 | 15,388 |
| Medical disbursements | 7,694 | 7,694 | 7,694 | 7,848 | 7,848 |
| Telephone/Internet | 697 | 697 | 697 | 711 | 711 |
| Office supplies | 276 | 276 | 276 | 281 | 281 |
| Fuel | 224 | 224 | 224 | 228 | 228 |
| Licenses/Permits | 42 | 42 | 42 | 42 | 42 |
| Statutory fees and court costs | | | | | |
| Total operating disbursements | 245,519 | 97,782 | 98,822 | 100,799 | 99,738 |
| Cash available after operating disbursements | \$ (56,570) | \$ 91,167 | \$ 75,126 | \$ 74,168 | \$ 75,230 |

| Plan Disbursements | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total plan disbursements | 63,040 | 63,040 | 63,040 | 63,040 | 63,040 |
| Cash available after financial disbursements | \$ (119,610) | \$ 28,127 | \$ 12,086 | \$ 11,128 | \$ 12,190 |
| Beginning cash | \$ 239,481 | \$ 119,871 | \$ 147,998 | \$ 160,084 | \$ 171,213 |
| Ending cash | \$ 119,871 | \$ 147,998 | \$ 160,084 | \$ 171,213 | \$ 183,402 |

| Balance Sheet | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt Obligations | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,150,646 | \$ 7,138,077 | \$ 7,125,445 | \$ 7,112,749 | \$ 7,099,990 |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | 157,590 | 155,877 | 154,156 | 152,427 | 150,689 |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | 378,622 | 377,983 | 377,341 | 376,696 | 376,048 |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total debt | \$ 10,686,858 | \$ 10,671,937 | \$ 10,656,942 | \$ 10,641,872 | \$ 10,626,727 |

Christ's Household of Faith, Inc.
Cash Flow Projections
Assumes Plan Effective Date in April 2017

| Income Statement | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Cash Receipts | Mar-20 | Apr-20 | May-20 | Jun-20 | Jul-20 | |
| Commercial Property rental income | \$ 32,782 | \$ 32,782 | \$ 32,782 | \$ 32,782 | \$ 32,782 | \$ 32,782 |
| Sale of automobiles | 2,185 | 2,185 | 2,185 | 2,185 | 2,185 | 2,185 |
| Funds from Contributing Non-Debtor Entities | 140,000 | 140,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | - |
| Total receipts | 174,967 | 174,967 | 184,967 | 184,967 | 184,967 | 184,967 |

| Operating Disbursements | Mar-20 | Apr-20 | May-20 | Jun-20 | Jul-20 | |
|---|------------------|------------------|--------------------|------------------|------------------|------------------|
| Refuse/garbage collection | \$ 849 | \$ 849 | \$ 849 | \$ 849 | \$ 849 | \$ 849 |
| Utilities | 29,714 | 29,714 | 28,653 | 29,714 | 30,775 | 30,775 |
| Insurance | 11,832 | 11,832 | 11,832 | 11,832 | 11,832 | 11,832 |
| Real estate tax | - | - | 150,692 | - | - | - |
| Housing rent | 15,865 | 15,865 | 15,865 | 15,865 | 15,865 | 15,865 |
| Facility maintenance | 15,918 | 15,918 | 15,918 | 15,918 | 15,918 | 15,918 |
| Auto insurance | 15,388 | 15,388 | 15,388 | 15,388 | 15,388 | 15,388 |
| Medical disbursements | 7,848 | 7,848 | 7,848 | 7,848 | 7,848 | 7,848 |
| Telephone/Internet | 711 | 711 | 711 | 711 | 711 | 711 |
| Office supplies | 281 | 281 | 281 | 281 | 281 | 281 |
| Fuel | 228 | 228 | 228 | 228 | 228 | 228 |
| Licenses/Permits | 42 | 42 | 42 | 42 | 42 | 42 |
| Statutory fees and court costs | | | | | | |
| Total operating disbursements | 98,676 | 98,676 | 248,307 | 98,676 | 99,738 | 99,738 |
| Cash available after operating disbursements | \$ 76,291 | \$ 76,291 | \$ (63,339) | \$ 86,291 | \$ 85,230 | \$ 85,230 |

