

United States Bankruptcy Court
____ Eastern _____ District of _____ Pennsylvania _____

In re _____ ECORE Investments, LLC _____,
Debtor

Case No. 16-18202(AMC)

Small Business Case under Chapter 11

ECORE INVESTMENTS, LLC'S DISCLOSURE STATEMENT, DATED MARCH 22, 2017
Table of Contents

I. INTRODUCTION

This is the disclosure statement (the “Disclosure Statement”) in the chapter 11 case of ECORE Investments, LLC (the “Debtor”). This Disclosure Statement contains information about the Debtor and describes the ECORE Investment, LLC Reorganization Plan (the “Plan”) filed by ECORE Investments, LLC on March 22, 2017. A full copy of the Plan is attached to this Disclosure Statement as Exhibit A. ***Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.***

The proposed distributions under the Plan are discussed at pages __-__ of this Disclosure Statement. The 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 the Plan has valued at approximately 20 cents on the dollar. This Plan also provides for the payment of administrative and priority claims to be paid in full beginning the effective date of this plan. Secured claims and unsecured claims will be paid over 60 payments or within 30 days of the effective date of this plan.

A. Purpose of This Document

This Disclosure Statement describes:

- The Debtor and significant events during the bankruptcy case,
- How the Plan proposes to treat claims or equity interests of the type you hold (*i.e.*, what you will receive on your claim or equity interest if the plan is confirmed),
- Who can vote on or object to the Plan,
- What factors the Bankruptcy Court (the “Court”) will consider when deciding whether to confirm the Plan,
- Why Debtor believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation, and
- The effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing

The Court has not yet confirmed the Plan described in this Disclosure Statement. This section describes the procedures pursuant to which the Plan will or will not be confirmed.

1. Time and Place of the Hearing to Confirm the Plan

The hearing at which the Court will determine whether to confirm the Plan will take place on Date TBD, at Time TBD, in Courtroom TBD, at the US Bankruptcy Court, Federal Courthouse, 900 Market St Courtroom 5, Philadelphia, PA 19107.

2. Deadline For Voting to Accept or Reject the Plan

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot in the enclosed envelope to TBD. See section IV.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by TBD or it will not be counted.

3. *Deadline For Objecting to the [Adequacy of Disclosure and] Confirmation of the Plan*

Objections to this Disclosure Statement or to the confirmation of the Plan must be filed with the Court and served upon Debtor and all interested parties by TBD.

4. *Identity of Person to Contact for More Information*

If you want additional information about the Plan, you should contact Debtor's counsel, Demetrius J. Parrish, Jr, Esquire on djpesq@gmail.com.

C. **Disclaimer**

The Court has [conditionally] approved this Disclosure Statement as containing adequate information to enable parties affected by the Plan to make an informed judgment about its terms. The Court has not yet determined whether the Plan meets the legal requirements for confirmation, and the fact that the Court has approved this Disclosure Statement does not constitute an endorsement of the Plan by the Court, or a recommendation that it be accepted. [The Court's approval of this Disclosure Statement is subject to final approval at the hearing on confirmation of the Plan. Objections to the adequacy of this Disclosure Statement may be filed until TBD.]

II. **BACKGROUND**

A. **Description and History of the Debtor's Business**

The Debtor is a Limited Liability Company. Since 2013, the Debtor has been in the business of property development. The Debtor purchases, renovates and leases apartment units in the University City area of Philadelphia PA.

B. **Insiders of the Debtor**

Jerry Freeman, Managing Member

C. **Management of the Debtor Before and During the Bankruptcy**

Jerry Freeman, Managing Member

Darren Hart, Construction Supervisor

The Managers of the Debtor during the Debtor's chapter 11 case have been:

Jerry Freeman, Managing Member

Darren Hart, Construction Supervisor

After the effective date of the order confirming the Plan, the directors, officers, and voting trustees of the Debtor, any affiliate of the Debtor participating in a joint Plan with the Debtor, or successor of the Debtor under the Plan (collectively the "Post Confirmation Managers"), will be:

