

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF PUERTO RICO**

**IN RE:**  
**L & R DEVELOPMET & INVESTMENT  
CORP.**  
**Debtor**

**CASE NO. 16-08792 (BKT)**

**CHAPTER 11**

**DEBTOR'S DISCLOSURE STATEMENT AND  
SUMMARY OF PROPOSED PLAN OF REORGANIZATION**

**ARTICLE 1. INTRODUCTION**

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**INTRODUCTION**

The Debtor is a real estate development and investment corporation that was created on May 31, 2002 by two main partners; Mr. Hector Noel Roman and Mr. Jose Joaquin Lopez. Mr. Hector Noel Roman was the partner in charge of day to day operations. By 2014, the company had entered into a profitable deal with Walmart to develop certain tracts of land

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including a shopping center area. The Debtor was the owner of certain lot (Lot 1) and had the option to acquire another lot (Lot No. 2).<sup>1</sup> **Exhibit 1**, Purchase Agreement.

Mr. Roman proposed the Debtor to sell his shares in the corporation in exchange of the Walmart Development and the option agreement for Lot No. 2. The parties also agreed that Mr. Roman will pay \$2,000,000 to the Debtor. From the cash amount, the parties agree to create an escrow account to allow the Debtor to negotiate with its largest secured creditor Scotiabank de Puerto Rico (“Scotiabank”) and Banco Cooperativo de Puerto Rico (“Banco Cooperativo”). The parties signed an Escrow Agreement. **Exhibit 2**, Escrow Agreement.

The Debtor was able to achieve negotiations with Banco Cooperativo. However, before negotiations with the Scotiabank prospered, Mr. Roman illegally withdrew the escrow funds from Escrow Account. After failing to reach an agreement with Mr. Roman for the return of the funds and unable to pay Scotiabank, which had already commenced foreclosure proceedings, the Debtor filed this bankruptcy petition to protect the assets and be able to pay its creditors.

## **1.0 DEFINITIONS**

For purposes of this disclosure statement, and to the extent not otherwise provided herein, all capitalized terms below shall have the meanings set forth in the Plan of Reorganization, proposed by the Debtor of even date herewith and, unless otherwise indicated, the singular shall include the plural, and any term used in this disclosure statement

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<sup>1</sup> Debtor owned 23.6 *cuerdas*, equivalent to 92,757.20 sq. meters, and an option to purchase from Universal Insurance Company a parcel of land of approximately 15 *cuerdas*, equivalent to 55,025.46 sq. meters, both of which are located in the Barrio Carrizales, with their north boundaries adjoining the Puerto Rico State Road No. 2 in the Municipality of Hatillo. The Debtor had obtained a location approval/re-zoning process from the Puerto Rico Planning Board under case number 2008-05-0202-JPU for the Land pursuant to which the Seller may develop on the Land both a residential and a commercial project consisting of Two Hundred and Thirty Two Thousands Three Hundred and Fourteen (232,314) square feet of commercial space and thirty (30) single family residential units and/or two (2) buildings housing twenty multi-family residential units each. The Debtor had negotiated the sale of the Shopping Center to Walmart and retained the remainder parcels.

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which is not defined in the Plan of Reorganization, but which is defined in the Bankruptcy Code (11 U.S.C.), shall have the meaning designated in the Bankruptcy Code.

#### **1.1 BANKRUPTCY CODE PROVISIONS FOR POST PETITION DISCLOSURE**

Section 1125 of the Bankruptcy Code requires that a debtor make post-petition disclosure in the form of disclosure statement which provides “adequate information” to its creditors before a debtor or a party acting on its behalf may solicit acceptances of a Chapter 11 plan of reorganization. Creditors are urged to consult with their own attorney, or with each other, and to review all of the pleadings and other documents on file with the Bankruptcy Court in order to fully understand the disclosure made herein, regarding the Debtor’s proposed plan of reorganization (hereafter referred to as the “Plan”) and any other pertinent matters in this case.

#### **1.2 DISCLAIMER**

Creditors are advised that the financial information contained in this Disclosure Statement has not been the object of an audit and is not certified by independent public accountants, except where expressly stated otherwise. The Debtor does not warrant or intends to represent that the information contained herein is without inaccuracy notwithstanding its efforts to disclose all matters with careful attention to accuracy and completeness.

