

E FILED ON 8/30/18  
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**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:	)	BANKRUPTCY NUMBER:
	)	BK-S-18-13271-LEB
AMERICAN WEST REAL ESTATE, LLC,	)	Chapter 11
	)	
	)	
Debtor-In-Possession.	)	Date: October 16, 2018
	)	Time: 9:30 a.m.

**DISCLOSURE STATEMENT**

**I.**

**INTRODUCTION AND REPRESENTATIONS**

**A. INTRODUCTION**

American West Real Estate, LLC, the Debtor in the above-entitled proceeding, provides this Disclosure Statement to all of its known creditors and security holders pursuant to 11 U.S.C. §1125. The purpose of this Disclosure Statement is to provide the information that may be deemed material, important and necessary to the creditors and security holders of Debtor to make a reasonably informed decision in exercising their right to vote for acceptance of the Plan of Reorganization of the Debtor (hereinafter referred to as "The Plan"). The Disclosure Statement will describe the Debtor, describe events that have occurred in the Bankruptcy case, explain the

Plan, how it works and how to vote for or against it. The Plan will be filed shortly after the Disclosure Statement in the United States Bankruptcy Court of the District of Nevada.

## **B. REPRESENTATIONS**

No representations concerning the Debtor or the Plan are authorized other than as set forth herein. Any representations or inducements to secure your acceptance of the Plan other than as contained herein should not be relied upon by you in arriving at a decision. The information contained herein has not been reviewed or passed upon by an accountant. The Debtor is unable to warrant or represent that the information contained herein is without any inaccuracy although all such information is accurate to the best of Debtor's knowledge, information and belief. The court has not verified the accuracy of the information contained herein, and the Court's approval of this Disclosure Statement does not imply that the Court endorses or approves the Plan, but only that the information is sufficient to provide an adequate basis for creditors and interest holders to make informed decisions whether to approve or reject the Plan. The information contained herein is provided as of the date of this Disclosure Statement unless clearly indicated to the contrary.

## **II.**

### **GENERAL INFORMATION ON CHAPTER 11 REORGANIZATION PROCEEDINGS**

Chapter 11 of the Bankruptcy Code is a remedial statute designed to effect the rehabilitation and reorganization of financially distressed individuals and entities. The statutory aims of a reorganization proceeding include the following:

(a) preservation of the Debtor's property as a going concern and preservation of any going concern value of the Debtor's business and operations;

- (b) avoidance of a forced and destructive liquidation of the Debtor's assets;
- (c) the protection of the interests of creditors, both secured and unsecured;
- (d) the restructuring of the debts of the Debtor and, the finances of the Debtor, such as would enable him to retain those assets necessary to rehabilitate his finances and (at the same time) produce the greatest recovery for their creditors.

The formulation and confirmation of a plan of reorganization is the principal function of a Chapter 11 case. Such a plan normally includes provisions for: (a) altering and modifying rights of creditors; (b) dealing with the property of the Debtor; (c) paying costs and expenses of administering the Chapter 11 case; and (d) execution of the plan. The plan may affect the interests of all parties and creditors, reject executory contracts, and provide for prosecution or settlement of claims belonging to the Debtor. In order to be confirmed by the Court, the Code requires that there be a finding that the plan receive the votes of certain requisite classes and that the plan be "fair, equitable, and feasible," as to any dissenting classes of creditors.

In order for a plan to be "fair and equitable," it must comply with the so-called absolute priority rule. The absolute priority rule requires that beginning with the most senior rank of claims of creditors against the Debtors, each class in descending rank or priority must receive full and complete compensation before inferior or junior classes may participate in the distribution. The plan must be accepted by the affirmative vote of a majority (in number of creditors and in amount) of claims filed and allowed by each class, unless adequate provisions are made for the classes of dissenting creditors. In order to fully understand how a plan is confirmed, each individual creditor should review the Plan and Disclosure Statement with his or her own attorney and receive full advice on the inter-workings of Sections 507(a), 1111, 1122, 1123, 1124 and 1129 of the Code.

**THE FOREGOING IS A BRIEF SUMMARY OF THE HIGHLIGHTS OF A PLAN AND CONFIRMATION OF SUCH, AND THIS FOREGOING SUMMARY SHOULD NOT SOLELY BE RELIED ON FOR VOTING PURPOSES. CREDITORS ARE URGED TO CONSULT WITH THEIR OWN COUNSEL BEFORE MAKING ANY DECISIONS ON A PLAN FILED HEREIN.**

In addition to the above, Section 1125 of the Code requires that there be a post-petition disclosure in the form of a disclosure statement which provides "adequate information" to creditors before anyone may solicit acceptances of a Chapter 11 plan. **THIS DISCLOSURE STATEMENT IS PREPARED IN ACCORDANCE WITH SECTION 1125 SO AS TO PROVIDE "ADEQUATE INFORMATION" TO THE CREDITORS IN THIS PROCEEDING. CREDITORS ARE URGED TO CONSULT WITH THEIR OWN INDIVIDUAL COUNSEL AND TO REVIEW ALL OF THE PLEADINGS FILED IN THIS BANKRUPTCY PROCEEDING IN ORDER TO FULLY UNDERSTAND THE DISCLOSURES MADE HEREIN, THE PLAN OF REORGANIZATION FILED HEREIN, AND ANY OTHER PERTINENT MATTERS IN THIS PROCEEDING. ANY PLAN OF REORGANIZATION WILL BE COMPLEX, ESPECIALLY SINCE IT REPRESENTS A PROPOSED LEGALLY BINDING AGREEMENT BY DEBTORS (OR ANY OTHER PROPONENT OF A PLAN), AND ANY INTELLIGENT JUDGMENT CONCERNING ANY PROPOSED PLANS CANNOT BE MADE WITHOUT FULLY UNDERSTANDING THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AND THE FULL COMPLEXITIES OF ANY PLAN PROPOSED HEREIN.**

The Debtor is suited for, and in dire need of, the broad protection afforded by Chapter 11.

The Debtor was in a position where the sole asset of the entity was at risk of immediate foreclosure. The property is currently valued at \$525,000.00, sufficient to pay the secured claim in full and pay the unsecured creditors in full as well. Debtor contests the lower valuation provided by the secured creditor. Debtor has proposed a plan of reorganization in the form of the Plan submitted herewith, and plans to solicit approval and acceptance of it by the creditors, but only after there has been judicial approval of this disclosure statement, including any amendments hereto.

### **III.**

#### **PREPARATION OF PLAN**

The plan and the history of the Debtor has been prepared by the Debtor, together with the attorney for the Debtor, THOMAS E. CROWE, ESQ..

### **IV.**

#### **BACKGROUND**

Aside from the secured claim, which will be paid in full from the sale, Debtor must also provide for full payment of unsecureds, which will be paid into the Plan, upon approval by the Court. Debtor may file an action against its former member for an avoidable transfer. Debtor plans on filing an objection to the LVREIS claim based upon setoff.

Debtor's post petition operations are clearly detailed on his Monthly Operating Reports which are current through July 2018. Since the Plan provides for a sale of the property, all creditors can be paid in full under Debtor's proposal.

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**V.**

**EMPLOYMENT PLAN**

Debtor does not have employees. It is a single asset real estate case.

**VI.**

**DESCRIPTION AND STATUS OF CHAPTER 11 PROCEEDINGS AND SUMMARY OF  
ASSETS AND LIABILITIES PRIOR TO FILING**

The statement of affairs and schedules of assets and liabilities of the Debtor has previously been filed herein and to the best of the knowledge, information and belief of the Debtor, these statements contain an accurate itemization of its assets and liabilities prior to filing.