Ernest Page, Plan Oversight

Jerry Freeman, Managing Member

Darren Hart, Construction Supervisor

D. Events Leading to Chapter 11 Filing

1. On December 3, 2016, Debtor filed an emergency voluntary petition under Chapter 11 for relief from the automatic stay to stop a sheriff sale of its property at 4726 Chestnut Street, Philadelphia, Pa.
2. Thereafter, on January 5, 2017, Creditor, Dietz and Watson filed proof of claim number 1 contending that Debtor owes \$841,872.31 as of December 15, 2016.
3. Prior to filing the bankruptcy, on July 3, 2013, Debtor arranged its fourth deal with the Creditor when two single purpose Pennsylvania Limited Liability Companies purchased two properties. PNP Real Estate Group, LLC ("PNP") purchased 4728 Chestnut St for \$84,000. ECORE Investments, LLC ("Debtor") purchased 4726 Chestnut St for \$84,000. Each LLC received a construction loan from the Creditor which would be due and payable upon the completion of each property. No payments would be due under the terms before maturity of the loan but interest would accrue. This was accomplished by each LLC entering into a mortgage agreement for the purpose of the commercial development of both Chestnut Street properties with Dietz and Watson for One million two hundred and ninety – five thousand dollars (\$1,295,000.00) at twelve percent (12%) interest. (Attached herein incorporated herein and marked Exhibit "B" is a true and correct copy of the agreement of sale for the two properties).

4. The original intent of the debtor was to use what the Debtor dubs a 'domino strategy' in which the first property would be used to “knock down” the second property. The first of the two properties, 4728 Chestnut, would be completed and some proceeds from the refinancing of 4728 Chestnut would be used to complete the second property at 4726 Chestnut as agreed and promised by Creditor’s employee and counsel, Ed Hovatter. Mr. Hovatter also served as a partner at Creditor’s counsel Sherman Silverstein, as well as the owner of the transaction company, Trans Connect LLC, that accepted the Debtor’s prepaid interest payment.
5. Thereafter, from July 3, 2013 through February 3, 2015, PNP and ECORE received separate and equal disbursements totaling \$1,295,000.00 from the Creditor, \$647,500.26 to PNP and \$647,500.26 to Debtor. Interest accrued in the amount of \$233,782.71 from the Creditor, \$116,891.36 to PNP and \$116,891.36 to the Debtor. The subtotals equal \$764,391.62 to PNP and \$764,391.62 to Debtor.
6. Thereafter, on May 19, 2015, after PNP completed construction and development on the property at 4728 Chestnut Street, Investors Bank refinanced the 4728 Chestnut St property with net proceeds of \$760,000.
7. Debtor reminded Creditor of the ‘domino strategy’ by requesting some of the refinancing proceeds be used for completion of 4726 Chestnut St. After the firing of Ed Hovatter and Creditor’s Coleen Malony’s proclamation that Creditor would be exiting the real estate lending business, Creditor reneged on the promise to support the completion of 4726 Chestnut St., thereby stranding the Debtor.
8. Instead of upholding its promise, Creditor demanded all proceeds from the refinancing of 4728 Chestnut in the amount of \$760,000, bringing the total payments to the Creditor of \$806,634.50 which included \$51,634.50 in prepaid interest. This represents an overpayment of \$42,242.86 on the \$764,391.62 due to the Creditor for 4728 Chestnut.

9. Thereafter, as a result of the injury caused by the Creditor, Debtor was unable to locate alternative funding on an incomplete project. Debtor continued requesting funds from Creditor to complete the project. After rejecting the Debtor, Creditor requested Debtor to bring proposals to Creditor to resolve the debt.
10. Thereafter, on November 9, 2015, Debtor delivered a term sheet from National Capital Management, L.P. to refinance the property at 4726 Chestnut for \$536,250. Creditor again rejected Debtor.
11. Thereafter, on December 7, 2015, Debtor filed a civil action against the Creditor by filing a writ of summons in Court of Common Pleas in Philadelphia County.
12. Thereafter, on February 19, 2016, with multiple Creditor rejections and few options, Debtor entered into a forbearance agreement for \$625,000 with the Creditor to allow more time to find the necessary funds to resolve the debt.
13. Thereafter, on August 17, 2016, being unable to obtain funding on an incomplete project, the forbearance expired.

Significant Events During the Bankruptcy Case

- Demetrius Parrish represents the Debtor filed an emergency Voluntary Petition on November 28, 2016.
- Objection to Proof of Claim Filed
- Objection to Motion to Lift Automatic Stay Filed
- Investor identified to Infuse Capital

F. Projected Recovery of Avoidable Transfers

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions.