The Debtor does not authorize any representation concerning the Debtor, and/or any other statement relative to it, different from, or not included in this Disclosure Statement. A creditor in deciding how to vote for the Plan should not rely on any representation or inducement that might be made to influence in the acceptance or rejection of the Plan.

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### 1.3 VOTING REQUIREMENTS

In order for the Plan to be confirmed by the Bankruptcy Court, the Bankruptcy Code requires that the Plan be approved by all classes of creditors and interest holders or that the Court finds that the Plan is “fair and equitable” as to any dissenting class.

As provided by 11 U.S.C. §1124, a class of claims or interests is impaired under a plan unless, with respect to each claim or interest of such a class, the plan-

- (1) leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder of such claim or interest; or
- (2) notwithstanding any contractual provision or applicable law that entitles the holder of such claim or interest to demand or receive accelerated payment of such claim or interest after the occurrence of a default –
  - A. cures any such default that occurred before or after the commencement of the case under this title, other than a default of a kind specified in section 365(b)(2) of this title;
  - B. reinstates the maturity of such claim or interest as such maturity existed before such default;
  - C. compensates the holder of such claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; and
  - D. does not otherwise alter the legal, equitable, or contractual rights to which such claim or interest entitles the holder of such claim or interest.

Ordinarily, but not in all circumstances, a plan may not be confirmed unless at least one impaired class, assuming there is at least one impaired class, accepts the plan.

A class has accepted the plan if such a plan has been accepted by creditors, other than those under 11 U.S.C. §1126 (e), that hold at least two-thirds (2/3) in amount and more than

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one-half (1/2) in number of the allowed claims of such class held by creditors, that have accepted or rejected such plan, i.e., those actually voting on the plan.

Creditors may vote for the acceptance or for the rejection of the plan.

Each creditor is urged to consult with its own attorney and obtain advice on the proposals and dispositions of this Disclosure Statement and the Plan. The statements contained herein are only a brief summary of the confirmation process and should not be relied upon in making your determination as to whether to vote in favor of or against the Plan. Creditors should consult their attorneys before making a determination to vote for or against the Plan.

Creditors are expressly referred to the Debtor's Schedules of Assets and Liabilities, the Statement of Financial Affairs and all other documents duly filed in this case with the Bankruptcy Court. This Disclosure Statement is predicated upon certain assumptions that may not materialize, and you are urged to give consideration to such assumptions.

No representation concerning the Debtor or as to the actual or realizable value of its property, are authorized by the Debtor other than as set forth in this Disclosure Statement. Any amendments or clarifications to this Disclosure Statement or the Plan shall be in writing and filed with the Court.

#### **1.4 DEBTOR'S HISTORY**

##### **NATURE OF BUSINESS**

The Debtor is in the Business of real estate development and sale.

Prior to the Bankruptcy Proceeding and up to June 10, 2014, the shareholders of the Debtor were: Mr. Hector Noel Roman and Mr. Jose Joaquin Lopez. Mr. Roman was the administrator of the business.

On or about November 2012 the Debtor entered into negotiations with Wal-Mart for the development of certain lots of land. The Debtor owned 23.6 *cuerdas*, ("*Land Tract P*"),

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and an option to purchase from Universal Insurance Company a parcel of land of approximately 15 cuerdas, ("*Land Tract 2*") collectively referred to as the "*Land*", both of which are located in the Barrio Carrizales, with their north boundaries adjoining the Puerto Rico State Road No. 2 in the Municipality of Hatillo. The Debtor had obtained a location approval/re-zoning process (the "*Consulta*") from the Puerto Rico Planning Board under case number 2008-05-0202-JPU for the Land pursuant to which the Debtor may develop on the Land both a residential and a commercial project consisting of a commercial space (the "*Shopping Center*") and thirty (30) single family residential units and/or two (2) buildings housing twenty multi-family residential units each (collectively, the "*Development*"). The Debtor had negotiated the sale of the Shopping Center to Walmart and retained the remainder parcels.

It is at this point in time that Mr. Roman decides to sell his shares to the Debtor corporation and the shares he owned on other corporations together with Mr. Lopez and keep the lots of **Land**. He also had to pay \$2M to the Debtor corporation destined to pay certain specific creditors: Scotiabank and Banco Cooperativo. The cash distribution made by Mr. Roman was to be put in an escrow account to be used to pay secure creditors and remove the encumbrances on the Debtor's real properties. The Debtor successfully negotiated and paid Banco Cooperativo. However, Mr. Roman without authorization withdrew the escrow funds, used them for other purposes and impeded the settlement with Scotiabank. Thus, leaving the Debtor unable to pay Scotiabank's loan and with most of the assets fully encumbered. .