| Plan Disbursements | Mar-20 | Apr-20 | May-20 | Jun-20 | Jul-20 | |
|---|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Center for Energy and Environment | - | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - | - |
| Total plan disbursements | 63,040 | 63,040 | 63,040 | 63,040 | 63,040 | 63,040 |
| Cash available after financial disbursements | \$ 13,251 | \$ 13,251 | \$ (126,379) | \$ 23,251 | \$ 22,190 | \$ 22,190 |
| Beginning cash | \$ 183,402 | \$ 196,653 | \$ 209,904 | \$ 83,525 | \$ 106,775 | \$ 106,775 |
| Ending cash | \$ 196,653 | \$ 209,904 | \$ 83,525 | \$ 106,775 | \$ 128,965 | \$ 128,965 |

| Balance Sheet | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt Obligations | Mar-20 | Apr-20 | May-20 | Jun-20 | Jul-20 | |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,087,168 | \$ 7,074,281 | \$ 7,061,330 | \$ 7,048,314 | \$ 7,035,233 | \$ 7,035,233 |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | 148,942 | 147,187 | 145,422 | 143,649 | 141,867 | 141,867 |
| Center for Energy and Environment | - | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - | - |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | 375,398 | 374,745 | 374,089 | 373,431 | 372,770 | 372,770 |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | - |
| Chapter 11 administrative expenses | - | - | - | - | - | - |
| Total debt | \$ 10,611,508 | \$ 10,596,212 | \$ 10,580,841 | \$ 10,565,394 | \$ 10,549,870 | \$ 10,549,870 |

Christ's Household of Faith, Inc.
Cash Flow Projections
Assumes Plan Effective Date in April 2017

| Income Statement | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Cash Receipts | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | |
| Commercial Property rental income | \$ 32,782 | \$ 32,782 | \$ 32,782 | \$ 32,782 | \$ 32,782 | \$ 32,782 |
| Sale of automobiles | 2,185 | 2,185 | 2,185 | 2,185 | 2,185 | 2,185 |
| Funds from Contributing Non-Debtor Entities | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | 140,076 | - | - | - | - | - |
| Total receipts | 325,043 | 184,967 | 184,967 | 184,967 | 184,967 | 184,967 |

| Operating Disbursements | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | |
|---|-------------------|------------------|--------------------|------------------|------------------|--------|
| Refuse/garbage collection | \$ 849 | \$ 849 | \$ 849 | \$ 849 | \$ 849 | \$ 849 |
| Utilities | 31,836 | 29,714 | 30,775 | 30,775 | 31,836 | 31,836 |
| Insurance | 11,832 | 11,832 | 11,832 | 11,832 | 11,832 | 11,832 |
| Real estate tax | - | - | 150,692 | - | - | - |
| Housing rent | 15,865 | 15,865 | 15,865 | 15,865 | 15,865 | 15,865 |
| Facility maintenance | 15,918 | 15,918 | 15,918 | 15,918 | 15,918 | 15,918 |
| Auto insurance | 15,388 | 15,388 | 15,388 | 15,388 | 15,388 | 15,388 |
| Medical disbursements | 7,848 | 7,848 | 7,848 | 7,848 | 7,848 | 7,848 |
| Telephone/Internet | 711 | 711 | 711 | 711 | 711 | 711 |
| Office supplies | 281 | 281 | 281 | 281 | 281 | 281 |
| Fuel | 228 | 228 | 228 | 228 | 228 | 228 |
| Licenses/Permits | 42 | 42 | 42 | 42 | 42 | 42 |
| Statutory fees and court costs | | | | | | |
| Total operating disbursements | 100,799 | 98,676 | 250,429 | 99,738 | 100,799 | |
| Cash available after operating disbursements | \$ 224,245 | \$ 86,291 | \$ (65,462) | \$ 85,230 | \$ 84,168 | |

| Plan Disbursements | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | |
|---|-------------------|-------------------|---------------------|------------------|------------------|---------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | 142,576 | - | - | - | - | - |
| Center for Energy and Environment | - | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 |
| Refinance MidWestOne Mortgage (August 2020) | - | 819 | 819 | 819 | 819 | 819 |
| Chapter 11 administrative expenses | - | - | - | - | - | - |
| Total plan disbursements | 203,116 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 |
| Cash available after financial disbursements | \$ 21,128 | \$ 24,932 | \$ (126,820) | \$ 23,871 | \$ 22,810 | |
| Beginning cash | \$ 128,965 | \$ 150,094 | \$ 175,026 | \$ 48,205 | \$ 72,076 | |
| Ending cash | \$ 150,094 | \$ 175,026 | \$ 48,205 | \$ 72,076 | \$ 94,886 | |