The Debtor's post-petition finances are, it feels, accurately reflected in the Monthly Operating Reports consistently filed by said Debtor since the date of the Petition. See Monthly Operating Reports for June 2018 and July 2018, and attached hereto as **Exhibit 1 and 2**. Said reports indicate the Debtor's cash flow has been adequate to make all required payments for the property including rent, taxes and insurance, maintenance, etc. Secured Creditors, under the Plan, shall retain their liens, to the extent of the allowed amount of their claims, until the full value of their claims have been paid. Debtor has sufficient equity in the property to also fund the proposed payments to unsecured creditors under the Plan.

**SUMMARY OF ACTIVITIES DURING PROCEEDINGS**

On June 5, 2018, Debtor filed a Chapter 11 Voluntary Petition. On the same day, a notice was entered setting a 341 Meeting of Creditors for July 12, 2018 at 2:00 p.m.. On June 6, 2018 a Notice of Incomplete and/or Deficient Filing was entered by the court. On June 13, 2108, Debtor filed a Resolution of Board of Directors. On the same day, a Notice and Motion of Application to

Employ Thomas E. Crowe as Attorney was filed. On June 13, 2018, a Notice of Appearance was filed by Matthew C. Zirzow, Esq. on behalf of LVREIS, Inc. On June 15, 2018, an Application To Employ Andrew Rana as Accountant was filed. On July 2, 2018, a Motion to Lift Stay Regarding real property 3888 Quadrel, Las Vegas, NV 89129 was filed by Matthew C. Zirzow on behalf of LVREIS, Inc. On the same day a Declaration Of: David Shapiro and Declaration Of: Kent T. Soule was filed in support of the Motion to Lift Stay. On July 16, 2012 the 341 Hearing was concluded by Edward McDonald. On July 17, 2018, Debtor filed an Opposition To Motion For Relief From Automatic Stay Re: 3888 Quadrel Street, Las Vegas, NV 89129. On July 20, 2018, the court entered an Order Granting Debtor's Application To Employ Thomas E. Crowe, Esq.. On July 23, 2018, on behalf of LVREIS, Inc., Matthew C. Zirzow filed a Reply and supporting Declaration to Debtor's Opposition To Motion For Relief From Automatic Stay Re: 3888 Quadrel Street, Las Vegas, NV 89129. On July 24, 2018, Debtor filed a Supplemental Affidavit of: Accountant. On July 25, 2018, the court entered an Order Granting Application to Employ Andrew Rana as Accountant. On July 26, 2018, Debtor filed its Monthly Operating Report for the period ending June 2018. On July 30, 2018, Debtor filed a Supplemental Appraisal In Support of Opposition To Motion For Relief From The Automatic Stay Re: 3888 Quadrel Street, Las Vegas, NV 89129. On August 2, 2018, the court entered an Order Granting in part, Denying in part Motion For Relief From the Automatic Stay. On August 3, 2018, Debtor requested a partial transcript for the hearing held on July 31, 2018. On August 22, 2018, Debtor filed its Monthly Operating Report for period ending July 2018.

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**PENDING LITIGATION**

None

**VII.**

**PRESENT FINANCIAL CONDITION : ASSETS**

The assets of the Debtor are more fully shown on schedules A and B of the schedules of assets and liabilities filed herein, as well as in post-petition operating reports. **TO THE BEST OF THE KNOWLEDGE, INFORMATION, AND BELIEF OF THE DEBTOR, THESE STATEMENTS AND SCHEDULES CONTAIN AN ACCURATE ITEMIZATION OF THE ASSETS AND LIABILITIES OF THE DEBTOR PRIOR TO FILING. CREDITORS ARE URGED TO SCRUTINIZE THE STATEMENT OF AFFAIRS AND SCHEDULES OF ASSETS AND LIABILITIES CLOSELY, AS WELL AS POST-PETITION OPERATION STATEMENTS, AND MAY INQUIRE WITH THE DEBTORS AND THEIR ATTORNEYS AS TO ANY PERTINENT FACTS REGARDING THESE MATTERS, SO THAT CREDITORS MAY BE ASSURED THAT FULL DISCLOSURE AND "ADEQUATE INFORMATION" ARE BEING FURNISHED WITH REGARD TO ASSETS AND LIABILITIES.**

The assets of the Debtor are described further in the Liquidation Value analysis on page 10 infra.

**LIABILITIES**

The liabilities of the Debtor are set forth in schedules D through F of the schedules filed herein, as well as in post-petition operating reports. Liabilities not listed as disputed are deemed allowed under § 11 U.S.C. §1111(a). None of the unsecured claims listed by Debtor are disputed.



Secured claims are to be paid through interest only payments over no longer than four years from October 2018 with a sale of the sole asset during that time frame. Unsecured creditors are to be paid 100% over no longer than 4 years.

**TO THE BEST OF DEBTOR'S KNOWLEDGE, INFORMATION AND BELIEF THE LIABILITIES SET FORTH HEREIN AND ON SAID SCHEDULES CONSTITUTE A FULL AND COMPLETE ESTIMATION OF ALL LIABILITIES OF THE DEBTOR, AND THE AMOUNTS THEREOF (EXCLUDING INTEREST, ATTORNEY'S FEES AND ANY OTHER UNKNOWN OR VARIABLE FACTS, BEARING ON THE AMOUNT OF THE LIABILITIES). CREDITORS ARE URGED TO FULLY REVIEW WITH THEIR ATTORNEYS (AND CONSULT WITH THE DEBTOR AND THEIR ATTORNEY) THE SCHEDULES OF LIABILITIES FILED HEREIN, TOGETHER WITH THE MONTHLY OPERATION REPORTS FILED WITH THIS COURT.**

#### **VALUATION**

The Debtor believes that the valuation of its assets shown on the schedules, and by appraisal, is a fair estimate, if the assets were sold at full market value. In the event, however, of the adjudication of the Debtor into a straight bankruptcy proceeding and the subsequent liquidation of the property over a short period of time (and possibly at forced sale values), it is highly possible that a significantly lower value might be received for the property. Debtor's valuation of the single asset is substantially higher than that produced by the sole secured creditor and Debtor anticipates that a motion to value may be necessary for the Court to determine such value. The Debtor believes that it may achieve the greatest value for its property and recovery for creditors through a Plan of Reorganization which will be proposed by the Debtor herein.

### LIQUIDATION VALUE

In the event of any adjudication into a straight bankruptcy liquidation proceeding, the Debtor would suggest to creditors that they will be able to look for recovery from property sold by the Trustee only at a straight liquidation sale. The assets of the Debtor under a Chapter 7 would be liquidated as follows:

Item	Current Value	Liens	Liquidation Value
Wells Fargo Debtor in Possession Bank Account	\$0.00	\$0.00	\$00.00
3888 Quadrel Las Vegas, NV 89129	\$525,000.00	\$481,952.48 *	\$43,048.52
Totals	\$525,000.00	\$481,952.48	\$43,048.52

The Debtor alleges and proposes that the value which it would receive for its property in liquidation would be substantially less than would be received through a plan of reorganization, yielding a diminished recovery, especially for general unsecured creditors, for the following reasons:

(1) Secured creditors must be paid in full first from the sale of the encumbered assets before unsecured creditors may receive any funds. Therefore, in case of a forced bankruptcy liquidation, little recovery may be yielded for unsecured creditors, and in case of a forced liquidation through bankruptcy or otherwise, the equity of the Debtor's property will probably be eroded, thereby jeopardizing potential recoveries for junior lienholders as well.