G. Claims Objections

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan.

H. Current and Historical Financial Conditions

The identity and fair market value of the estate's assets are listed in Exhibit B.

No pre-petition financial statements have been filed.

III. **SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS**

A. **What is the Purpose of the Plan of Reorganization?**

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. **Unclassified Claims**

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan Proponent has *not* placed the following claims in any class:

1. *Administrative Expenses*

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the effective date of the Plan, unless a particular claimant agrees to a different treatment.

The following chart lists the Debtor's estimated administrative expenses, and their proposed treatment under the Plan:

Type	Estimated Amount Owed	Proposed Treatment
Expenses Arising in the Ordinary Course of Business After the Petition Date	\$0	Paid in full on the effective date of the Plan, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date	\$0	Paid in full on the effective date of the Plan, or according to terms of obligation if later
Professional Fees, as approved by the Court. Demetrius Parrish, Counsel	TBD	
Clerk's Office Fees	\$1,717	Paid in full on the effective date of the Plan
Other administrative expenses	\$0	Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	\$325	Paid in full on the effective date of the Plan
TOTAL	\$2,825	

2. *Priority Tax Claims*

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief.

The following chart lists the Debtor's estimated § 507(a)(8) priority tax claims and their proposed treatment under the Plan:

Description (name and type of tax)	Estimated Amount Owed	Date of Assessment	Treatment
City of Philadelphia property tax	\$6,000	February 2017	Pmt interval = [Monthly] payment = Begin date = End date = Interest Rate % = Total Payout Amount = \$
			Pmt interval = [Monthly] payment = Begin date = End date = Interest Rate % = Total Payout Amount = \$

C. Classes of Claims and Equity Interests

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

1. *Classes of Secured Claims*

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will [be classified as a general unsecured claim].

The following chart lists all classes containing Debtors secured prepetition claims and their proposed treatment under the Plan:

Class	Impairment	Treatment
Class 1 - Secured Claims – City of Philadelphia property tax	Unimpaired	Class 1 is unimpaired by this plan and the holder of Class 1 Priority Claim will be paid in full, in cash, within 30 days of the final decision of the property tax appeal to the City of Philadelphia after the effective date of this Plan as defined in Article VII, or the date on which such claim is allowed by a final non-appealable order.

2. *Classes of Priority Unsecured Claims*

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the effective date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept different treatment.

Class	Impairment	Treatment
Class 1 – Secured Claim - Dietz & Watson, Inc Defined Benefit Pension Fund	Unimpaired	Class 1 is unimpaired by this plan and the holder of Class 1 Secured Claim will be paid in full, in cash, over 60 equal monthly payments or within 30 days after the effective date of this Plan as defined in Article VII, or the date on which such claim is allowed by a final non-appealable order.

The following chart lists all classes containing claims under §§ 507(a)(1), (4), (5), (6), and (a)(7) of the Code and their proposed treatment under the Plan:

3. *Class[es] of General Unsecured Claims*

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code. [Insert description of §1122(b) convenience class if applicable.]

The following chart identifies the Plan's proposed treatment of Class[es] __ through __, which contain general unsecured claims against the Debtor:

Class	Impairment	Treatment
Class 2 - Unsecured Creditors - Dietz & Watson, Inc Defined Benefit Pension Fund	Impaired	Class 2 is impaired by this plan and the holder of Class 2. Unsecured Claim will be paid 20 cents on the dollar, in cash, over 60 equal monthly payments or within 30 days after the effective date of this Plan as defined in Article VII, or the date on which such claim is allowed by a final non- appealable order.

4. *Class[es] of Equity Interest Holder*

Equity interest holders are parties who hold an ownership interest (*i.e.*, equity interest) in the Debtor. In a corporation, entities holding preferred or common stock are equity interest holders. In a partnership, equity interest holders include both general and limited partners. In a limited liability company (“LLC”), the equity interest holders are the members. Finally, with respect to an individual who is a debtor, the Debtor is the equity interest holder.

The following chart sets forth the Plan’s proposed treatment of the class[es] of equity interest holders: [There may be more than one class of equity interests in, for example, a partnership case, or a case where the prepetition debtor had issued multiple classes of stock.]

