

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

In Re:

Bankruptcy No. 16-24066-TPA

Gauri-Shankar, L.P.

**DISCLOSURE STATEMENT
TO ACCOMPANY PLAN DATED APRIL 28, 2017**

Chapter 11 Small Business (Check box only if debtor has elected to be considered a small business under 11 U.S.C. §1121(e))

Debtor furnishes this disclosure statement to creditors in the above-captioned matter pursuant to Bankruptcy Code §1125 to assist them in evaluating debtor's proposed Chapter 11 plan, a copy of which is attached hereto. Creditors may vote for or against the plan of reorganization. Creditors who wish to vote must complete their ballots and return them to the following address before the deadline noted in the order approving the disclosure statement and fixing time. The Court will schedule a hearing on the plan pursuant to 11 U.S.C. §1129.

Address for return of ballots:

c/o P. William Bercik
310 Grant Street, Suite 2330
Pittsburgh, PA 15219

I. Background

1. Name of Debtor: Gauri-Shankar, L.P.
2. Type of Debtor (individual, partnership, corporation) Limited Partnership
3. Debtor's Business or Employment: Ownership of vacant school building.
4. Date of Chapter 11 Petition: October 31, 2016

Pending foreclosure

6. Anticipated Future of the Company & Source of this Information and Opinion

The school building is to be rehabilitated and repurposed.
Source of Information: Achyut Tope.

7. Summarize all Significant Features of the Plan Including When and How Each Class of Creditor Will Be Paid and What, If Any, Liens Will Be Retained By Secured Creditors or Granted to Any Creditor Under the Plan

Secured creditors will retain their lien and be paid the full value of their secured interest. Equity One, Inc. has not filed a claim and will not receive payment. Its mortgage will be avoided.

Debtor has no priority creditors.

Unsecured creditors will receive the full value of their claims.

8. Are All Monthly Operating Statements Current and on File With The Clerk of Court?

Yes X _____ No _____

9. Does the plan provided for releases of nondebtor parties? Specify which parties and terms of release.

Not applicable.

10. Identify all executory contracts that are to be assumed or assumed and assigned.

Not applicable.

11. Has a bar date been set? Yes X _____ No _____

(If not, a motion to set the bar date has been filed simultaneously with the filing of this disclosure statement.)

12. Has an election under 11 U.S.C. §1121(e) been filed with the Court to be treated as a small business?

Yes _____ No X _____

13. Specify property that will be transferred subject to 11 U.S.C. §1146(c).

Not applicable.

II. Creditors

A. Secured Claims

SECURED CLAIMS

Creditor	Total Amount Owed	Arrearages	Type of Collateral Priority of Lien (1, 2, 3)	Disputed (D) Liquidated (L) Unliquidated (U)	Will Liens Be Retained Under the Plan? (Y) or (N)
Pittsburgh Water and Sewer	\$103.44	\$103.44	Property 1		Y
County of Allegheny	\$3,801.74	\$3,801.74	Property 1		Y
City and School District of Pittsburgh	19,914.16	\$19,914.16	Property 1		Y
TOTAL	\$23,819.34	\$23,819.34			

B. Priority Claims

PRIORITY CLAIMS

Creditor	Total Amount Owed	Type of Collateral	(D) (L) (U) *
Not Applicable			
TOTAL	\$		

* Disputed (D), Liquidated (L), or Unliquidated (U)

C. Unsecured Claims

1.	Amount Debtor Scheduled (Disputed and Undisputed)	\$ 7,941.50
2.	Amount of Unscheduled Unsecured Claims ¹	\$ 3,268.64
3.	Total Claims Scheduled or Filed	\$ 11,210.14
4.	Amount Debtor Disputes	\$ 4,091.50
5.	Estimated Allowable Unsecured Claims	\$ 7,118.64

D. Other Classes of Creditors

1.	Amount Debtor Scheduled (Disputed and Undisputed)	\$ 561,049.23
2.	Amount of Unscheduled Claims ¹	\$ 7,935.99
3.	Total Claims Scheduled or Filed	\$ 568,985.22
4.	Amount Debtor Disputes	\$ 538,397.24
5.	Estimated Allowable Claims	\$ 30,587.98

E. Other Classes of Interest Holders

1.	Amount Debtor Scheduled (Disputed and Undisputed)	\$ 0.00
2.	Amount of Unscheduled Claims ¹	\$ 0.00
3.	Total Claims Scheduled or Filed	\$ 0.00
4.	Amount Debtor Disputes	\$ 0.00
5.	Estimated Allowable Claims	\$ 0.00

¹ Includes (a.) unsecured claims filed by unscheduled creditors; (b.) that portion of any unsecured claim filed by a scheduled creditor that exceeds the amount debtor scheduled; and (c.) any unsecured portion of any secured debt not previously scheduled.

III. Assets

ASSETS

Assets	Value	Basis for Value Priority of Lien	Name of Lien Holder (if any) (Fair Market Value/ Book Value)	Amount of Debtor's Equity (Value Minus Liens)
1805 Concordia Street	\$70,000.00	Estimate	Equity Now, Inc. (disputed)	
			Pittsburgh Water and Sewer	
			County of Allegheny	
			City and School District of Pittsburgh	\$46,180.66
School Desks (used)	\$1000.00	Estimate		\$1,000.00
Cash	\$23.31	Cash		\$23.31
	\$71,023.31			\$47,203.97
	TOTAL			TOTAL

1. Are any assets which appear on Schedule A or B of the bankruptcy petition not listed above? NO

If so, identify asset and explain why asset is not in estate:

2. Are any assets listed above claimed as exempt? If so attach a copy of Schedule C and any amendments. NO

IV. SUMMARY OF PLAN

1. Effective Date of Plan: First day of the month that is 14 days after confirmation.
2. Will cramdown be sought? ___ Yes X No
If Yes, state bar date: _____
3. Treatment of Secured **Non-Tax** Claims

SECURED NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Pittsburgh Water and Sewer	2	\$103.44	Paid in full
County of Allegheny	2	\$3,801.74	Paid in full
City and School District of	2	\$19,914.16	Paid in full
TOTAL		\$23,819.34	

4. Treatment of Secured Tax Claims

SECURED TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Not Applicable			
TOTAL		\$	

5. Treatment of Administrative **Non-Tax** Claims²

ADMINISTRATIVE NON-TAX CLAIMS

Name of Creditor*	Amount Owed	Type of Debt**	Summary of Proposed Treatment and Date of First Payment
No claims filed			

6. Treatment of Administrative Tax Claims

ADMINISTRATIVE TAX CLAIMS

Name of Creditor*	Amount Owed	Type of Debt**	Summary of Proposed Treatment and Date of First Payment
No claims filed			

* Identify and Use Separate Line for Each Professional and Estimated Amount of Payment

** Type of Debt (P=Professional, TD=Trade, TX=Taxes)

² Include all §503(b) administrative claims.

7. Treatment of Priority Non-Tax Claims

PRIORITY NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
No claims filed				

8. Treatment of Priority Tax Claims³

PRIORITY TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
No claims filed				

³ Include dates when any §507(a)(7) taxes were assessed.

9. Treatment of General Unsecured Non-Tax Claims

GENERAL UNSECURED NON-TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
No claims filed			
TOTAL		\$	100%

10. Treatment of General Unsecured Tax Claims

GENERAL UNSECURED TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
Internal Revenue Service	3	6,768.64	100%
TOTAL		\$ 6,768.64	100%

11. Will periodic payments be made to unsecured creditors?

Yes X No _____ First payment to begin Effective date of Plan

If so:

Amount of each payment (aggregate to all unsecured claimants) \$6768.64
 Estimated date of first payment: August 1, 2017
 Time period between payments: 30 days
 Estimated date of last payment: July 1, 2022
 Contingencies, if any: none

State source of funds for planned payments, including funds necessary for capital replacement, repairs, or improvements:

Achyut Tope

Other significant features of the plan:

Mortgage of Equity Now, Inc. to be avoided.

Include any other information necessary to explain this plan:

V. Comparison of Plan with Chapter 7 Liquidation

If debtor's proposed plan is not confirmed, the potential alternatives would include proposal of a different plan, dismissal of the case or conversion of the case to Chapter 7. If this case is converted to Chapter 7, a trustee will be appointed to liquidate the debtor's non-exempt assets. In this event, all secured claims and priority claims, including all expenses of administration, must be paid in full before any distribution is made to unsecured claimants.

Total value of Chapter 7 estate (See Section III)	\$71,021.31
1. Less secured claims (See Section II A)	\$23,819.34
2. Less administrative claims (See Section IV-5-6 and include approximate Chapter 7 expenses)	\$ 7,000.00
3. Less other priority claims (See Section II B)	\$
 Total Amount Available for Distribution to Unsecured Creditors	 \$40,201.97
 Divided by total allowable unsecured claims of (See Section II C)	 \$ 6,768.64
 Percentage of Dividend to Unsecured Creditors:	 100%

Will the creditors fare better under the plan than they would in a Chapter 7 liquidation?

Yes _____ No X_____

Explain: Creditors will receive 100% distribution under Plan

VI. Feasibility

- A. Attach Income Statement for Prior 12 Months.
- B. Attach Cash Flow Statement for Prior 12 Months.
- C. Attach Cash Flow Projections for Next 12 Months.

Debtor anticipates no income or cash flow within the next 12 months.

Estimated amount to be paid on effective date of plan, including administrative expenses.

\$510.00_____

Show how this amount was calculated.

\$	Administrative Class
\$	Taxes
\$ 110	Unsecured Creditors
\$ 400	Secured Creditors
<u> </u>	UST Fees
<u>\$ 510</u>	TOTAL

What assumptions are made to justify the increase in cash available for the funding of the plan?

That plan will continue to be funded by Achyut Tope.

Will funds be available in the full amount for administrative expenses on the effective date of the plan? From what source? If not available, why not and when will payments be made?

All administrative claims have been paid to date. Any additional administrative claims will be paid as they arise.

Cash on hand \$ 10.31 (Current). Attach current bank statement.

Cash on hand \$ 10.31 (Estimated amount available on date of confirmation)

If this amount is less than the amount necessary at confirmation, how will debtor make up the shortfall?

Contribution from Achyut Tope.

VII. Management Salaries

MANAGEMENT SALARIES

Position/Name of Person Holding Position	Salary at Time of Filing	Proposed Salary (Post-Confirmation)
Not applicable		

VIII. Identify the Effect on Plan Payments and Specify Each of the Following:

1. What, if any, litigation is pending?

Mortgage foreclosure action in Allegheny County Court of Common Pleas GD14-009693.

2. What, if any, litigation is proposed or contemplated?

Avoidance of Equity Now mortgage.

IX. Additional Information and Comments

X. Certification

The undersigned hereby certifies that the information herein is true and correct to the best of my knowledge and belief formed after reasonable inquiry.

If Debtor is a corporation, attach a copy of corporate resolution authorizing the filing of this Disclosure Statement and Plan.

If Debtor is a general partnership, attach a copy of the consent agreement of all general partners to the filing of the bankruptcy.

/s/ Achyut Tope
Signature of Debtor
or Authorized Representative

05/02/2017
Date

/s/ P. William Bercik
Debtor's Counsel

05/02/2017
Date