(2) In connection with the above logic, administrative expenses would also be paid on a priority basis and before the general, unsecured creditors would receive any funds. Administrative expenses in liquidation proceedings often amount to between 10% and 25% of the value of the

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\*subject to objection

property liquidated. In this case, a substantial amount of potential equity could be "eaten up" by administrative expenses and court costs incurred with the liquidation proceedings, which would probably exceed the administrative expenses in a reorganization proceeding.

(3) A forced sale of the property owned by Debtor, through a straight bankruptcy proceeding, rather than an orderly realization of value in a reorganization proceeding, may erode considerably the potential value of the Debtor's assets for unsecured creditors. For example, a bankruptcy trustee in a straight liquidation bankruptcy proceeding would be forced to sell the property at public auction and the bankruptcy trustee would probably not be able to guarantee that the prices paid for the assets would be reasonable or appropriate to the value paid by the Debtor; rather, the prices paid might have to be in cash and at a reduced market value price. The liquidation value has been calculated at approximately \$43,048.52.

The amount which would be paid to the secured creditor, if a liquidation would take place in this case would be somewhere between \$400,000.00 and \$480,000.00 (dependent upon the result of an objection to claim proceeding to be held in October). Liquidation in a Chapter 7 would lead to a substantial decrease in value. Therefore, the proceeds of the liquidation to be applied toward the priority creditors, which would be paid first, and to the unsecured creditors would be zero. Upon an orderly sale of the property pursuant to this plan, 100% will be produced for these unsecured creditors.

### **FEASIBILITY**

Debtor's business income is sufficient to cover necessary payments to secured and priority creditors, with full payment in four years. These funds are sufficient to also pay for taxes,

insurance, maintenance and repairs, utilities, and all necessary expenses for the property. The income of the Debtor appears to be sufficient to cover these expenses.

## **ADMINISTRATIVE CLAIMS AND PRIORITY DEBTS**

### **(UNCLASSIFIED CLAIMS)**

In the event that the Debtor is adjudicated into a straight bankruptcy proceeding, and if its assets are sold, the trustee will be required to pay from the proceeds of the property the following expenses and/or debts in the following order:

(1) First, all secured claims validly secured by any property sold would have to be paid from the sales proceeds.

(2) Thereafter, administrative claims would have to be paid in full.

(3) Thereafter, priority debts and especially taxes, wages and union benefits owing at filing would have to be paid in full.

(4) Thereafter, unsecured claims would receive any residual equity from the proceeds of the property sold or administered. (It should be noted that junior lienholders and/or other creditors who are inadequately secured would be relegated to an unsecured status, if their security does not prove sufficient to pay their claims).

In a straight bankruptcy liquidation proceeding, administrative costs would include court costs, debts incurred during the pendency of the reorganization, and any professional fees which may be paid to auctioneers, attorneys, accountants, trustee (if any), and an examiner (if any).

In a reorganization proceeding, the creditors could expect that administrative expenses would principally be attorney's fees, which will probably exceed \$20,000.00 in this case. Please review the following disclaimer.

**ADMINISTRATIVE EXPENSES AND CLAIMS CAN ONLY BE FIXED AND DETERMINED BY THE BANKRUPTCY JUDGE IN THIS CASE, AND THE DEBTOR WOULD RECOMMEND THAT EACH CREDITOR OBTAIN THE ADVICE OF HIS OR HER OWN INDIVIDUAL ATTORNEY TO THE PROBABILITY AND AMOUNT OF ANY ADMINISTRATIVE CLAIMS WHICH MAY BE PAID IN PREFERENCE TO CLAIMS OF GENERAL UNSECURED CREDITORS AND IN MAKING AN EVALUATION AS TO WHETHER A REORGANIZATION EFFORT WOULD BE PREFERABLE TO A LIQUIDATION OF THE ASSETS OF THE DEBTOR IN A STRAIGHT BANKRUPTCY PROCEEDING.**

The administrative claims will have significant bearing on the decision of each individual creditor in voting in favor of or against the plan of reorganization. The Debtor would suggest to creditors that administrative claims will be significantly less if a plan of reorganization is confirmed, as opposed to a straight bankruptcy liquidation proceeding. Aside from attorney fees, the only other administrative expenses in this case are the expenses of maintenance and repair of the business as well as taxes and insurance as necessary, all of which are current, along with U.S. Trustee fees, which are also current. There are no other priority debts in this case aside from current taxes and administrative expenses.

## **VIII.**

### **TAX IMPACT OF CHAPTER 11 REORGANIZATION**

Under 26 U.S.C. §1398, the obligation of the estates to file Form 1041 returns continues until the estates terminate. Under 26 U.S.C. §108(b), cancellation of debt income triggered by a Bankruptcy discharge may be excluded under 26 U.S.C. §108(a)(1). However, such exclusion

results in a reduction of tax attributes such as net operating losses and basis in property. Such reductions may affect future tax liabilities and are reported on Form 982, Reduction of Tax Attributes Due to Discharge of Indebtedness. Under 11 U.S.C. §1129(a)(9)(C)(ii), pre-petition priority tax claims must be paid over a period of “5 years after the date of the order for relief”, unless the taxing authority agrees to a different treatment. This rule applies also to secured claims that would otherwise constitute priority obligations.

## IX.

### SUMMARY OF THE PLAN OF REORGANIZATION

The Debtor’s Plan, which will be filed with this Court, proposes to divide the impaired creditors into two classifications: (a) Secured Debt and (b) Unsecured Debt. See Exhibit 3, copy of Debtor’s Plan of Reorganization.

a.     **Unclassified Debts.** The Administrative Debts include attorney’s fees in the amount of approximately \$20,000.00; The quarterly payments to the Office of the United States Trustee, pursuant to 11 U.S.C. §1129 (a)(12) shall be paid in full on or by the effective date of the Plan. Additionally, the United States Trustee fees must be paid during the entire pendency of the case, pursuant to 28 U.S.C §1930(a)(6). The total cash needed by Debtor to secure confirmation of the Plan will be under \$20,000.00.

b.     **Oversecured Debts.**

The claim of LVREIS shall be paid in full no later than September 20, 2022 with interest only payments in the interim.

c.     **Unsecured Debts.** The unsecured creditors will receive pro rata payments of excess income available on a monthly basis until sale of the property which will result in full

payment. Contingent or unliquidated claims will not be paid. This number may or may not exceed liquidation value. Should it exceed liquidation value, however, Debtor must pay the higher amount to creditors pursuant to its Plan.

**SCHEDULE OF MONTHLY PROJECTED CASH FLOWS FOR 2018 THROUGH 2022**

	2018	2019	2020	2021	2022
Projected Income:					
1. Rent	\$2,800.00 <sup>3</sup>	\$2,856.00 <sup>1</sup>	\$2,913.12	\$2,971.38	\$3,030.81
TOTAL:	\$2,800.00	\$2,856.00	\$2,913.12	\$2,971.38	\$3,030.81
Projected Expenditures:					
1. Mortgage (Interest only)	\$1,506.00	\$1,536.12 <sup>2</sup>	\$1,566.84	\$1,598.18	\$1,630.14
2. Property Taxes	\$250.00	\$255.00 <sup>2</sup>	\$260.10	\$265.30	\$270.61
3. Property Insurance	\$73.12	\$74.58 <sup>2</sup>	\$76.07	\$77.60	\$79.15
4. Administrative Expenses	\$270.00	\$275.40 <sup>2</sup>	\$280.91	\$286.53	\$292.26
5. Maintenance/Repairs	\$162.00	\$165.24 <sup>2</sup>	\$168.54	\$171.92	\$175.35
6. Bank Fees	\$26.00	\$26.52 <sup>2</sup>	\$27.05	\$27.59	\$28.14
TOTAL:	\$2,287.12	\$2,332.86	\$2,379.51	\$2,427.12	\$2,475.65
Monthly net income:	\$512.88	\$523.14	\$533.60	\$544.27	\$555.15
Summary of PDI by year:	\$6,154.56	\$6,277.68	\$6,403.20	\$6,531.24	\$6,661.80
TOTAL PDI <sup>5</sup> :	\$32,028.48				

1= income is projected to increase at 2% per annum based on historical norms.