| Balance Sheet | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| Debt Obligations | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 7,022,086 | \$ 7,008,874 | \$ 6,995,596 | \$ 6,982,251 | \$ 6,968,840 | |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - | |
| Center for Energy and Environment | - | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | - | |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | 372,106 | 371,439 | 370,770 | 370,097 | 369,422 | |
| Refinance MidWestOne Mortgage (August 2020) | 140,076 | 139,841 | 139,605 | 139,368 | 139,129 | |
| Chapter 11 administrative expenses | - | - | - | - | - | |
| Total debt | \$ 10,534,268 | \$ 10,520,154 | \$ 10,505,970 | \$ 10,491,716 | \$ 10,477,392 | |

Christ's Household of Faith, Inc.
 Cash Flow Projections
 Assumes Plan Effective Date in April 2017

| Income Statement | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Cash Receipts | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | |
| Commercial Property rental income | \$ 33,765 | \$ 33,765 | \$ 33,765 | \$ 33,765 | \$ 33,765 | \$ 33,765 |
| Sale of automobiles | 2,251 | 2,251 | 2,251 | 2,251 | 2,251 | 2,251 |
| Funds from Contributing Non-Debtor Entities | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | - |
| Total receipts | 186,016 | 186,016 | 186,016 | 186,016 | 186,016 | 186,016 |

| Operating Disbursements | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | |
|---|------------------|------------------|------------------|------------------|--------------------|--------------------|
| Refuse/garbage collection | \$ 866 | \$ 866 | \$ 866 | \$ 866 | \$ 866 | \$ 866 |
| Utilities | 32,473 | 31,391 | 30,308 | 30,308 | 29,226 | 29,226 |
| Insurance | 12,069 | 12,069 | 12,069 | 12,069 | 12,069 | 12,069 |
| Real estate tax | - | - | - | - | - | 153,705 |
| Housing rent | 16,182 | 16,182 | 16,182 | 16,182 | 16,182 | 16,182 |
| Facility maintenance | 16,236 | 16,236 | 16,236 | 16,236 | 16,236 | 16,236 |
| Auto insurance | 15,695 | 15,695 | 15,695 | 15,695 | 15,695 | 15,695 |
| Medical disbursements | 8,005 | 8,005 | 8,005 | 8,005 | 8,005 | 8,005 |
| Telephone/Internet | 725 | 725 | 725 | 725 | 725 | 725 |
| Office supplies | 287 | 287 | 287 | 287 | 287 | 287 |
| Fuel | 233 | 233 | 233 | 233 | 233 | 233 |
| Licenses/Permits | 43 | 43 | 43 | 43 | 43 | 43 |
| Statutory fees and court costs | | | | | | |
| Total operating disbursements | 102,815 | 101,732 | 100,650 | 100,650 | 253,273 | 253,273 |
| Cash available after operating disbursements | \$ 83,201 | \$ 84,284 | \$ 85,366 | \$ 85,366 | \$ (67,257) | \$ (67,257) |

| Plan Disbursements | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - | - |
| Center for Energy and Environment | - | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 |
| Refinance MidWestOne Mortgage (August 2020) | 819 | 819 | 819 | 819 | 819 | 819 |
| Chapter 11 administrative expenses | - | - | - | - | - | - |
| Total plan disbursements | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 |
| Cash available after financial disbursements | \$ 21,843 | \$ 22,925 | \$ 24,008 | \$ 24,008 | \$ (128,615) | \$ (128,615) |
| Beginning cash | \$ 94,886 | \$ 116,729 | \$ 139,654 | \$ 163,662 | \$ 187,670 | \$ 187,670 |
| Ending cash | \$ 116,729 | \$ 139,654 | \$ 163,662 | \$ 187,670 | \$ 59,055 | \$ 59,055 |

| Balance Sheet | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt Obligations | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 6,955,361 | \$ 6,941,816 | \$ 6,928,202 | \$ 6,914,521 | \$ 6,900,771 | \$ 6,900,771 |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - | - |
| Center for Energy and Environment | - | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - | - |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | 368,745 | 368,064 | 367,380 | 366,694 | 366,005 | 366,005 |
| Refinance MidWestOne Mortgage (August 2020) | 138,890 | 138,650 | 138,409 | 138,167 | 137,924 | 137,924 |
| Chapter 11 administrative expenses | - | - | - | - | - | - |
| Total debt | \$ 10,462,996 | \$ 10,448,530 | \$ 10,433,991 | \$ 10,419,381 | \$ 10,404,699 | \$ 10,404,699 |