#### **1.5 EVENTS LEADING TO BANKRUPTCY**

The fact that Mr. Hector Noel Roman, withdrew the escrow funds and the Debtor was unable to access the funds to pay Scotiabank and the foreclosure action commenced by Scotiabank that threatened the Debtor's property and continued operations, forced the Debtor to request the bankruptcy protection.

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## **1.6 DATE THE PETITION WAS FILED**

The Debtor submitted its petition for Bankruptcy under Chapter 11 of the Bankruptcy Code on November 1, 2016 (Docket No. 1). Since then, Debtor has performed all of its legal obligations as Debtor in Possession under the Bankruptcy Court and the Guidelines of the US Trustee.

## **1.7 BANKRUPTCY PROCEEDINGS**

### **I. Schedules, Statement of Financial Affairs and Creditors' Meeting.**

On November 1, 2016, Debtor filed its Voluntary Petition under Chapter 11 with its Schedules, Statement of Financial Affairs, List of Creditors Holding the 20 Largest Unsecured Claims, and Corporate Resolution. On November 22, 2016, the Debtor submitted Amended Schedules E/F, Amended Statement of Financial Affairs, and an Amended Creditor Matrix at Docket Nos. 13, 15, 16. On January 17, 2017, the Debtor submitted Amended Schedules A/B, D, E/F, G and Statement of Financial Affairs at Docket Nos. 39, 40. On January 19, 2017, the Debtor submitted Amended Schedule A/B at Docket No. 43. On March 9, 2017, the Debtor amended Schedules A/B and E/F at Docket Nos. 62 and 63.

On December 5, 2016, the 341 Meeting of Creditors was held and closed. The minutes of the meeting were entered on December 28, 2016. (Docket No. 30). A Status Report motion was filed on January 4, 2017. (Docket No. 32). A Status Conference was held on January 11, 2017 (Docket Nos. 35 and 36).

### **II. Employment of Professionals**

The Debtor filed an application to employ its counsel, C. Conde and Associates on November 1, 2016, which was approved by the Court on November 29, 2016. (Docket Nos. 3 and 19).

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On November 22, 2016 the Debtor filed an application for approval of employment of accountant Jose Victor Jimenez CPA of Jimenez Vazquez & Assoc. (Docket No. 12) The Court approved this application on December 27, 2016. (Docket No. 29).

On November 23, 2016, the Debtor filed an application for approval of employment of realtor Saenid Lopez Esq. (Docket No. 17), which was subsequently withdrawn on November 29, 2016, at Docket No. 20.

#### **IV. Duties of the Debtor in Possession**

The Debtor has complied with all of its duties as a Debtor in Possession, including but not limited to the appearance at the meeting of creditors, the filing of all Monthly Operating Reports and timely payment of the Quarterly Fees to the U.S. Trustee.

#### **III. Other Matters:**

##### **A. The Roman Matters**

Upon the sale of the Land to Mr. Roman, the Debtor received cash funds intended to pay

- a) \$170,100.00 to be paid to Banco Popular de Puerto Rico (“BPPR”)
- b) \$350,000.00 to be paid to Banco Cooperativo de Puerto Rico
- c) \$131,966.13 to be paid to Security Max, and
- d) \$968,443.11 to be used to negotiate with Scotiabank and Banco Cooperativo.

Most of these funds were deposited in separate escrow accounts under the control of Able Insurance Agency Inc.; who was directed to safeguard the funds and only distribute the funds if certain conditions were met at the time of distribution; written authorization from both parties and a Promissory Note from Mr. Roman due on January 31, 2016. .

Specifically, from the closing date, *i.e.* June 10, 2014, until January 31, 2015, the Lopez shareholders and the Debtor had the exclusive right to negotiate the full satisfaction



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and payment of the debt to Scotiabank. Thereafter, on February 6, 2015, Mr. Roman would have the non-exclusive right to negotiate with Scotiabank.

If by June 10, 2015, no agreement had been reached with Scotiabank by either party, the funds in escrow would be release to Mr. Roman upon written authorization and a promissory note accepting that any funds released to him would still property of the Debtor. This promissory note would have a maturity date of January 31, 2016.