2= generally based upon 2% inflation estimate.

3=rent is to increase October 1, 2018.

Debtor would also note that all claims are considered to be impaired.

**X.**

**RISK FACTORS**

Based upon the income history of the Debtor-in-possession over the last year, the risk of voting for the plan and receiving 100% which is what the Debtor proposes to pay as a minimum to the unsecured creditors under this plan, is far preferable than the prospect of receiving funds from

the liquidation of the Debtor under Chapter 7 of the Bankruptcy Code. There are, however, certain risk factors which must be noted. First, it is possible that the real estate market may decline, in which case Debtor may have to decide that a liquidation to sell the property prior to further loss of value would be contemplated. Debtor knows of no potential event which would change income during the 4 year Plan period but, if that occurred, a modification of the Plan might be proposed. See Article XI. B *infra*.

## **XI.**

### **APPROVAL OF PLAN**

In order to obtain confirmation of the Plan by the Bankruptcy Court, the Plan must be accepted by a majority of the creditors in each class who hold at least two-thirds of the titled claims in each respective class. Other requirements for confirmation are contained in 11 U.S.C § 1129(a) and (b) of the Code.

Under the Bankruptcy Code, as long as the Plan is accepted by the holders of claims or interest in at least one class, the Plan may be confirmed by the Bankruptcy Court "cramming down" the Plan provision against the non-accepting classes of creditors. The provisions for effecting a "cramming down" are very detailed and complex, and reference to the Bankruptcy Code is recommended in affecting it on dissenting creditors. The Debtor has not decided whether he will utilize the "cramming down" provisions of the Bankruptcy Code to obtain confirmation of the Plan if the holders of claims or interests in any class do not accept the Plan. This determination will be made at a later date. Creditors should note that the absolute priority rule applies so that equity holders may not retain equity in the Debtor unless the Debtor meets the requirements of Code §1129(b)(2)(B)(i).



**A. Who May Vote or Object.**

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

A holder of a claim which is impaired under the Plan is entitled to vote for or against the Plan. Votes for and against the Plan are tabulated within classes and reflected on a ballot summary filed prior to the confirmation of the Plan. Acceptance is determined within each class by counting both the number of votes and the size of claims for each claim within the class. See section B.1 below.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that all classes are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan.

**1. What is an Allowed Claim or an Allowed Equity Interest?**

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's Schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest

cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

A creditor which elects under 11 U.S.C. §1111(b) is entitled to have its entire claim treated as a secured claim without interest. The total of all principal and interest payments such creditor must equal or exceed the amount of said secured claims although the amounts of said payments is still based upon the actual value of the collateral plus a reasonable interest rate over time.

The deadline for filing a proof of claim in this case is October 10, 2018.

## **2. What is an Impaired Claim or Impaired Equity Interest?**

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is impaired under the Plan. As provided in §1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

## **3. Who is NOT Entitled to Vote.**

The holders of the following five types of claims and equity interests are not entitled to vote:

- Holders of claims and equity interests that have been disallowed by an order of the Court;
- Holders of other claims or equity interests that are not “allowed claims” or “allowed equity interests” (as discussed above), unless they have been “allowed” for voting purposes;
- Holders of claims or equity interests in unimpaired classes;
- Holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3) and (a)(8) of the Code;
- Holders of claims or equity interests in classes that do not receive or retain any value

under the Plan; and

- Administrative expenses.

**Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan and to the Adequacy of the Disclosure Statement.**

**4. Who Can Vote in More Than One Class.**

A Creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise holds claims in multiple classes, is entitled to accept or reject the Plan in each capacity, and should cast one ballot for each claim. A Creditor who has elected under 11 U.S.C. § 1111(b) has no unsecured claim by definition and is therefore entitled to vote as a secured creditor only.

**B. Votes Necessary to Confirm the Plan.**

If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one impaired class of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by “cram down” on non-accepting classes, as discussed later in Section [B.2.].

**1. Votes Necessary to Confirm the Plan.**

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half ( $1/2$ ) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds ( $2/3$ ) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds ( $2/3$ ) in

amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

## **2. Treatment of Nonaccepting Classes.**

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the nonaccepting classes are treated in the manner prescribed by §1129(b) of the Code. A Plan that binds nonaccepting classes is commonly referred to as a “cram down” Plan. The Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of §1129(a)(8) of the Code, does not “discriminate unfairly” and is “fair and equitable” toward each impaired class that has not voted to accept the Plan.

**You should consult your own attorney if a “cramdown” confirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.**

## **C. Liquidation Analysis.**

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a Chapter 7 liquidation. A liquidation analysis is part of this Disclosure Statement on page 10.

# **ARTICLE XII**

## **EFFECT OF CONFIRMATION OF PLAN**

### **A. Discharge of Debtor**

Discharge. Confirmation of the Plan discharges any debt provided for in the Plan. Debtor, however, will not be discharged from any debt excepted from discharge under §523 of the Code, except as provided in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure.

**B. Modification of Plan.**

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan.

Upon request of the Debtor, the United States Trustee, or the holder of an allowed unsecured claim, the Plan may be modified at any time after confirmation of the Plan but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan.

**C. Final Decree**

Once the estate has been fully administrated, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

DATED this 31<sup>st</sup> day of August, 2018.

THOMAS E. CROWE PROFESSIONAL  
LAW CORPORATION

By /s/ THOMAS E. CROWE  
THOMAS E. CROWE, ESQ.  
2830 S. Jones Blvd. #3  
Las Vegas, Nevada 89146  
Attorney for Debtor-in-Possession

VERIFICATION

STATE OF NEVADA)

SS:

COUNTY OF CLARK)

ROBERT LAUER, being first duly sworn, deposes and says:

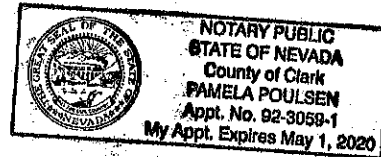
That she is the President of above-named, and that she has read the above and foregoing Disclosure Statement and knows the contents thereof, and that the same is true of her own knowledge except for those matters therein stated on information and belief, and as for those matters she believe them to be true.

/s/ ROBERT LAUER  
ROBERT LAUER, Debtor

SUBSCRIBED and SWORN to before me

This 30<sup>th</sup> day of August, 2018.

/s/ PAMELA POULSEN  
NOTARY PUBLIC in and for said  
County and State.



###

# Exhibit 1

E FILED ON 07/26/2018  
THOMAS E. CROWE, ESQ.  
THOMAS E. CROWE PROFESSIONAL  
LAW CORPORATION  
2830 S. Jones Blvd. #3  
Las Vegas, Nevada 89146  
(702) 794-0373  
Attorney for Debtor

**UNITED STATES BANKRUPTCY COURT**

**DISTRICT OF NEVADA**

\* \* \* \* \*

In re:	)	BANKRUPTCY NUMBER:
	)	BK-S-18-13271-LEB
AMERICAN WEST REAL ESTATE, LLC.,	)	Chapter 11
	)	
Debtor-in-Possession.	)	
	)	

**MONTHLY OPERATING REPORT**

The above mentioned Debtor hereby submits, by and through its attorney, THOMAS E. CROWE, ESQ., the monthly operating report for the period ending June, 2018.