Christ's Household of Faith, Inc.
Cash Flow Projections
Assumes Plan Effective Date in April 2017

| Income Statement | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Cash Receipts | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | |
| Commercial Property rental income | \$ 33,765 | \$ 33,765 | \$ 33,765 | \$ 33,765 | \$ 33,765 | \$ 33,765 |
| Sale of automobiles | 2,251 | 2,251 | 2,251 | 2,251 | 2,251 | 2,251 |
| Funds from Contributing Non-Debtor Entities | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | - |
| Total receipts | 191,016 | 191,016 | 191,016 | 191,016 | 191,016 | 191,016 |

| Operating Disbursements | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | |
|---|------------------|------------------|------------------|------------------|--------------------|---------|
| Refuse/garbage collection | \$ 866 | \$ 866 | \$ 866 | \$ 866 | \$ 866 | \$ 866 |
| Utilities | 30,308 | 31,391 | 32,473 | 30,308 | 31,391 | 31,391 |
| Insurance | 12,069 | 12,069 | 12,069 | 12,069 | 12,069 | 12,069 |
| Real estate tax | - | - | - | - | - | 153,705 |
| Housing rent | 16,182 | 16,182 | 16,182 | 16,182 | 16,182 | 16,182 |
| Facility maintenance | 16,236 | 16,236 | 16,236 | 16,236 | 16,236 | 16,236 |
| Auto insurance | 15,695 | 15,695 | 15,695 | 15,695 | 15,695 | 15,695 |
| Medical disbursements | 8,005 | 8,005 | 8,005 | 8,005 | 8,005 | 8,005 |
| Telephone/Internet | 725 | 725 | 725 | 725 | 725 | 725 |
| Office supplies | 287 | 287 | 287 | 287 | 287 | 287 |
| Fuel | 233 | 233 | 233 | 233 | 233 | 233 |
| Licenses/Permits | 43 | 43 | 43 | 43 | 43 | 43 |
| Statutory fees and court costs | | | | | | |
| Total operating disbursements | 100,650 | 101,732 | 102,815 | 100,650 | 255,438 | |
| Cash available after operating disbursements | \$ 90,366 | \$ 89,284 | \$ 88,201 | \$ 90,366 | \$ (64,421) | |

| Plan Disbursements | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | |
|---|------------------|-------------------|-------------------|-------------------|---------------------|---------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - | - |
| Center for Energy and Environment | - | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - | - |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 |
| Refinance MidWestOne Mortgage (August 2020) | 819 | 819 | 819 | 819 | 819 | 819 |
| Chapter 11 administrative expenses | - | - | - | - | - | - |
| Total plan disbursements | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 |
| Cash available after financial disbursements | \$ 29,008 | \$ 27,925 | \$ 26,843 | \$ 29,008 | \$ (125,780) | |
| Beginning cash | \$ 59,055 | \$ 88,062 | \$ 115,988 | \$ 142,831 | \$ 171,838 | |
| Ending cash | \$ 88,062 | \$ 115,988 | \$ 142,831 | \$ 171,838 | \$ 46,058 | |

| Balance Sheet | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| Debt Obligations | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 6,886,952 | \$ 6,873,064 | \$ 6,859,107 | \$ 6,845,080 | \$ 6,830,982 | |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - | |
| Center for Energy and Environment | - | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | - | |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | 365,313 | 364,618 | 363,920 | 363,219 | 362,515 | |
| Refinance MidWestOne Mortgage (August 2020) | 137,679 | 137,434 | 137,188 | 136,941 | 136,692 | |
| Chapter 11 administrative expenses | - | - | - | - | - | |
| Total debt | \$ 10,389,944 | \$ 10,375,116 | \$ 10,360,215 | \$ 10,345,239 | \$ 10,330,190 | |