On or about March 2017, the escrow agent distributed the funds to Mr. Roman, not following the instructions on the Escrow Agreement. Mr. Roman used these funds for unauthorized purposes.

The Debtor filed an Urgent Motion to request the deposits of the Escrow Funds in the Bankruptcy Court. The Roman Defendants filed a Motion for Intend to reply alleging that they have the rights to the Escrow Funds (which they accept they are using at their convenience) and requesting an extension of time to reply. The Court granted a time to reply. The Debtor filed a motion in opposition stressing the need of an urgent relief.

- **The State Court Action**

Given the above stated situation the Debtor and its shareholder filed a civil action and torts action against Mr. Roman and his spouse (the "Roman Defendants") Case No. CFAFX 2016-0005. The case is the subject of a Notice of Removal filed by the Roman Defendants at Adversary Proceeding Case No. 17-00026 (BKT).

- **Status Conference before the Bankruptcy Court**

The Debtor informed this Honorable Court that litigation against the Roman Defendants was being considered if no settlement could be reached (Docket Nos. 32 and 36).

- **Removal by the Roman Defendants to the Bankruptcy Court:**

Negotiations did not prosper and the Roman Defendants filed a Notice of Removal. The Debtor has stated its position as to the Removal at Case No. 17-00026, Docket No. 7,

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wherein the Debtor requests that this Honorable Court grant the removal in an expedited manner.

The Debtor filed an Urgent Motion for the Deposits of Funds by the Roman Defendants in the Bankruptcy Court due to the bifurcation of funds by the Romans to other corporation of their own. The Debtor needs these funds to pay Scotiabank and any other pending claims.

**B. The Iglesia Evangelica y Misionera El Maestro Inc.**

On January 15, 2014, the Iglesia Evangelica Misionera el Maestro, Inc. ("Iglesia" purchased certain plots of land via Public Deeds Nos. 1 and 2 before Notary Public Miguel Angel Rivera Figueroa. The Debtor's principals at that time, Mr. Noel Roman and Mr. Joaquin Lopez, made a separate agreement with the Iglesia for the remaining of the purchase price not financed by the bank in the amount of \$150,000.00, including the acquisition of permits and other matters. Of this \$150,000 amount the Iglesia has paid more or less the amount of \$110,000.00. The payments were received by Mr. Lopez, once Mr. Roman left the company and were invested in Debtor's corporation to pay certain expenses. The Debtor is still reconciling the payments made and has yet to make a final determination as to amounts pending. The Debtor has requested the Iglesia to assist in this matter.

**C. Adversary Proceeding No. 17-00027 (The Hernandez' Claim)**

The Roman Defendants have also filed a Notice of Removal in Case No. 17-00027 (BKT). This State Court Action was originally filed on November 2, 2015, by Javier Hernandez Gonzales and Gwendolyn Bujosa Gonzalez, and their Conjugal Partnership (collectively the "The Hernandez-Bujosa Plaintiffs") against, the Debtor, and other parties including the Lopez-Guzman Legal Conjugal Partnership (the "Lopez Defendants"), and Roman Defendants. This cause of action was for collection of moneys and a breach of contract. Case No. CFCA 2015-0070.

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Moreover, the Debtor has opposed the removal of the State Court action on the following grounds: the State Court case is severely advanced and ripe for adjudication, and that abstention was proper in this particular case.

On February 24, 2017, the Hernandez-Bujosa Plaintiff's also filed an opposition to the Notice of Removal alleging that abstention was proper in the instant case. See Adv. Proc. Case No. 17-00027, Docket No. 9.

The Debtor has listed The Hernandez-Bujosa Plaintiff's as a disputed, contingent and unliquidated claim in its schedules. The Hernandez-Bujosa Plaintiff's filed a Proof of Claim No.15.

#### **D. Relief of Stay Actions**

Both Banco Santander de Puerto Rico ("Santander") and BPPR have a secured claim over a property of the estate, identified as an apartment located at Condominio Chalets De La Playa Este in Vega Baja Puerto Rico. Santander is the holder in due course of the Senior Mortgage lien over the property while BPPR has the Junior Mortgage Lien. Both of these banks have filed motions for relief of the automatic stay at Docket Nos. 45 and 49 alleging that cause existed to modify the automatic stay and that the property was not necessary for the reorganization process of the Debtor.