DATED this 26<sup>th</sup> day of July, 2018.

THOMAS E. CROWE PROFESSIONAL  
LAW CORPORATION

By /s/ THOMAS E. CROWE  
THOMAS E. CROWE, ESQ.  
2830 S. Jones Blvd. #3  
Las Vegas, NV 89146  
Attorney for Debtor-  
in-possession

###



UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

In re: [CASE NAME] AMERICAN WEST REAL ESTATE LLC Case No. 18-13271

CHAPTER 11  
MONTHLY OPERATING REPORT  
(SMALL REAL ESTATE/INDIVIDUAL CASE)

## SUMMARY OF FINANCIAL STATUS

MONTH ENDED: 06/30/18 ##

PETITION DATE: 06/05/18

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor). Dollars reported in \$1
- |   | End of Current Month | End of Prior Month | As of Petition Filing     |
|---|----------------------|--------------------|---------------------------|
| 2. Asset and Liability Structure                              |                      |                    |                           |
| a. Current Assets   | \$525,000            | N/A                |                           |
| b. Total Assets   | \$525,000            | N/A                | \$525,000                 |
| c. Current Liabilities  | \$330                | N/A                |                           |
| d. Total Liabilities  | \$446,700            | N/A                | \$446,700                 |
| 3. Statement of Cash Receipts & Disbursements for Month       | Current Month        | Prior Month        | Cumulative (Case to Date) |
| a. Total Receipts   | \$100                | N/A                | \$100                     |
| b. Total Disbursements  | \$45                 | N/A                | \$45                      |
| c. Excess (Deficiency) of Receipts Over Disbursements (a - b) | \$55                 | N/A                | \$55                      |
| d. Cash Balance Beginning of Month                            | \$0                  | N/A                | \$0                       |
| e. Cash Balance End of Month (c + d)                          | \$55                 | N/A                | \$55                      |
| 4. Profit/(Loss) from the Statement of Operations             | Current Month        | Prior Month        | Cumulative (Case to Date) |
| 5. Account Receivables (Pre and Post Petition)                | N/A                  | N/A                | N/A                       |
| 6. Post-Petition Liabilities                                  | \$45                 |                    |                           |
| 7. Past Due Post-Petition Account Payables (over 30 days)     | \$0                  |                    |                           |
- At the end of this reporting month:
8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee) Yes No
9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee) X
10. If the answer is yes to 8 or 9, were all such payments approved by the court? N/A
11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee) X
12. Is the estate insured for replacement cost of assets and for general liability? X
13. Are a plan and disclosure statement on file? X
14. Was there any post-petition borrowing during this reporting period? X
15. Check if paid: Post-petition taxes N/A; U.S. Trustee Quarterly Fees \$0; Check if filing is current for: Post-petition tax reporting and tax returns: N/A. (Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: July 20, 2018

Rob Lauer, Managing Member, DIP  
Responsible Individual

Revised 1/1/98

**BALANCE SHEET**  
(Small Real Estate/Individual Case)  
For the Month Ended 06/30/18

Assets	Check if Exemption Claimed on Schedule C	Market Value
<b>Current Assets</b>		
1 Cash and cash equivalents (including bank accts., CDs, etc.)	\$55.00	\$55
2 Accounts receivable (net)	\$0.00	\$0
3 Retainer(s) paid to professionals	\$0.00	\$0
4 Other: _____		
5 _____		
6 <b>Total Current Assets</b>		\$55
<b>Long Term Assets (Market Value)</b>		
7 Real Property (residential)	\$0.00	\$0
8 Real property (rental or commercial)	\$525.00	\$525,000
9 Furniture, Fixtures, and Equipment	\$0.00	
10 Vehicles	\$0.00	
11 Partnership interests	\$0.00	
12 Interest in corporations	\$0.00	
13 Stocks and bonds	\$0.00	
14 Interests in IRA, Keogh, other retirement plans	\$0.00	
15 Other: _____	\$0.00	
16 _____		
17 <b>Total Long Term Assets</b>		\$525,000
18 <b>Total Assets</b>		\$525,055
<b>Liabilities</b>		
<b>Post-Petition Liabilities</b>		
<b>Current Liabilities</b>		
19 Post-petition not delinquent (under 30 days)		\$0
20 Post-petition delinquent other than taxes (over 30 days)		\$0
21 Post-petition delinquent taxes		\$0
22 Accrued professional fees		\$0
23 Other: _____		\$0
24 _____		
25 <b>Total Current Liabilities</b>		\$0
26 <b>Long-Term Post Petition Debt</b>		\$0
27 <b>Total Post-Petition Liabilities</b>		\$0
<b>Pre-Petition Liabilities (allowed amount)</b>		
28 Secured claims (residence)		\$340,000
29 Secured claims (other)		
30 Priority unsecured claims		\$105,700
31 General unsecured claims		\$0
32 <b>Total Pre-Petition Liabilities</b>		\$446,700
33 <b>Total Liabilities</b>		\$446,700
<b>Equity (Deficit)</b>		
34 <b>Total Equity (Deficit)</b>		\$78,000
35 <b>Total Liabilities and Equity (Deficit)</b>		\$446,700

**NOTE:**

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

**SCHEDULES TO THE BALANCE SHEET****Schedule A  
Rental Income Information**List the Rental Information Requested Below By Properties (For Rental Properties Only)

	<u>Property 1</u>	<u>Property 2</u>	<u>Property 3</u>
1 Description of Property	<u>residential rental</u>		
2 Scheduled Gross Rents	<u>\$2,200</u>		
Less:			
3 Vacancy Factor	<u>\$0</u>		
4 Free Rent Incentives	<u>\$0</u>		
5 Other Adjustments	<u>\$0</u>		
6 Total Deductions	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
7 Scheduled Net Rents	<u>\$2,200</u>	<u>\$0</u>	<u>\$0</u>
8 Less: Rents Receivable (2)	<u>\$0</u>		
9 Scheduled Net Rents Collected (2)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

(2) To be completed by cash basis reporters only.

**Schedule B  
Recapitulation of Funds Held at End of Month**

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>
10 Bank	<u>B of A</u>		
11 Account No.	<u>521022947242</u>		
12 Account Purpose	<u>DIP</u>		
13 Balance, End of Month	<u>\$55</u>		
14 Total Funds on Hand for all Accounts	<u>\$55</u>		