Christ's Household of Faith, Inc.
 Cash Flow Projections
 Assumes Plan Effective Date in April 2017

| Income Statement | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|--|
| Cash Receipts | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | |
| Commercial Property rental income | \$ 33,765 | \$ 33,765 | \$ 34,778 | \$ 34,778 | \$ 34,778 | |
| Sale of automobiles | 2,251 | 2,251 | 2,319 | 2,319 | 2,319 | |
| Funds from Contributing Non-Debtor Entities | 155,000 | 155,000 | 150,000 | 150,000 | 150,000 | |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - | |
| Refinance Venture and Cobalt Notes | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - | |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - | |
| Total receipts | 191,016 | 191,016 | 187,097 | 187,097 | 187,097 | |

| Operating Disbursements | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | |
|---|------------------|------------------|------------------|------------------|------------------|--|
| Refuse/garbage collection | \$ 866 | \$ 866 | \$ 883 | \$ 883 | \$ 883 | |
| Utilities | 31,391 | 32,473 | 33,122 | 32,018 | 30,914 | |
| Insurance | 12,069 | 12,069 | 12,311 | 12,311 | 12,311 | |
| Real estate tax | - | - | - | - | - | |
| Housing rent | 16,182 | 16,182 | 16,506 | 16,506 | 16,506 | |
| Facility maintenance | 16,236 | 16,236 | 16,561 | 16,561 | 16,561 | |
| Auto insurance | 15,695 | 15,695 | 16,009 | 16,009 | 16,009 | |
| Medical disbursements | 8,005 | 8,005 | 8,165 | 8,165 | 8,165 | |
| Telephone/Internet | 725 | 725 | 740 | 740 | 740 | |
| Office supplies | 287 | 287 | 293 | 293 | 293 | |
| Fuel | 233 | 233 | 237 | 237 | 237 | |
| Licenses/Permits | 43 | 43 | 44 | 44 | 44 | |
| Statutory fees and court costs | | | | | | |
| Total operating disbursements | 101,732 | 102,815 | 104,871 | 103,767 | 102,663 | |
| Cash available after operating disbursements | \$ 89,284 | \$ 88,201 | \$ 82,226 | \$ 83,330 | \$ 84,434 | |

| Plan Disbursements | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | |
|---|------------------|-------------------|-------------------|-------------------|-------------------|--|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - | |
| Venture Bank Mortgage Facility (\$7.5MM) | 48,323 | 48,323 | 48,323 | 48,323 | 48,323 | |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - | |
| Center for Energy and Environment | - | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | - | |
| Cobalt Subordinated Note | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 | |
| Refinance MidWestOne Mortgage (August 2020) | 819 | 819 | 819 | 819 | 819 | |
| Chapter 11 administrative expenses | - | - | - | - | - | |
| Total plan disbursements | 61,359 | 61,359 | 61,359 | 61,359 | 61,359 | |
| Cash available after financial disbursements | \$ 27,925 | \$ 26,843 | \$ 20,867 | \$ 21,971 | \$ 23,075 | |
| Beginning cash | \$ 46,058 | \$ 73,984 | \$ 100,827 | \$ 121,694 | \$ 143,665 | |
| Ending cash | \$ 73,984 | \$ 100,827 | \$ 121,694 | \$ 143,665 | \$ 166,740 | |

| Balance Sheet | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| Debt Obligations | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ 6,816,815 | \$ 6,802,576 | \$ 6,788,266 | \$ 6,773,885 | \$ 6,759,432 | |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - | |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - | |
| Center for Energy and Environment | - | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | - | |
| Cobalt Subordinated Note | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | 361,809 | 361,099 | 360,387 | 359,671 | 358,953 | |
| Refinance MidWestOne Mortgage (August 2020) | 136,443 | 136,193 | 135,941 | 135,689 | 135,435 | |
| Chapter 11 administrative expenses | - | - | - | - | - | |
| Total debt | \$ 10,315,067 | \$ 10,299,868 | \$ 10,284,594 | \$ 10,269,245 | \$ 10,253,820 | |

Christ's Household of Faith, Inc.