On February 14, 2017, the Debtor filed its response to both *Motions Requesting Relief of Stay* at Docket Nos. 51 and 52, agreeing to the motion to lift the stay, due to lack of equity nor benefit to the estate. Recently the Debtor received an offer to purchase the property and forwarded the same to the banks, through counsel. The Debtor would also like to note that the Homeowners Association related to this apartment is owed Maintenance fees in the amount of \$142.12. The Debtor has listed this claim as a secured claim over the property.

The Debtor identified a purchaser for the property who offered \$100,000 without need of financing. The offer was submitted to attorney for Banco de Santander and Banco Popular.

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Any deficiency over this amount will be consider an unsecured debt to these banks base on the rank of each claim. The Debtor has requested counsel for banks to maintained it informed of any higher offer.

**C. Avoidance Actions**

Section 547(b) of the Bankruptcy Code, (11 U.S.C. § 547(b)) provides that the trustee or Debtor in Possession in a bankruptcy case may avoid any transfer of an interest of the debtor in property: (1) to or for the benefit of a creditor; (2) for or on account of an antecedent debt owed by the debtor before such transfer was made; (3) made while the debtor was insolvent; (4) made on or within 90 days before the date of the filing of the bankruptcy petition, or between 90 days and one year before the date of the filing of the petition if the creditor was an insider at the time of the transfer; and (5) that enables the creditor to receive more than the creditor would receive if the case were a case under Chapter 7 of the Bankruptcy Code.

The inherent concept of Section 547 of the Bankruptcy Code is that the effect of a preference transaction, made in payment on an antecedent debt, directly or indirectly resulted in granting one creditor a benefit over other similar creditors. The Bankruptcy Code defines “creditor” as an entity that has a claim against the debtor that arose at the time of or before the order for relief concerning the debtor. See 11 USC §101(10).

As of this moment the Debtor is still considering the if an avoidance action can be filed against any and all creditors which received payment within the 90 days prior to the filing of the petition, including the payment made by the Roman’s company NRR Enterprises LLC to CEMEX, under case number CFAC 2011-001 with moneys from the escrow funds.

**Section 548 of the Bankruptcy Code, (11 U.S.C. § 548)** provides that the trustee or Debtor in Possession in a bankruptcy case may avoid any transfer of an interest of the debtor in property to an insider which can constitute fraudulent transfers. The Debtor is analyzing

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the facts surrounding the transfer of certain residential real property to the Roman Defendants ( by information and believe valued in approx.. \$500,000) to determine if this transfer can be voidable, either under bankruptcy law or state law.

### **Account Receivable**

The Debtor scheduled accounts receivable in the amount of \$636,870.00 of which the Debtor expects to collect \$315,000.00. For detail review schedules filed at Docket No. 63 and detail of accounts in the liquidation analysis.

## **1.8 FINANCIAL INFORMATION**

Debtor's financial information for the last two years prior to the petition are included as Exhibits 3a and 3b (Tax Returns) Additionally, the information provided in the Schedules and Statement of Financial Affairs as amended filed with the Court, reflect Debtor's financial situation on the date of the petition.

Monthly Operating Reports reflect the Debtor's post-petition finances. (Docket Nos. 28, 44, 55). Exhibit 4 (Summary of Monthly Operating Reports. Other than cash funds the Debtor own Account Receivable in the amount of \$300,000.00 and Escrow Funds in the amount of \$968,000.00

Debtor herein, urges creditors and parties in interest to review the documents available on file at the Bankruptcy Court, in order to make a conscious decision when voting for or against the proposed Plan of Reorganization.

## **ARTICLE II ASSETS AND LIABILITIES**

### **2.1 REAL ESTATE<sup>2</sup>**

Debtor listed real property with a total value of \$1,105,000.00. This amount is composed of the following properties described in the Spanish language as follows:

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<sup>2</sup> Properties that are collateral to Scotiabank will not be appraised since debt is considerably high in comparison with estimated value of the properties. (See Properties identified in Section 2.1 (a),(b),(c),(d),(e) and (h).