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 06/30/18

		Actual Current Month	Cumulative (Case to Date)
<b>Cash Receipts</b>			
1	Rent/Leases Collected	\$0	\$0
2	Cash Received from Sales	\$0	\$0
3	Interest Received	\$0	\$0
4	Borrowings	\$0	\$0
5	Funds from Shareholders, Partners, or Other Insiders	\$100	\$100
6	Capital Contributions		
7			
8			
9			
10			
11			
12	<b>Total Cash Receipts</b>	<b>\$100</b>	<b>\$100</b>
<b>Cash Disbursements</b>			
13	Selling	\$0	\$0
14	Administrative	\$0	\$0
15	Capital Expenditures	\$0	\$0
16	Principal Payments on Debt	\$0	\$0
17	Interest Paid	\$0	\$0
	Rent/Lease:		
18	Personal Property	\$0	\$0
19	Real Property	\$0	\$0
	Amount Paid to Owner(s)/Officer(s)		0
20	Salaries	\$0	\$0
21	Draws	\$0	\$0
22	Commissions/Royalties	\$0	\$0
23	Expense Reimbursements	\$0	\$0
24	Other	\$0	\$0
25	Salaries/Commissions (less employee withholding)	\$0	\$0
26	Management Fees	\$0	\$0
	Taxes:		
27	Employee Withholding	\$0	\$0
28	Employer Payroll Taxes	\$0	\$0
29	Real Property Taxes	\$0	\$0
30	Other Taxes	\$0	\$0
31	Other Cash Outflows:	\$0	\$0
32	Bank fees	\$45	\$45
33			\$0
34			
35			
36			
37	<b>Total Cash Disbursements:</b>	<b>\$45</b>	<b>\$45</b>
38	<b>Net Increase (Decrease) in Cash</b>	<b>\$55</b>	<b>\$55</b>
39	<b>Cash Balance, Beginning of Period</b>		
40	<b>Cash Balance, End of Period</b>	<b>\$55</b>	<b>\$55</b>

Revised 1/1/98



Your checking account

AMERICAN WEST REAL ESTATE LLC | Account # 5010 2294 7242 | June 20, 2018 to June 30, 2018

## Deposits and other credits

Date	Description	Amount
06/20/18	BKOFAMERICA ATM 06/20 #000003910 DEPOSIT BOFA WEST LAS VEGAS NV	100.00
Total deposits and other credits		\$100.00

## Service fees

Date	Transaction description	Amount
06/25/18	Replacement ATM or Debit Card Fee	-5.00
06/28/18	CHECK ORDER00336 DES-FEE ID:1FKG7172 PMT INFO: PRODUCT(S): 19.01 S&H: 16.83 NV TAX: 4.16	-40.00
Total service fees		-\$45.00

Note your Ending Balance already reflects the subtraction of Service Fees.

## Daily ledger balances

Date	Balance (\$)	Date	Balance (\$)
06/20	100.00	06/25	95.00
		06/28	55.00

# Exhibit 2

E FILED ON 08/22/2018  
THOMAS E. CROWE, ESQ.  
THOMAS E. CROWE PROFESSIONAL  
LAW CORPORATION  
2830 S. Jones Blvd. #3  
Las Vegas, Nevada 89146  
(702) 794-0373  
Attorney for Debtor

**UNITED STATES BANKRUPTCY COURT**

**DISTRICT OF NEVADA**

\* \* \* \* \*

In re:	)	BANKRUPTCY NUMBER:
	)	BK-S-18-13271-LEB
AMERICAN WEST REAL ESTATE, LLC.,	)	Chapter 11
	)	
Debtor-in-Possession.	)	
	)	

**MONTHLY OPERATING REPORT**

The above mentioned Debtor hereby submits, by and through its attorney, THOMAS E. CROWE, ESQ., the monthly operating report for the period ending July, 2018.

DATED this 22<sup>nd</sup> day of August, 2018.

THOMAS E. CROWE PROFESSIONAL  
LAW CORPORATION

By /s/ THOMAS E. CROWE  
THOMAS E. CROWE, ESQ.  
2830 S. Jones Blvd. #3  
Las Vegas, NV 89146  
Attorney for Debtor-  
in-possession

###

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re: [CASE NAME] AMERICAN WEST REAL ESTATE LLC Case No. 18-13271  
**CHAPTER 11**  
**MONTHLY OPERATING REPORT**  
**(SMALL REAL ESTATE/INDIVIDUAL CASE)**

**SUMMARY OF FINANCIAL STATUS**

MONTH ENDED: 07/31/18 ##PETITION DATE: 06/05/18

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).  
Dollars reported in \$1

	End of Current Month	End of Prior Month	As of Petition Filing
2. <b>Asset and Liability Structure</b>			
a. Current Assets	\$525,000	N/A	
b. Total Assets	\$525,000	N/A	\$525,000
c. Current Liabilities	\$350	N/A	
d. Total Liabilities	\$446,700	N/A	\$446,700
3. <b>Statement of Cash Receipts &amp; Disbursements for Month</b>	<b>Current Month</b>	<b>Prior Month</b>	<b>Cumulative (Case to Date)</b>
a. Total Receipts	\$2,250	\$100	\$2,350
b. Total Disbursements	\$2,253	\$45	\$2,298
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	(\$3)	N/A	\$52
d. Cash Balance Beginning of Month	\$55	\$0	\$55
e. Cash Balance End of Month (c + d)	\$51	\$52	\$103
4. <b>Profit/(Loss) from the Statement of Operations</b>	<b>Current Month</b>	<b>Prior Month</b>	<b>Cumulative (Case to Date)</b>
5. <b>Account Receivables (Pre and Post Petition)</b>	N/A	N/A	N/A
6. <b>Post-Petition Liabilities</b>	\$2,250	\$45	
7. <b>Past Due Post-Petition Account Payables (over 30 days)</b>	\$0		

**At the end of this reporting month:**

- |  | Yes | No |
|--|-----|----|
| 8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee)   |     | X  |
| 9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)   |     | X  |
| 10. If the answer is yes to 8 or 9, were all such payments approved by the court?  |     |    |
| 11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)   |     | X  |
| 12. Is the estate insured for replacement cost of assets and for general liability?  | X   |    |
| 13. Are a plan and disclosure statement on file?   | X   |    |
| 14. Was there any post-petition borrowing during this reporting period?  | X   |    |
| 15. Check if paid: Post-petition taxes <u>N/A</u> ; U.S. Trustee Quarterly Fees <u>\$0</u> ; Check if filing is current for: Post-petition tax reporting and tax returns: <u>N/A</u> .<br>(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.) |     |    |

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: July 20, 2018

Rob Lauer, Managing Member, DIP  
Responsible Individual



**BALANCE SHEET**  
(Small Real Estate/Individual Case)  
For the Month Ended 07/31/18

Assets		Check if Exemption Claimed on Schedule C	Market Value
<b>Current Assets</b>			
1	Cash and cash equivalents (including bank accts., CDs, etc.)	\$51.68	\$55
2	Accounts receivable (net)	\$0.00	\$0
3	Retainer(s) paid to professionals	\$0.00	\$0
4	Other: _____		
5			
6	<b>Total Current Assets</b>		<b>\$55</b>
<b>Long Term Assets (Market Value)</b>			
7	Real Property (residential)	\$0.00	\$0
8	Real property (rental or commercial)	\$525,000.00	\$525,000
9	Furniture, Fixtures, and Equipment	\$0.00	
10	Vehicles	\$0.00	
11	Partnership interests	\$0.00	
12	Interest in corporations	\$0.00	
13	Stocks and bonds	\$0.00	
14	Interests in IRA, Keogh, other retirement plans	\$0.00	
15	Other: _____	\$0.00	
16			
17	<b>Total Long Term Assets</b>		<b>\$525,000</b>
18	<b>Total Assets</b>		<b>\$525,055</b>
<b>Liabilities</b>			
<b>Post-Petition Liabilities</b>			
<b>Current Liabilities</b>			
19	Post-petition not delinquent (under 30 days)		\$0
20	Post-petition delinquent other than taxes (over 30 days)		\$0
21	Post-petition delinquent taxes		\$0
22	Accrued professional fees		\$0
23	Other: _____		\$0
24			
25	<b>Total Current Liabilities</b>		<b>\$0</b>
26	<b>Long-Term Post Petition Debt</b>		<b>\$0</b>
27	<b>Total Post-Petition Liabilities</b>		<b>\$0</b>
<b>Pre-Petition Liabilities (allowed amount)</b>			
28	Secured claims (residence)		\$340,000
29	Secured claims (other)		
30	Priority unsecured claims		\$106,700
31	General unsecured claims		\$0
32	<b>Total Pre-Petition Liabilities</b>		<b>\$446,700</b>
33	<b>Total Liabilities</b>		<b>\$446,700</b>
<b>Equity (Deficit)</b>			
34	<b>Total Equity (Deficit)</b>		
35	<b>Total Liabilities and Equity (Deficit)</b>		<b>\$446,700</b>