Cash Flow Projections

Assumes Plan Effective Date in April 2017

Income Statement

| Cash Receipts | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 |
|---|------------------|----------------|----------------|----------------|----------------|
| Commercial Property rental income | \$ 34,778 | \$ 34,778 | \$ 34,778 | \$ 34,778 | \$ 34,778 |
| Sale of automobiles | 2,319 | 2,319 | 2,319 | 2,319 | 2,319 |
| Funds from Contributing Non-Debtor Entities | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | - |
| Refinance Venture and Cobalt Notes | 9,803,229 | - | - | - | - |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | - |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | - |
| Total receipts | 9,990,326 | 187,097 | 187,097 | 187,097 | 187,097 |

Operating Disbursements

| | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 |
|---|---------------------|--------------------|------------------|------------------|------------------|
| Refuse/garbage collection | \$ 883 | \$ 883 | \$ 883 | \$ 883 | \$ 883 |
| Utilities | 30,914 | 29,810 | 30,914 | 32,018 | 33,122 |
| Insurance | 12,311 | 12,311 | 12,311 | 12,311 | 12,311 |
| Real estate tax | - | 156,779 | - | - | - |
| Housing rent | 16,506 | 16,506 | 16,506 | 16,506 | 16,506 |
| Facility maintenance | 16,561 | 16,561 | 16,561 | 16,561 | 16,561 |
| Auto insurance | 16,009 | 16,009 | 16,009 | 16,009 | 16,009 |
| Medical disbursements | 8,165 | 8,165 | 8,165 | 8,165 | 8,165 |
| Telephone/Internet | 740 | 740 | 740 | 740 | 740 |
| Office supplies | 293 | 293 | 293 | 293 | 293 |
| Fuel | 237 | 237 | 237 | 237 | 237 |
| Licenses/Permits | 44 | 44 | 44 | 44 | 44 |
| Statutory fees and court costs | | | | | |
| Total operating disbursements | 102,663 | 258,338 | 102,663 | 103,767 | 104,871 |
| Cash available after operating disbursements | \$ 9,887,663 | \$ (71,242) | \$ 84,434 | \$ 83,330 | \$ 82,226 |

Plan Disbursements

| | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 |
|---|-------------------|---------------------|-------------------|-------------------|-------------------|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | - |
| Venture Bank Mortgage Facility (\$7.5MM) | 6,793,229 | - | - | - | - |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | 3,010,000 | - | - | - | - |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | - | 57,309 | 57,309 | 57,309 | 57,309 |
| Refinance Maple Mortgage (September 2019) | 2,217 | 2,217 | 2,217 | 2,217 | 2,217 |
| Refinance MidWestOne Mortgage (August 2020) | 819 | 819 | 819 | 819 | 819 |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total plan disbursements | 9,806,265 | 60,345 | 60,345 | 60,345 | 60,345 |
| Cash available after financial disbursements | \$ 81,398 | \$ (131,586) | \$ 24,089 | \$ 22,985 | \$ 21,881 |
| Beginning cash | \$ 166,740 | \$ 248,138 | \$ 116,552 | \$ 140,641 | \$ 163,626 |
| Ending cash | \$ 248,138 | \$ 116,552 | \$ 140,641 | \$ 163,626 | \$ 185,507 |

Balance Sheet

| Debt Obligations | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Venture Bank Mortgage Facility (\$7.5MM) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | - |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | - |
| Center for Energy and Environment | - | - | - | - | - |
| General Unsecured Claims | - | - | - | - | - |
| Cobalt Subordinated Note | - | - | - | - | - |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | 9,803,229 | 9,786,767 | 9,770,237 | 9,753,637 | 9,736,969 |
| Refinance Maple Mortgage (September 2019) | 358,231 | 357,507 | 356,779 | 356,049 | 355,315 |
| Refinance MidWestOne Mortgage (August 2020) | 135,181 | 134,925 | 134,669 | 134,411 | 134,152 |
| Chapter 11 administrative expenses | - | - | - | - | - |
| Total debt | \$ 10,296,641 | \$ 10,279,199 | \$ 10,261,684 | \$ 10,244,097 | \$ 10,226,436 |