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- (a) Solar Numero 8: Rustica: Parcela localizada en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con una cabida superficial de Mil Setenta y Seis punto ocho Mil Sesenta y seis (1076.8066) metros cuadrados equivalentes a Cero punto Dos Mil Setecientos Cuarenta (0.2740) cuerdas. En lindes por el NORTE, con Jose M. Garcia Llorens; por el SUR, con calle a dedicarse a uso público; ESTE, con remanente de la finca principal; y por el OESTE, con el solar número Nueve (9)

Inscrita al folio 120, del Tomo 369 de Hatillo Puerto Rico del Registro de la Propiedad de Arecibo Sección II.<sup>3</sup>

- (b) Solar 9: Rustica: Parcela localizada en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con una cabida superficial de Mil Ochenta y Ocho punto Dos Mil Novecientos Seis (1088.2906) metros cuadrados equivalentes a Cero punto Dos Mil Setecientos Sesenta y Nueve (0.2769) cuerdas. En lindes por el NORTE, con Jose M. Garcia Llorens; por el SUR, con calle a dedicarse a uso público; ESTE, con solar número ocho (8); y por el OESTE, con el solar número Diez (10)

Inscrita al folio 120, del Tomo 369 de Hatillo Puerto Rico del Registro de la Propiedad de Arecibo Sección II. **Exhibit 5**

- (c) REMANENTE: Predio de terreno localizado en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con una cabida superficial de Siete Mil Doscientos Ochenta y Cinco (7,285.58) metros cuadrados equivalentes a Uno punto Ocho Mil Quinientos Treinta y Siete (1.8537) cuerdas. En lindes por el NORTE, con Jose M. Garcia Llorens; por el SUR, con calle a dedicarse a uso público; ESTE, con calle a dedicarse a uso público, carretera municipal y José O. Vázquez; y por el OESTE, con el solar número Ocho (8)

Inscrita al folio 120, del Tomo 369 de Hatillo Puerto Rico del Registro de la Propiedad de Arecibo Sección II. **Exhibit 5**

- (d) RUSTICA: Sita en el barrio Pueblo de Hatillo, Puerto Rico con una cabida superficial de 14,980.7366, equivalentes a 3.8115 cuerdas. Linda al NORTE, con parcela a segregarse MKD.2 y servidumbre de líneas eléctricas de alto voltaje; por el SUR, con Sucesión Ovidio M. Garcia Molinari y servidumbre de líneas eléctricas de alto voltaje; por el ESTE, con servidumbre de líneas eléctricas, parcela a segregarse MKD.4, servidumbre de líneas eléctricas que a su vez colinda con la carretera municipal existente y por el OESTE, con Primitivo Garcia.

Lote Núm. 22,852 inscrita al folio 120, del Tomo 368 de Hatillo Puerto Rico del Registro de la Propiedad de Arecibo Sección II. **Exhibit 6**

- (e) URBANA: Solar radicado en el Barrio de Cataño del término municipal de Bayamón, Puerto Rico, área de 1,322.00 metros cuadrados. Colinda por el NORTE, en 21.00 metros, con alineación establecida por el Departamento del Interior para el lado Sur de la Carreta de Cataño a Bayamón, enclavada en la zona marítima; por el SUR, en 24.40 metros, con una zona de terreno reservado para Calle Marginal a lo largo de la

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<sup>3</sup> See Lot No. 22,851 Matrix Property pending Segregation **Exhibit 5** Title Studies of the properties

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ensenada de Cataño; por el ESTE, en 58.12 metros, con solar ocupado por Saldalio Charbonier, hoy por Josefa Mas; y por el OESTE, en 58.52 metros, con una zona de terreno reservada para el Gobierno Insular para Calle, la cual se encuentra ocupada por Gerónimo Plaza.

Lote Núm.: 2,948 inscrita al folio 124, del Tomo 180 en Cataño Puerto Rico del Registro de la Propiedad de Bayamo Sección IV. **Exhibit 7.**

- (f) URBANA: SOLAR Y CASA en la Carretera del Barrio de Cataño de Bayamón, Puerto Rico, compuesta de cinco metros por su frente y veinte de fondo y la casa es de madera con techo de zinc, de cinco varas de frente por siete de fondo, colindante por el ESTE con Narciso Rojas, hoy Antonio Rodriguez; por el OESTE con Sandalio Charbonier; por el Norte con la Carretera de Cataño a Bayamón y por el Sur con el Manglar.