**NOTE:**

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

**SCHEDULES TO THE BALANCE SHEET****Schedule A  
Rental Income Information****List the Rental Information Requested Below By Properties (For Rental Properties Only)**

	<u>Property 1</u>	<u>Property 2</u>	<u>Property 3</u>
1 Description of Property	<u>residential rental</u>	<u></u>	<u></u>
2 Scheduled Gross Rents	<u>\$2,250</u>	<u></u>	<u></u>
Less:			
3 Vacancy Factor	<u>\$0</u>	<u></u>	<u></u>
4 Free Rent Incentives	<u>\$0</u>	<u></u>	<u></u>
5 Other Adjustments	<u>\$0</u>	<u></u>	<u></u>
6 Total Deductions	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
7 Scheduled Net Rents	<u>\$2,250</u>	<u>\$0</u>	<u>\$0</u>
8 Less: Rents Receivable (2)	<u>\$0</u>	<u></u>	<u></u>
9 Scheduled Net Rents Collected (2)	<u>\$2,250</u>	<u>\$0</u>	<u>\$0</u>

(2) To be completed by cash basis reporters only.

**Schedule B  
Recapitulation of Funds Held at End of Month**

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>
10 Bank	<u>B of A</u>	<u></u>	<u></u>
	<u>5.01023E+11</u>	<u></u>	<u></u>
11 Account No.	<u>DIP</u>	<u></u>	<u></u>
12 Account Purpose	<u></u>	<u></u>	<u></u>
13 Balance, End of Month	<u>\$51</u>	<u></u>	<u></u>
14 Total Funds on Hand for all Accounts	<u>\$51</u>	<u></u>	<u></u>

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.













**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 07/31/18

		Actual Current Month	Cumulative (Case to Date)
<b>Cash Receipts</b>			
1	Rent/Leases Collected	\$2,250	\$2,250
2	Cash Received from Sales	\$0	\$0
3	Interest Received	\$0	\$0
4	Borrowings	\$0	\$0
5	Funds from Shareholders, Partners, or Other Insiders	\$0	\$100
6	Capital Contributions		
7	Bank reimbursement for debit card fee	\$5	\$5
8			
9			
10			
11			
12	<b>Total Cash Receipts</b>	<b>\$2,255</b>	<b>\$2,355</b>
<b>Cash Disbursements</b>			
13	Selling	\$0	\$0
14	Administrative	\$270	\$270
15	Capital Expenditures	\$0	\$0
16	Principal Payments on Debt	\$1,800	\$1,800
17	Interest Paid	\$0	\$0
	Rent/Lease:		
18	Personal Property	\$0	\$0
19	Real Property	\$0	\$0
	Amount Paid to Owner(s)/Officer(s)		0
20	Salaries	\$0	\$0
21	Draws	\$0	\$0
22	Commissions/Royalties	\$0	\$0
23	Expense Reimbursements	\$0	\$0
24	Maintenance/repairs	\$162	\$162
25	Salaries/Commissions (less employee withholding)	\$0	\$0
26	Management Fees	\$0	\$0
	Taxes:	\$0	
27	Employee Withholding	\$0	\$0
28	Employer Payroll Taxes	\$0	\$0
29	Real Property Taxes	\$0	\$0
30	Other Taxes	\$0	\$0
31	Other Cash Outflows:	\$0	\$0
32	Bank fees	\$26	\$71
33			\$0
34			
35			
36			
37	<b>Total Cash Disbursements:</b>	<b>\$2,258</b>	<b>\$2,303</b>
38	<b>Net Increase (Decrease) in Cash</b>	<b>(\$3)</b>	<b>\$52</b>
39	<b>Cash Balance, Beginning of Period</b>		
40	<b>Cash Balance, End of Period</b>	<b>(\$3)</b>	<b>\$52</b>

## Statement as of 08/01/2018 (view statements) »

07/23/2018	PP*POLYTECPOOLS.COM PURCHASE LAS VEGAS NV			-162.32	51.68
07/19/2018	CHECK ORDER00336 DES:FEE ID:1FTV0036 INDN:AMERICAN WEST REAL EST CO...			-26.00	214.00
07/09/2018	NV ENERGY/PAYSITE PURCHASE LAS VEGAS NV			-270.00	240.00
07/06/2018	Check 1002			-1,800.00	510.00
07/06/2018	REPLACE AND RUSH ATM OR DEBIT CARD FEE REFUND FDES NMO 0006576 127648			5.00	2,310.00
07/05/2018	BKOFAMERICA ATM 07/05 #000009112 DEPOSIT BOKA WEST LAS VEGAS NV OKCD...			2,250.00	2,305.00



P.O. Box 18284  
Wilmington, DE 19850

AMERICAN WEST REAL ESTATE LLC  
DEBTOR IN POSSESSION  
3172 N. RAINBOW BLVD PMD 310  
LAS VEGAS, NV 89108-4503

## Business Advantage

### Customer service information

1.888.BUSINESS (1.888.287.4637)

bankofamerica.com

Bank of America, N.A.  
P.O. Box 25118  
Tampa, FL 33622-5118

## Your Business Fundamentals Checking

for July 1, 2018 to July 31, 2018

AMERICAN WEST REAL ESTATE LLC

Account number: 5010 2294 7242

### Account summary

Beginning balance on July 1, 2018	\$55.00
Deposits and other credits	2,255.00
Withdrawals and other debits	-132.32
Checks	-1,800.00
Service fees	-26.00
Ending balance on July 31, 2018	\$51.68

# of deposits/credits: 2

# of withdrawals/debits: 4

# of items-previous cycle<sup>1</sup>: 0

# of days in cycle: 31

Average ledger balance: \$250.84

<sup>1</sup>Includes checks paid, deposited items & other debits



## Your checking account

AMERICAN WEST REAL ESTATE LLC | Account # 5010 2294 7242 | July 1, 2018 to July 31, 2018

## Deposits and other credits

Date	Description	Amount
07/05/18	BKOFAMERICA ATM 07/05 #000009112 DEPOSIT BOFA WEST LAS VEGAS NV	2,250.00
07/06/18	REPLACE AND RUSH ATM OR DEBIT CARD FEE REFUND	5.00
Total deposits and other credits		\$2,255.00

## Withdrawals and other debits

Date	Description	Amount
Card account # XXXX XXXX XXXX 0572		
07/09/18	CHECKCARD 0705 NV ENERGY/PAYSITE LAS VEGAS NV 24692168187100609562021 CKCD 4900 XXXXXXXXXXXXXXX0572 XXXX XXXX XXXX 0572	-270.00
07/23/18	CHECKCARD 0720 PP*POLYTECPOOLS.COM LAS VEGAS NV 24492158201894258623069 CKCD 5310 XXXXXXXXXXXXXXX0572 XXXX XXXX XXXX 0572	-162.32
Subtotal for card account # XXXX XXXX XXXX 0572		-\$432.32
Total withdrawals and other debits		-\$432.32

## Checks

Date	Check #	Amount
07/06/18	1002	-1,800.00
Total checks		-\$1,800.00
Total # of checks		1

## Service fees

Date	Transaction description	Amount
07/19/18	CHECK ORDER00336 DES:FEE ID:1FTV0036 PMT INFO: PRODUCT(S): 19.01 S&H: 5.01 NV TAX: 1.98	-26.00
Total service fees		-\$26.00

Note your Ending Balance already reflects the subtraction of Service Fees.

