

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

IN RE: :
: No. 4-16-00542
DUNLAP STREET, LLC :
: Chapter 11
Debtor-in-Possession :

DEBTOR'S DISCLOSURE STATEMENT, DATED DECEMBER 14, 2016

I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the small business chapter 11 case of Dunlap Street, LLC (the "Debtor"). This Disclosure Statement contains information about the Debtors and describes the Plan of Reorganization (the "Plan") filed by Dunlap Street, LLC, on December 14, 2016. 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.

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 the 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 Finally Approve This Disclosure Statement and Confirm the Plan

The hearing at which the Court will determine whether to finally confirm the Plan will take place in accordance with the enclosed Order of the Court.

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 Donald M. Hahn, Stover McGlaughlin Law Firm, 122 East High Street, Bellefonte, PA 16823. See section IV.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by the deadline set by the enclosed Order of the Court, or it will not be counted.

3. Deadline For Objecting to the Confirmation of the Plan

Objections to the confirmation of the Plan must be filed with the Court and served upon Donald M. Hahn, Stover McGlaughlin Law Firm, 122 East High Street, Bellefonte, Pennsylvania 16823 by the deadline set by the enclosed Order of the Court.

4. Identity of Person to Contact for More Information

If you want additional information about the Plan, you should contact Donald M. Hahn, Stover McGlaughlin Law Firm, 122 East High Street, Bellefonte, Pennsylvania 16823.

C. Disclaimer

The Court has 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.

II. BACKGROUND

A. Description and History of the Debtors' Businesses

The Debtor is a limited liability company. It owns commercial property located at 160 Dunlap Street, Bellefonte, Pennsylvania. Its sole tenant was KDP Bellefonte, Inc., which operated the Gamble Mill Restaurant and Microbrewery from 2007 to 2014.

B. Insiders of the Debtor

Name of Insider	Relationship to Debtor	Compensation Paid by Debtor or its Affiliates During Two Years Prior to Case	Compensation Paid by Debtor or its Affiliates During Pendency of Case
David Fonash	President & shareholder	\$0.00	\$0.00
Paul Kendeffy	Vice President & shareholder	\$0.00	\$0.00
Kenevan McConnon	Shareholder	\$0.00	\$0.00

C. Management of the Debtors Before and During the Bankruptcy

During the two years prior to the date on which the bankruptcy petition was filed, the officers, directors, managers or other persons in control of the Debtor (collectively the “Managers”) were David Fonash and Paul Kendeffy.

The Managers of the Debtor during the Debtors’ chapter 11 case has been David Fonash.

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 will be David Fonash. The responsibilities and compensation of these Post-Confirmation Managers shall be to close the sale and to close the Bankruptcy Estate.

D. Events Leading to Chapter 11 Filing

Dunlap Street, LLC, owned the site of the Gamble Mill Restaurant and Microbrewery. KDP Bellefonte, Inc., owned the liquor license, furniture, fixtures, equipment, and other business assets, leased the site, and operated the Gamble Mill Restaurant and Microbrewery.

Due to its high reputation of excellence and quality in a historic setting, the Gamble Mill has always appealed to a wider hospitality market, beyond its downtown

Bellefonte location. However, a five-year decline in the Centre County tourism industry, due to the scandals surrounding the Penn State football program, helped result in a loss of revenue.

After a steady erosion of revenue and increasing debt, the Gamble Mill was unable to recover in time to benefit from the Bellefonte waterfront revitalization. It closed in 2014.

As a result, Dunlap Street, LLC, encountered difficulties meeting its mortgage obligations on a timely basis, leading Kish Bank to commence foreclosure proceedings. Dunlap Street, LLC, sought bankruptcy protection on February 10, 2016, shortly before a Sheriff's Sale.

E. Significant Events During the Bankruptcy Case

Dunlap Street, LLC, retained Donald Hahn, Esquire, as its bankruptcy counsel, Derek Canova of Kissinger, Bigatel & Brower as its realtor, and C.J. Wagner, CPA, as its accountant. Dunlap Street, LLC, found a buyer for its assets and filed a Motion To Approve the sale.

