

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In Re:

PALISADES PARK PLAZA, LLC,

Debtor.

Case No.: 15-32649

Chapter: 11

Hearing Date: 1/23/18

Judge: Stacey L. Meisel, USBJ

**DEBTOR'S CERTIFICATION IN SUPPORT OF MOTION
TO APPROVE POST-PETITION FINANCING NUNC PRO TUNC**

I, Chang Dong Kim, hereby certify as follows:

1. I am the sole officer and sole member of the Debtor in this chapter 11 bankruptcy case, Palisades Park Plaza, LLC ("Pal Park Plaza"), and I am fully familiar with the facts and circumstances herein.
2. Since English is not my native language, I had my new bankruptcy counsel, Jae Y. Kim, Esq. translate and explain to me this document which I am signing.
3. I did not hire a new bankruptcy attorney because I have no faith in John Sywilok. Rather, I have the utmost respect and faith in Mr. Sywilok. However, I believe there was too much being "lost in translation" and/or there was just too much which I was not understanding because of the language gap.
4. I now have a better understanding of all of the responsibilities of a Chapter 11 Debtor-In-Possession and realize that I have fallen far short. As such, I sincerely

apologize to the Court for my shortcomings; much of which stems from my own arrogance in believing that I could get this all done by myself.

5. I also understand that I must fully explain our current situation to the Court and then pray that the Court will allow our request for relief.
6. Given the fact that we were just before your Honor on December 18, 2017, I shall spare the Court the tortured history of this case other than to say I was hoping to sell Pal Park Plaza's sole asset, the real estate at 500 Tenth Street, Palisades Park, New Jersey (the "Building") for a higher price than what had been offered over the past two (2) years.
7. At this point, I am hoping to save my life's work and save my business so that I may have something to leave my children. It is that desperation which has caused to me act selfishly before this Court and again I apologize.
8. At this time, I am requesting that Your Honor approve a loan which I took out on December 8, 2017 in the amount of \$6,642,332.02 and then turned over to the Debtor herein.
9. Regarding this post-petition financing, the lender is Mr. Sang Geun Cho. I was lucky enough to meet Mr. Cho in June of 2016. As it turned out we both grew up in the same city of Daegu, Korea and both immigrated to the United States in 1980, just one month apart. As such, we had more than just a few things in common and over the past year and a half have developed a deep friendship.
10. Mr. Cho first expressed an interested in purchasing the Building in October 2017 but we could not come to a meeting of the minds on the overall purchase price given the current rent roll of the various tenants in the building. I guess sometimes business is still just business.
11. The rent rolls are of particular interest to me given that I am two (2) of the tenants in the building and my son also operates a restaurant in the Building.
12. After our deal with Mr. Cho fell through, the Building was ultimately put up for auction on December 1, 2017, by the Bergen County Sheriff where a third party purchaser, KL Palisades, LLC, was the highest bidder at \$6,400,000.
13. Being desperate and running out of time, I went back to Mr. Cho and managed to work out a new deal where I could borrow enough to redeem the Building and

have up to six (6) months to pay Mr. Cho back. Annexed hereto as **Exhibit A** is a true copy of the Promissory Note with Mr. Sang Geun Cho.

14. At 81 years old, I am still hopeful that with this extra time I can find a new buyer to pay off all of my creditors and have some extra money for myself and, at a minimum, save the two businesses I run along with my son's restaurant.
15. If I cannot pay Mr. Cho back within six (6) months, then while I will have to forfeit the Building, Mr. Cho has assured me that he will continue to honor the leaseholds interest I have in the Building along with my son's restaurant.
16. Regardless of who ultimately walks away with the Building, the secured creditor shall be paid off in full as well as there being enough to pay the unsecured creditors 100%. The difference will be if there will be something left over for the Debtor.
17. That being the case, I respectfully request Your Honor approve the funds which I borrowed on behalf of the Debtor back on December 8, 2017, so that we may exercise our right to redeem the property in State Court.

I hereby certify that the above information is true and correct to the best of my knowledge, information and belief. If it is not, I am subject to punishment.

Date: December 22, 2017



/s/ Chang Dong Kim
Chang Dong Kim

EXHIBIT A

PROMISSORY NOTE

\$6,642,332.02

December 8, 2017

Promise to Pay. Chang D. Kim having an address at P.O. Box 194, Alpine, NJ, (referred to as "Borrower") for value received, jointly and severally promises to pay to the order of Sang Geun Cho having an address at 818 Marshall Road, River Vale, NJ 07675 ("Lender"), the principal sum of **SIX MILLION SIX HUNDRED FORTY TWO THOUSAND THREE HUNDRED THIRTY TWO and 02/100 DOLLARS (\$6,642,332.02)** ("Debt") at an annual interest rate of **Two percent (2%)**, due and payable in full on **January 7, 2018 and may be extended up to Sixth month by Borrower's request and Lender's approval.**

Early Payments. Borrower has the right to make payments at any time before the debt is due. These early payments will mean that this Note will be paid in less time. However, unless Borrower pays this Note in full, Borrower's liability under this Note.

Overdue Payments & Default. If the Lender does not receive the full payment on or before **January 7, 2018**, Borrower will pay the Lender a late charge of ten percent (10%) of the payment due.

If Borrower defaults, and Lender shall have the right to **accelerate the Debt, and take over 100% of the membership interest of Palisades Park Plaza, LLC.** In such an event, **Borrower agrees not to defend itself or raise any claim against the Lender in surrendering and conveying membership interest of Palisades Park Plaza, LLC to the Lender.** If Borrower defaults, Borrower shall also pay all costs of collection, including court costs and reasonable attorney fees, immediately upon Lender's request.

Disposition of Collateral. Notwithstanding any provisions contrary hereto, in the event that the Borrower, prior to making the full payment of Debt, sells or conveys any or all of the ownership interest in **500 10th Street, Palisades Park, NJ 07650**, remaining balance plus unpaid accrued interest shall become immediately due and payable.

Waiver of Rights. Borrower gives up rights to require Lender (1) to demand payment (called "presentment"); (2) to notify me of nonpayment (called "notice of dishonor"); and (3) to obtain an official certified statement showing nonpayment (called a "protest"). These rights are also given up by all others who are liable on this Note (such as guarantors and endorses). Lender does not give up Lender's right to declare a default due to any previous delay or failure to declare a default.

No Oral Changes and Jurisdiction. This Note can only be changed by an agreement in writing signed by both the Borrower and the Lender. The State of **New Jersey** shall have jurisdiction over any action to enforce this note.