AMERICAN WEST REAL ESTATE LLC | Account # 5010 2294 7242 | July 1, 2018 to July 31, 2018

### Daily ledger balances

Date	Balance (\$)	Date	Balance (\$)	Date	Balance (\$)
07/01	55.00	07/06	510.00	07/19	214.00
07/05	2,305.00	07/09	240.00	07/23	51.68

# Exhibit 3



E FILED ON 8/30/18  
THOMAS E. CROWE, ESQ.  
THOMAS E. CROWE PROFESSIONAL  
LAW CORPORATION  
tcrowe@thomascrowelaw.com  
2830 S. Jones Blvd. #3  
Las Vegas, Nevada 89146  
(702) 794-0373  
Attorney for Debtor-in-possession  
Nevada State Bar no. 3048

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:	)	BANKRUPTCY NUMBER:
	)	BK-S-18-13271-LEB
AMERICAN WEST REAL ESTATE, LLC,	)	Chapter 11
	)	
	)	
Debtor.	)	Date: TO BE DETERMINED
	)	Time: TO BE DETERMINED

**DEBTOR'S PLAN OF REORGANIZATION DATED AUGUST 31, 2018**

**ARTICLE I**  
**SUMMARY**

This Plan of Reorganization (the "Plan") under Chapter 11 of the Bankruptcy Code (the "Code") proposes to pay creditors of AMERICAN WEST REAL ESTATE, LLC, (the "Debtor") from rents on property (for secured creditors) and other current monthly income.

This Plan provides for 1 class of secured claims; 1 class of unsecured claims; and 1 class of equity security holders. Unsecured creditors holding allowed claims will receive distributions, which the proponent of this Plan has valued at approximately 100 cents on the dollar. This Plan also provides for the payment of administrative claims, deferred as necessary to achieve Plan confirmation, but paid prior to distribution to unsecured creditors.

All creditors should refer to Articles III through VI of this Plan for information regarding the precise treatment of their claim. A disclosure statement that provides more detailed information regarding this Plan and the rights of creditors and equity security holders has been circulated with this Plan. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one.)**

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**ARTICLE II**  
**CLASSIFICATION OF CLAIMS AND INTERESTS**

- 2.01        Class 1.        Oversecured creditors as listed in Article IV
- 2.02        Class 2.        All unsecured claims allowed under §502 of the Code.
- 2.03        Class 3.        Robert Lauer, equity holder

**ARTICLE III**  
**TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS,**  
**U.S. TRUSTEE FEES, AND PRIORITY TAX CLAIMS**

3.01    Unclassified Claims. Under section §1123(a)(1), administrative expense claims, and priority tax claims are not in classes.

3.02    Administrative Expense Claims. Each holder of an administrative expense claim allowed under §503 of the Code will be paid in full on the effective date of this Plan (as defined in Article VII), in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor.

3.03    Priority Tax Claims. Each holder of a priority tax claim will be paid within 5 years after the order for relief.

3.04    United States Trustee Fees. All fees required to be paid by 28 U.S.C. §1930(a)(6) (U.S. Trustee Fees) will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter on the Code. Any U.S. Trustee fees owed on or before the effective date of this Plan will be paid on the effective date.

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**ARTICLE IV**  
**TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN**

4.01 Claims and interests shall be treated as follows under this Plan:

<b>Class</b>	<b>Creditor, Impairment, and Collateral</b>	<b>Treatment</b>
Class 1 Oversecured Creditors	Unimpaired	
Class 1-A	<u>Creditor:</u> Clark County Treasurer	Allowed amount of secured claim: \$4,994.69 10.0% interest to be paid at \$104.06 a month. First payment starting October 5, 2018
Class 1-B	<u>Creditor:</u> Republic Services	Allowed amount of secured claim: \$1,816.68 9.0% interest to be paid at \$37.85 a month. First payment starting October 5, 2018
Class 1-C	Creditor: LVREIS, INC.	Allowed amount of interest on secured claim: \$72,292.87 15.0% interest to be paid at \$1,506.10 a month. First payment starting October 5, 2018. Debtor intends to sell property no later than September 30, 2022. Interest based on Debtor's estimate of actual amount of secured claim after objection.
Class 2 – General Unsecured Creditors	Impaired	Unsecured creditors will be paid 100% within 48 months.
Class 3 – Equity Security Holders of the Debtor	N/A	N/A

**ARTICLE V**  
**ALLOWANCE AND DISALLOWANCE OF CLAIMS**

5.01 Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed [by a final non-appealable order], and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; of (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.

5.02 Delay of Distribution on a Disputed Claim. No distribution will be made on account of a disputed claim unless such claim is allowed [by a final non-appealable order].

5.03 Settlement of Disputed Claims. The Debtor will have the power and authority to settle and compromise a disputed claim with the court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

## **ARTICLE VI**

### **MEANS FOR IMPLEMENTATION OF THE PLAN**

All rents received for Debtor's property will be devoted to interest payments to secured creditors, maintenance and repairs for each property, taxes, insurance and management. All other "current monthly income" of Debtor will be utilized to pay unsecured creditors as required by the confirmed Plan over the 60 month disposable income period. The property will be sold no later than the end of the 48-month period.

## **ARTICLE VII**

### **GENERAL PROVISIONS**

7.01 Definitions and Rules of Construction. The definitions and rules of construction set forth in §§101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan.

7.02 Effective Date of Plan. The effective date of this Plan is the fifteenth business day following the date of the entry of the order of confirmation. But if a stay of the confirmation order is in effect on that date, the effective date will be the first business day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

7.03 Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

7.04 Binding Effect. The rights and obligations of any entity named or referred to in the Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

7.05 Captions. The headings contained in this Plan are for convenience or reference only and do not affect the meaning or interpretation of this Plan.

7.06 Controlling Effect. Unless a rule of law or procedure is supplied by federal law (including the Code and the Federal Rules of Bankruptcy Procedure), the laws of the State of Nevada govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

7.07 Default. In case of a failure to make a payment provided for under this Plan, then, after 15 days notice given by the affected creditor to the Debtor and Debtor's attorney, unless cured

within said time, Debtor shall be obligated to immediately list for sale the asset or assets' secured claim of such creditor sufficient to pay the claims of the affected creditor in full.

7.08 Jurisdiction. The Court retains jurisdiction for purposes of applications for compensation, objections to claims and other administrative matters until the final decree has been entered.

## **ARTICLE VIII**

### **DISCHARGE**

8.01. Discharge. Conformation of this Plan results in a discharge under Code §1141(d)(1)(A). The Debtor will not be discharged from any debt excepted for discharge under §523 of the Code, except as provided in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure.

8.02. Lien avoidance. To the extent any lien is determined as totally unsecured, under this Plan, said lien shall be avoided in full upon discharge of the Debtor.

DATED this 30<sup>th</sup> day of August, 2018.

Respectfully submitted.

By: /s/ ROBERT LAUER  
The Plan Proponent

THOMAS E. CROWE PROFESSION  
LAW CORPORATION

/s/ THOMAS E. CROWE  
THOMAS E. CROWE, ESQ.  
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Attorney for Debtor

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