F. Projected Recovery of Avoidable Transfers

The Debtors do 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 Debtors reserve 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.

The Debtor's most recent financial statements [if any] issued before bankruptcy, each of which was filed with the Court, are set forth in Exhibit C.

The most recent post-petition operating report filed since the commencement of the Debtor's bankruptcy case are set forth in Exhibit D.

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

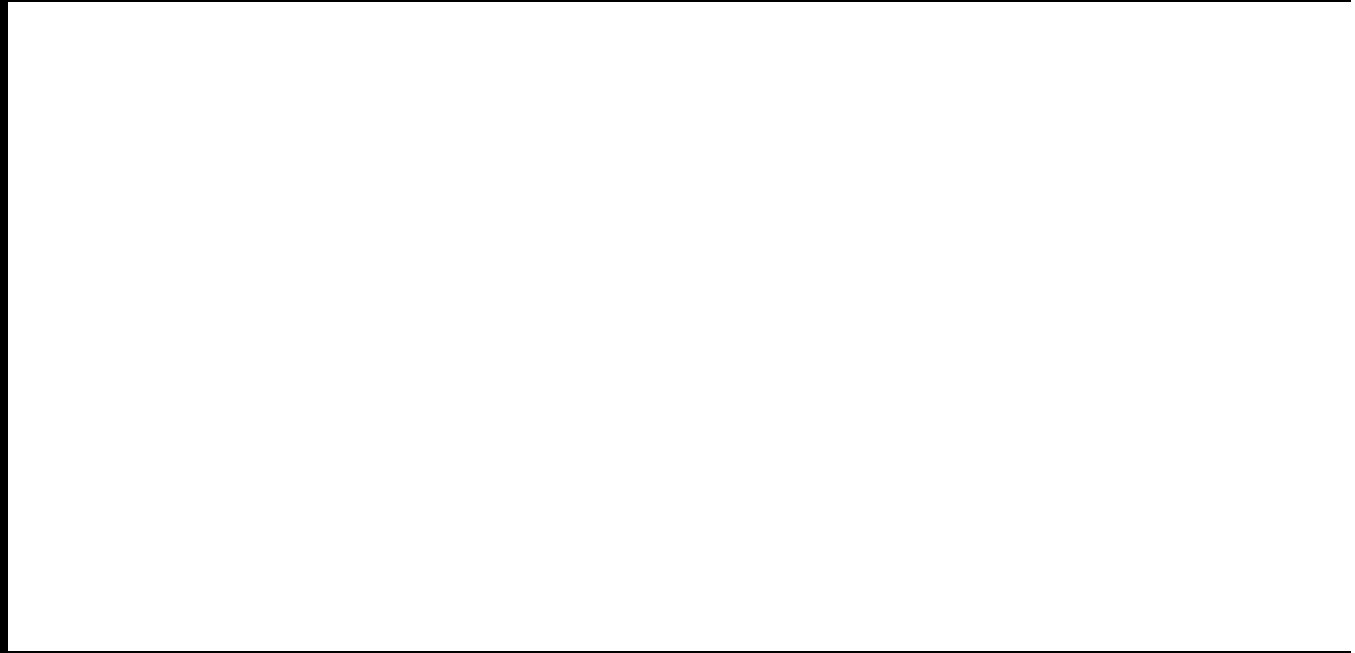
Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As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

<u>Type</u>	<u>Estimated Amount Owed</u>	<u>Proposed Treatment</u>
Professional Fees, as approved by the Court.	\$0.00	Paid in full on the effective date of the Plan, or according to separate written agreement, or according to court order if such fees have not been approved by the Court on the effective date of the Plan
Clerk's Office Fees	\$0.00	Paid in full on the effective date of the Plan
Other administrative expenses	\$0.00	Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	\$650.82	Paid in full on the effective date of the Plan
TOTAL	\$650.82	