Class	Impairment	Treatment
Class 3 - Equity Security Holder – Jerry Freeman	Impaired	Class 3 is impaired by this plan and the holder of Class 3 Equity Security will not be paid under this Plan.

D. **Means of Implementing the Plan**

1. *Source of Payments*

Payments and distributions under the Plan will be funded by the following: The Plan will be funded by Dr. Ernest Page II of Orlando, FL. Dr. Page will provide capital to fund the payments to each class as well as the funds necessary to continue the renovation of the property at 4726 Chestnut Street. Dr. Page will serve will provide oversight of the project.

2. *Post-confirmation Management*

The Post-Confirmation Managers of the Debtor, and their compensation, shall be as follows:

Name	Affiliations	Insider (yes or no)?	Position	Compensation
Ernest Page	Plan Supervisor	Yes	Plan Supervisor	80% Equity

Jerry Freeman	Managing Member	Yes	Managing Member	15% Equity
Darren Hart	Construction Supervisor	Yes	Construction Supervisor	5% Equity

E. Risk Factors

The proposed Plan has the following risks:

Construction delay

F. Executory Contracts and Unexpired Leases

The Plan, in Exhibit 5.1, lists all executory contracts and unexpired leases that the Debtor will assume under the Plan. Assumption means that the Debtor has elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any. Exhibit 5.1 also lists how the Debtor will cure and compensate the other party to such contract or lease for any such defaults.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.

All executory contracts and unexpired leases that are not listed in Exhibit 5.1 will be rejected under the Plan. Consult your adviser or attorney for more specific information about particular contracts or leases.

If you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

The Deadline for Filing a Proof of Claim Based on a Claim Arising from the Rejection of a Lease or Contract Is 30 days after confirmation of the Plan by the Court. Any claim based on the rejection of a contract or lease will be barred if the proof of claim is not timely filed, unless the Court orders otherwise.

G. Tax Consequences of Plan

Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, And/Or Advisors.

IV. CONFIRMATION REQUIREMENTS AND PROCEDURES

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in § 1129, and they are not the only requirements for confirmation.

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.

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 or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that secured, unsecured and equity holder classes 2, 3 & 4 are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. The Plan Proponent believes that class 1 is unimpaired and that holders of claims in this class, therefore, does not have the right 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.

The deadline for filing a proof of claim in this case was 120 days from the time of the filing of relief.

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; and
- holders of claims or equity interests in classes that do not receive or retain any value under the Plan;
- 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 hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

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 Acram down on non-accepting classes, as discussed later in Section [B.2.].

1. *Votes Necessary for a Class to Accept 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 Acram 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 attached to this Disclosure Statement as Exhibit E.

D. Feasibility

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan.

1. Ability to Initially Fund Plan

The Plan Proponent believes that the Debtor will have enough cash on hand on the effective date of the Plan to pay all the claims and expenses that are entitled to be paid on that date. Tables showing the amount of cash on hand on the effective date of the Plan, and the sources of that cash are attached to this disclosure statement as Exhibit F.

2. Ability to Make Future Plan Payments And Operate Without Further Reorganization

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments.

The Plan Proponent has provided projected financial information. Those projections are listed in Exhibit G.

The Plan Proponent's financial projections show that the Debtor will have an aggregate annual average cash flow, after paying operating expenses and post-confirmation taxes. The final Plan payment is expected to be paid 60 months from the first payment.

You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.

V. EFFECT OF CONFIRMATION OF PLAN

A. DISCHARGE OF DEBTOR

Discharge. On the effective date of the Plan, the Debtor shall be discharged from any debt that arose before confirmation of the Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor shall not be discharged of any debt (i) imposed by the Plan, (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure, or (iii) of a kind specified in § 1141(d)(6)(B). After the effective date of the Plan your claims against the Debtor will be limited to the debts described in clauses (i) through (iii) of the preceding sentence.

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.

The Plan Proponent may also seek to modify the Plan at any time after confirmation only if (1) the Plan has not been substantially consummated *and* (2) the Court authorizes the proposed modifications after notice and a hearing.

C. Final Decree

Once the estate has been fully administered, 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.

/s/ Jerry Freeman

Jerry Freeman, Managing Member
of ECore Investments, LLC

/s/ Demetrius J. Parrish, Jr.