Lote Núm.: 972 inscrita al folio 99, del Tomo 22 en Cataño Puerto Rico del Registro de la Propiedad de Bayamo Sección II. **Exhibit 8.**

- (g) URBANA: Solar radicado en el Barrio de Cataño del término municipal de Cataño, Puerto Rico, compuesto de Ciento Ochenta y Siete (187) metros cuadrados de superficie y cuya descripción es como sigue: Colinda por el NORTE en cinco metros con dos alineaciones de veinte y dieciséis metros con solar de Juan Abreu y Montilla; por el SUR, en cinco metros con la Ensenada o Caño de Cataño y por Oeste en treinta y seis metros con Josefa Mas y Diaz.

Lote Núm.: 915 inscrita al folio 249, del Tomo 14 en Cataño Puerto Rico del Registro de la Propiedad de Bayamo Sección II. **Exhibit 8**

- (h) RUSTICA: Sita en el Barrio Puente de Camuy, Puerto Rico, compuesto de seis mil trescientos noventa y nueve punto cero seis (6,399.6) metros cuadrados. En lindes por el NORTE, con Ismael Santos; por el SUR, con Julio Vélez Marcelino Soto y Héctor Romero; ESTE, con José Albert Jiménez y Urbanización del Carmen; y por el OESTE, con Urbanización Los Rodríguez.

Lote Núm.: 1655 inscrita al folio 177, del Tomo 70 de Camuy Puerto Rico del Registro de la Propiedad de Arecibo Sección II. **Exhibit 9.**

- (i) URBANA: PROPIEDAD HORIZONTAL: Apartamento No. 380 del CONDOMINIO CHALETS DE LA PLAYA ESTE, situado en el kilómetro 10.3 de la Carretera Estatal No. 686 en el Barrio Puerto Nuevo del Municipio de Vega Baja, Puerto Rico. Este apartamento está construido en hormigón reforzado. Tiene tres niveles con su puerta de entrada por el lindero Norte y por ella se acceso al área común general del Condominio. Este apartamento tiene un área total de 1,605.01 pies cuadrados equivalentes a 149.16 metros cuadrados. Linderos: en el primer nivel del apartamento (tercer piso del edificio): por el Norte, en una distancia de 17'0'', equivalentes a 5.18 metros lineales, con área común general del Condominio entre la que se encuentra de ubicación de la puesta de entrada al apartamento; por el Sur, en una distancia de 19'10'', equivalentes a 10.01 metros lineales, con el apartamento No. 378.

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Los linderos en el segundo nivel del Apartamento (Cuarto Piso del Edificio) son: por el Norte, en una distancia de 20'0'', equivalente a 6.10 metros lineales, con el apartamento No. 379; por el Sur, en una distancia de 16'4'', equivalente a 4.98 metros lineales, con el apartamento 371; por el Este en una distancia de 38'2'', equivalente a 11.64 metros lineales, con el área común general del Condominio; y por el Oeste, en una distancia de 38'2'' equivalentes a 11.64 metros lineales, con el apartamento No. 378. Este segundo nivel se comunica con el primer a base de una escalera interior del apartamento. Los linderos del tercer nivel del Apartamento (quinto piso del Edificio) son: por el Norte, en una distancia de 20'0'', equivalentes a 6.10 metros lineales, con una área común de uso limitado del apartamento No. 380 y delimitada en su lindero por una pared; por el Sur, en una distancia de 20'0'' equivalente a 6.10 metros lineales, con un área común de uso limitado del apartamento No. 378; por el Este, en una distancia de 14'10'', equivalentes a 4.37 metros lineales, con el apartamento No. 378. Este tercer nivel consta de sala, comedor, cocina con área de lavandería, balcón, un cuarto principal con closet, dos cuartos con closet, dos closets fuera del cuarto, dos baños, dos medios baños, escalera interior, terraza techada en la azotea del Edificio y un área no techada en la azotea del Edificio la cual es un elemento común de uso limitado del apartamento No. 380, la cual está delimitada en sus lindero por una pared. A este apartamento le corresponde el uso de un espacio de estacionamiento para dos automóviles uno detrás del otro, identificado con el No. 380, en el área de estacionamientos localizada al Este del Edificio No. 38 del Condominio. A este Apartamento le corresponde una participación de 0.36970% en los elementos comunes del Condominio.