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
NONE			

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 Debtor's secured prepetition claims and their proposed treatment under the Plan:

Class #	Description	Insider? (Yes or No)	Impairment	Treatment
2A	Centre County Tax Claim Bureau	No	Yes	Centre County has a super-priority property tax lien on the Restaurant property. As of the commencement of this case, this claim is estimated to be in the amount of \$18,000.00. This creditor shall be paid in full with interest at the federal judgment rate from the sale proceeds at closing.
2B	Kish Bank	No	Yes	Kish Bank has a first mortgage lien on the Restaurant property. As of the commencement of this case, this claim is estimated to be in the amount of \$440,000.00. This creditor shall be paid in full with interest at the contract rate from the sale proceeds at closing.
2C	SEDA-COG	No	Yes	SEDA-COG has a second mortgage lien on the Restaurant property. As of the commencement of this case, this claim is estimated to be in the amount of \$400,000.00. After payment of Class 2A and 2B creditors, the remaining sale proceeds shall be divided evenly between the bankruptcy estates of Dunlap Street, LLC, and KDP Bellefonte, Inc. This creditor shall be paid one half of this bankruptcy estate's share of the remaining sale proceeds, including one half of any benefit to the estate from the exemption of this sale from realty transfer tax, at closing. In addition, this creditor will have a general, unsecured claim with respect to any deficiency.

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.

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:

Class #	Description	Impairment	Treatment
1	Priority Claims	No	None. These creditors shall be paid in full on the effective date of this Plan.

3. Class 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 .

The following chart identifies the Plan's proposed treatment of Class 3, which contain general unsecured claims against the Debtor:

Class #	Description	Impairment	Treatment
3	General Unsecured Creditors	Yes	SEDA-COG on account of its deficiency claim. These creditors shall be paid pro rata from the remaining sale proceeds upon the effective date of this Plan.

4. Class of Equity Interest Holders

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 of equity interest holders:

Class #	Description	Impairment	Treatment
4	Equity Interest	Yes	David Fonash, Paul Kendeffy, and Kenevan McConnon have equity interests. These interests shall receive no distribution.

D. Means of Implementing the Plan

1. Source of Payments

Payments and distributions under the Plan will be funded by the following:

Debtor seeks to fund its plan through the joint sale of its assets with KDP Bellefonte, Inc.

Dunlap Street, LLC, owned the site of the Gamble Mill Restaurant and Microbrewery, and KDP Bellefonte, Inc., owned the liquor license, furniture, fixtures, equipment, and other business assets of the Gamble Mill Restaurant and Microbrewery. A joint sale with KDP Bellefonte, Inc., is being pursued because both debtors have a common purchaser and common primary lienholders. A sale complaint, motion, and notice have been filed.

At closing, Centre County and Kish Bank will be paid in full with interest.

The remaining sale proceeds shall be divided evenly between the bankruptcy estates of Dunlap Street, LLC, and KDP Bellefonte, Inc.

SEDA-COG shall be paid one half of this bankruptcy estate's share of the remaining sale proceeds, including one half of any benefit to the estate from the exemption of this sale from realty transfer tax.

2. Post-confirmation Management

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

David Fonash. His responsibilities shall be to close the sale and to close the Bankruptcy Estate.

E. Risk Factors

The proposed Plan has the following risks:

If the sale is not approved, Kish Bank may proceed with its foreclosure sale. The anticipated results would be no distribution to junior creditors.

F. Executory Contracts and Unexpired Leases

The Plan, in Exhibit 5.1, lists all executory contracts and unexpired leases that the Debtors will assume under the Plan. Assumption means that the Debtors have 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 Debtors 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.

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 sixty (60) days after the date of the order confirming this Plan

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.

The following are the anticipated tax consequences of the Plan:

The bankruptcy estate will have capital gains tax consequences from the sale of its assets.

Creditors will have income tax consequences from the distribution of the proceeds of the above-referenced sale.

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 classes 2A, 2B, 2C, 3, and 4 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.