Demetrius J. Parrish, Jr., Esquire

EXHIBITS

Exhibit A Copy of Proposed Plan of Reorganization

B25A (Official Form 25A) (12/11)

United States Bankruptcy Court
Eastern District of Pennsylvania

In re ECORE Investments, LLC,
Debtor

Case No. 18-16202

Small Business Case under Chapter 11

ECORE Investments, LLC'S PLAN OF REORGANIZATION, DATED March 22, 2017

**ARTICLE I
SUMMARY**

This Plan of Reorganization (the "Plan") under chapter 11 of the Bankruptcy Code (the "Code") proposes to pay creditors of ECORE Investments, LLC (the "Debtor") from an infusion of capital from investors and operations.

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 20 cents on the dollar. This Plan also provides for the payment of administrative and priority claims to be paid in full beginning the effective date of this plan. Secured claims and unsecured claims will be paid over 60 payments or within 30 days of the effective date of this plan.

All creditors and equity security holders 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.)**

**ARTICLE II
CLASSIFICATION OF CLAIMS AND INTERESTS**

- 2.01 Class 1. City of Philadelphia property tax (currently under appeal; to be addressed upon result of the appeal).
- 2.02 Class 2. The claim of Dietz & Watson, Inc. Defined Benefit Pension Fund , to the extent allowed as a secured claim under § 506 of the Code.

B25A (Official Form 25A) (12/11) - Cont.

2

2.03 Class 3. Dietz & Watson, Inc. Defined Benefit Pension Fund

2.04 Class 4 . Equity interests of the Debtor.

ARTICLE III
TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS,
U.S. TRUSTEES 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 in full once all appeals have been decided.

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 of the Code. Any U.S. Trustee Fees owed on or before the effective date of this Plan will be paid on the effective date.

ARTICLE IV
TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN

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

B25A (Official Form 25A) (12/11) - Cont.

3

Class	Impairment	Treatment
Class 1 - Secured Claims – City of Philadelphia property tax	Unimpaired	Class 1 is unimpaired by this plan and the holder of Class 1 Priority Claim will be paid in full, in cash, within 30 days of the final decision of the property tax appeal to the City of Philadelphia after the effective date of this Plan as defined in Article VII, or the date on which such claim is allowed by a final non-appealable order.
Class 1 – Secured Claim - Dietz & Watson, Inc Defined Benefit Pension Fund	Unimpaired	Class 1 is unimpaired by this plan and the holder of Class 1 Secured Claim will be paid in full, in cash, over 60 equal monthly payments or within 30 days after the effective date of this Plan as defined in Article VII, or the date on which such claim is allowed by a final non-appealable order.
Class 2 - Unsecured Creditors - Dietz & Watson, Inc Defined Benefit Pension Fund	Impaired	Class 2 is impaired by this plan and the holder of Class 2 Unsecured Claim will be paid 20 cents on the dollar, in cash, over 60 equal monthly payments or within 30 days after the effective date of this Plan as defined in Article VII, or the date on which such claim is allowed by a final non-appealable order.
Class 3 - Equity Security Holder – Jerry Freeman	Impaired	Class 3 is impaired by this plan and the holder of Class 3. Equity Security will not be paid under this Plan.

ARTICLE V

ALLOWANCE AND DISALLOWANCE OF CLAIMS

5.01 Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed, 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; or (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 court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

ARTICLE VI
PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.01 Assumed Executory Contracts and Unexpired Leases.

(a) The Debtor has no executory contracts and/or unexpired leases.

(b) The Debtor will be conclusively deemed to have rejected all executory contracts and/or unexpired leases not expressly assumed under section 6.01(a) above, or before the date of the order confirming this Plan, upon the “effective date of this Plan,” “the date of the entry of the order confirming this Plan,” or other applicable date. A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed no later than 30 days after the date of the order confirming this Plan.

ARTICLE VII
MEANS FOR IMPLEMENTATION OF THE PLAN

The Plan will be funded by Dr. Ernest Page II of Orlando, FL. Dr. Page will provide capital to fund the payments to each class as well as the funds necessary to continue the renovation of the property at 4726 Chestnut Street. Dr. Page will serve will provide oversight of the project.

ARTICLE VIII
GENERAL PROVISIONS

8.01 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.

8.02 Effective Date of Plan. The effective date of this Plan is the first business day following the date that is fourteen days after the entry of the order of confirmation. If, however, a stay of the confirmation order is in effect on that date, the effective date will be the first business day after the date on which the stay of the confirmation order expires or is otherwise terminated.