Christ's Household of Faith, Inc.
Cash Flow Projections
Assumes Plan Effective Date in April 2017

| Income Statement | | | | | |
|---|----------------|----------------|----------------|----------------|--|
| Cash Receipts | Sep-22 | Oct-22 | Nov-22 | Dec-22 | |
| Commercial Property rental income | \$ 34,778 | \$ 34,778 | \$ 34,778 | \$ 34,778 | |
| Sale of automobiles | 2,319 | 2,319 | 2,319 | 2,319 | |
| Funds from Contributing Non-Debtor Entities | 150,000 | 150,000 | 150,000 | 150,000 | |
| Venture Bank Fund \$7.5MM Mortgage Facility | - | - | - | - | |
| Refinance Venture and Cobalt Notes | - | - | - | - | |
| Refinance Maple Mortgage (September 2019) | - | - | - | - | |
| Refinance MidWestOne Mortgage (August 2020) | - | - | - | - | |
| Total receipts | 187,097 | 187,097 | 187,097 | 187,097 | |

| Operating Disbursements | Sep-22 | Oct-22 | Nov-22 | Dec-22 | |
|---|------------------|--------------------|------------------|------------------|--|
| Refuse/garbage collection | \$ 883 | \$ 883 | \$ 883 | \$ 883 | |
| Utilities | 30,914 | 32,018 | 32,018 | 33,122 | |
| Insurance | 12,311 | 12,311 | 12,311 | 12,311 | |
| Real estate tax | - | 156,779 | - | - | |
| Housing rent | 16,506 | 16,506 | 16,506 | 16,506 | |
| Facility maintenance | 16,561 | 16,561 | 16,561 | 16,561 | |
| Auto insurance | 16,009 | 16,009 | 16,009 | 16,009 | |
| Medical disbursements | 8,165 | 8,165 | 8,165 | 8,165 | |
| Telephone/Internet | 740 | 740 | 740 | 740 | |
| Office supplies | 293 | 293 | 293 | 293 | |
| Fuel | 237 | 237 | 237 | 237 | |
| Licenses/Permits | 44 | 44 | 44 | 44 | |
| Statutory fees and court costs | | | | | |
| Total operating disbursements | 102,663 | 260,547 | 103,767 | 104,871 | |
| Cash available after operating disbursements | \$ 84,434 | \$ (73,450) | \$ 83,330 | \$ 82,226 | |

| Plan Disbursements | Sep-22 | Oct-22 | Nov-22 | Dec-22 | |
|---|-------------------|---------------------|------------------|-------------------|--|
| Principal pay down on Cobalt Sr. Sec. Note | \$ - | \$ - | \$ - | \$ - | |
| Interest payments on Cobalt Sr. Sec. Note | - | - | - | - | |
| Venture Bank Mortgage Facility (\$7.5MM) | - | - | - | - | |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | |
| Center for Energy and Environment | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | |
| Cobalt Subordinated Note | - | - | - | - | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | 57,309 | 57,309 | 57,309 | 57,309 | |
| Refinance Maple Mortgage (September 2019) | 2,217 | 2,217 | 2,217 | 2,217 | |
| Refinance MidWestOne Mortgage (August 2020) | 819 | 819 | 819 | 819 | |
| Chapter 11 administrative expenses | - | - | - | - | |
| Total plan disbursements | 60,345 | 60,345 | 60,345 | 60,345 | |
| Cash available after financial disbursements | \$ 24,089 | \$ (133,794) | \$ 22,985 | \$ 21,881 | |
| Beginning cash | \$ 185,507 | \$ 209,596 | \$ 75,801 | \$ 98,786 | |
| Ending cash | \$ 209,596 | \$ 75,801 | \$ 98,786 | \$ 120,667 | |

| Balance Sheet | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|--|
| Debt Obligations | Sep-22 | Oct-22 | Nov-22 | Dec-22 | |
| Venture Bank Mortgage Facility (\$7.5MM) | \$ - | \$ - | \$ - | \$ - | |
| Maple Bank (788 Laurel, 1148 Dayton) | - | - | - | - | |
| MidWestOne Bank (833-837 Hague) | - | - | - | - | |
| Center for Energy and Environment | - | - | - | - | |
| General Unsecured Claims | - | - | - | - | |
| Cobalt Subordinated Note | - | - | - | - | |
| Refinance Venture (\$7.5MM) & Cobalt Sub Note (\$3MM) | 9,720,231 | 9,703,423 | 9,686,545 | 9,669,597 | |
| Refinance Maple Mortgage (September 2019) | 354,579 | 353,839 | 353,096 | 352,350 | |
| Refinance MidWestOne Mortgage (August 2020) | 133,892 | 133,631 | 133,369 | 133,106 | |
| Chapter 11 administrative expenses | - | - | - | - | |
| Total debt | \$ 10,208,701 | \$ 10,190,893 | \$ 10,173,010 | \$ 10,155,053 | |