The deadline for filing a proof of claim in this case has not been set yet. Notices will be sent separately when a deadline has been set.

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 “cram 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 “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 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 business cash flow, after paying operating expenses and post-confirmation taxes, of \$0.00.

However, the Debtor has entered into an agreement to sell its assets to MBPB Holding, LLC, a Nevada limited liability company with an office at 17772 Irvine Blvd., #104, Tustin, California,, at a private sale for the following amount:

real property of Dunlap Street, LLC, located at 160 Dunlap Street, Bellefonte, Pennsylvania, for the sum of \$625,000; and

personal property of the KDP Bellefonte, Inc., including equipment, furnishings, machinery, liquor license, the name "The Gamble Mill", signs and other promotional material, for the sum of \$150,000.

Class 2A and 2B secured claims will be paid at closing.

With the exception of Class 2A and 2B secured claims, the final Plan payment is expected to be paid 30 days after the claims bar date.

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. NO DISCHARGE OF DEBTOR

In accordance with § 1141(d)(3) of the Code, the Debtor will not receive any discharge of debt in this bankruptcy case.

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 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.

VI. OTHER PLAN PROVISIONS

Pursuant to Section 1146(a) of the U.S. Bankruptcy Code, Debtors seek to exempt any sale from the Pennsylvania Realty Transfer Tax. Both parcels of Real Property are located in Pennsylvania, in Bellefonte Borough, and in the Bellefonte Area School District.

Respectfully submitted,

DUNLAP STREET, LLC

By: /s/ David Fonash
David Fonash, President

By: /s/ Donald M. Hahn
Donald M. Hahn,
Attorney for Plan Proponent

EXHIBITS

Exhibit A -- Copy of Proposed Plan of Reorganization

See Attachment

Exhibit B - Identity and Value of Material Assets of Debtor

The Debtors propose to liquidate the following assets, having the following estimated gross value:

Dunlap Street property	\$625,000.00
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Exhibit C -- Prepetition Financial Statements
(to be taken from those filed with the court)

Not Applicable

Exhibit D -- Most Recently Filed Postpetition Operating Report

See Attachment

Exhibit E – Liquidation Analysis

The Debtors' Chapter 7 Liquidation Analysis is as follows:

Dunlap Street property	\$625,000.00
Less: Kish Bank mortgage - \$440,000.00	\$185,000.00
Less: SEDA-COG mortgage deficiency - \$400,000.00	\$0.00

Exhibit F – Cash on hand on the effective date of the Plan

Sale of Dunlap Street, LLC - \$625,000.00	\$625,000.00
Sale of KDP Bellefonte, Inc. - \$150,000.00	\$775,000.00
Less: 6% auctioneer's commission - \$39,000.00	\$736,000.00
Less: Centre County Class 2A secured claim - \$18,000.00	\$718,000.00
Less: Kish Bank Class 2B secured claim - \$440,000.00	\$278,000.00
Less: 50% to KDP Bellefonte, Inc.	\$139,000.00
Less: SEDA-COG Class 2C secured claim - 50% of balance	\$69,500.00
Available to unsecured creditors - \$69,500.00	

Exhibit G -- Projections of Cash Flow and Earnings for Post-Confirmation Period

However, the Debtor has entered into an agreement to sell its assets to MBPB Holding, LLC, a Nevada limited liability company with an office at 17772 Irvine Blvd., #104, Tustin, California,, at a private sale for the following amount:

real property of Dunlap Street, LLC, located at 160 Dunlap Street, Bellefonte, Pennsylvania, for the sum of \$625,000; and

personal property of the KDP Bellefonte, Inc., including equipment, furnishings, machinery, liquor license, the name "The Gamble Mill", signs and other promotional material, for the sum of \$150,000.

Class 2A and 2B secured claims will be paid at closing.

With the exception of Class 2A and 2B secured claims, the final Plan payment is expected to be paid 30 days after the claims bar date.

No further cash flow or earnings are anticipated for the post-confirmation period.