B25A (Official Form 25A) (12/11) - Cont.

5

8.03 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.

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

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

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

ARTICLE IX **DISCHARGE**

9.01. Discharge. On the confirmation date of this Plan, the debtor will be discharged from any debt that arose before confirmation of this Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt: (i) imposed by this Plan; (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure; or (iii) of a kind specified in § 1141(d)(6)(B).

Respectfully submitted,

By: /s/Jerry Freeman
Jerry Freeman

By: /s/ Demetrius J. Parrish, Jr.
Demetrius J. Parrish, Jr., Esquire

Exhibit B – Liquidation Analysis

Exhibit B - Liquidation Analysis

Plan Proponent's Estimated Liquidation Value of Assets

Assets

a. Cash on hand	\$0.00
b. Accounts receivable c. Inventory	\$0.00
d. Office furniture & equipment e. Machinery & equipment	\$0.00
f. Automobiles	\$0.00
g. Building & Land h. Customer list	\$350,000.00
i. Investment property (such as stocks, bonds or other financial assets)	\$0.00
j. Lawsuits or other claims against third-parties	\$0.00
k. Other intangibles (such as avoiding powers actions)	\$0.00

Total Assets at Liquidation Value \$350,000.00

Less:

Secured creditors= recoveries \$350,000.00

Less:

Chapter 7 trustee fees and expenses

Less:

Chapter 11 administrative expenses \$8,450.00

Less:

Priority claims, excluding administrative expense claims \$22,000.00

[Less:

Debtor=s claimed exemptions]

(1) Balance for unsecured claims \$72,840.75

(2) Total dollar amount of unsecured claims \$364,203.73

Percentage of Claims Which Unsecured Creditors Would Receive Or Retain in a Chapter 7 Liquidation : 0%

Percentage of Claims Which Unsecured Creditors Will Receive or Retain under the Plan: 20%

Exhibit C

Projections of Cash Flow and Earnings for
Post-Confirmation Period

Amount of Claim		
If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
\$714,203.73	\$350,000.00	\$364,203.73

Claim Payment Amounts

	Claim Amount	% Paid	Effective Debt	Term (months)	Monthly Payment	Annual Payment
<u>Class 2 - Secured Debt</u>						
Dietz & Watson, Inc Defined Benefit Pension Fund	\$350,000.00	100%	\$350,000.00	60	\$5,833.33	\$70,000.00
<u>Class 3 - Unsecured Debt</u>						
Dietz & Watson, Inc Defined Benefit Pension Fund	\$364,203.73	20%	\$72,840.75	60	\$1,214.01	\$14,568.15

5 Year Payment Plan

<u>Payments</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>
<u>Capital Infusion</u>						
Dr. Page	\$350,000.00					
Remainder of Capital Infusion		\$103,481.85	\$94,288.70	\$85,095.55	\$75,902.40	
Dr. Page						
<u>Gross Rents</u>	\$0.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	
<u>Operating Expenses</u>	\$0.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	
<u>Net Proceeds</u>	\$0.00	\$80,000.00	\$80,000.00	\$80,000.00	\$80,000.00	
<u>Available Cash</u>	\$350,000.00	\$183,481.85	\$174,288.70	\$165,095.55	\$155,902.40	
<u>Administrative</u>						
U.S. Trustee	\$1,950.00	\$1,625.00	\$1,625.00	\$1,625.00	\$1,625.00	\$8,450.00
<u>Class 1</u>						
City of Philadelphia Property Tax	\$10,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$22,000.00
<u>Class 2 - Secured Debt</u>						
Dietz & Watson, Inc Defined Benefit Pension Fund	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00	\$350,000.00
<u>Class 3 - Unsecured Debt</u>						
Dietz & Watson, Inc Defined Benefit Pension Fund	\$14,568.15	\$14,568.15	\$14,568.15	\$14,568.15	\$14,568.15	\$72,840.75
<u>Other</u>						
Renovation	\$150,000.00					
Total Cost	\$246,518.15	\$89,193.15	\$89,193.15	\$89,193.15	\$89,193.15	\$603,290.75
Net Cashflow	\$103,481.85	\$94,288.70	\$85,095.55	\$75,902.40	\$66,709.25	