Lote Núm.: 29,754 inscrita al folio 104, del Tomo 417 de Vega Baja Puerto Rico del Registro de la Propiedad de Bayamón Sección IV. **Exhibit 10.**

- (j) Lote Núm.: 2,203 located at Cataño Puerto Rico with 150 square meters. This property is pending a deed of transfer. Once the information is completed the Debtor will supplement this Disclosure Statement. (Pending Title Study).

## **2.2 PERSONAL PROPERTY**

Personal property is detailed in Debtor's schedules as of the petition date and are also provided in the Liquidation Analysis Section of this Statement. (See Article IV below). [Refer to Liquidation Analysis below for details on personal assets and its value]. Debtor's personal property primarily consists of Cash on hand and Accounts receivable.

## **2.3 LIABILITIES:**

### **SECURED CREDITORS**

Debtor's creditor holding secured claims were listed as follows:



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- A. Asoc. Chalets de la Playa: The Debtor listed this claim as a secured claim over Lot No. 29,754 in the amount of 142.12. The current value of the property is listed at \$115,000.00. The claim arises from owed pre-petition maintenance fees and is subject senior liens by Banco Santander and Banco Popular de Puerto Rico.
- B. BPPR: The Debtor listed BPPR's claims as a secured claim over Lot No. 29,754 in the amount of \$36,231.03. Thereafter BPPR filed a proof of claim in the amount of 36,926.50 as a fully secured claim. The Property is listed with a value of 115,000.00. BPPR's lien is subject to a senior lien by Banco Santander de Puerto Rico.
- C. Santander: The Debtor listed Santander's claims as a secured claim over Lot No. 29,754 in the amount of \$146,665.46. Thereafter Santander filed a proof of claim in the amount of \$147,184.87 as a fully secured claim. The Property is listed with a value of 115,000.00. Santander is the holder in due course of the senior lien over the property.
- D. CRIM: The Debtor listed CRIM's secured claim over the properties. Thereafter CRIM filed its Proof of claim No. 1 claiming a secured claim in the amount of \$62,503.31, over the Debtor's real property listed above.
- E. Departamento de Hacienda: The Debtor listed this secured claim in the amount of \$8,505.39 with a secured claim over Lot. No. 22,852 located at Pueblo Ward Hatillo. No proof of claim has been filed as of this date. The Debtor has listed the property with a scheduled value of \$350,000.00 and Hacienda hold the senior lien over the property.
- F. Emily Mateus: The Debtor listed this secured claim in the amount of \$50,000.00 with a secured claim over Lot Nos. 972 and 915 located at Cataño Puerto Rico, as

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described above. Thereafter, Ms. Emily Mateus filed Proof of Claim No. 5 claiming a secured claim in the amount of \$41,800.00.

G. Scotiabank de Puerto Rico: The Debtor listed Scotiabank with a secured claim over four (4) of the Debtor's real properties, that is Parcel 8 and 9, the "remanente", Lot Nos. 2,948, and 1,655. Thereafter, Scotiabank filed Proof of Claim Nos. 8, 9, 10, and 11 claiming secured claims in the amount of \$861,604.11, \$902,736.80, \$1,527,338.12, and \$602,766.56 respectively. These Claims arise from four separate mortgage loan agreements that arose prior to the bankruptcy petition. Specifically, Loan No. 7425 relates to Proof of Claim No. 10; Loan No. 4375 relates to Proof of Claim No. 9, Loan No. 8239 relates to Proof of Claim No. 11; and Loan No. 4284 related to Proof of Claim No. 8 belongs to a property that was executed prior to the Bankruptcy Proceedings and as such is no longer part of the Bankruptcy Estate.

#### **2.4 PRIORITIES**

The Debtor listed its unsecured priority claims, in its Schedules in the total amount of \$24,000.70. These priority claims included Departamento de Hacienda, IRS and the Municipality of Arecibo. Details of the priority claims and treatment thereto is provided below in Art. VII "Payment to Priorities under Section 507 (a) (8) of the Code".

The IRS has filed Proof of Claim No. 4 claiming a priory claim in the amount of \$24,610.11. No other Proofs of Claim have been filed; the Bar date for governmental entities is May 1, 2017, any timely filled proof of claim will be reconciled and provided treatment under the Plan of Reorganization.

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## **2.5 GENERAL UNSECURED CREDITORS**

General unsecured creditors were listed in Debtor's Schedules in the total amount of \$3,235,574.99 consisting of various creditors including CEMEX de PR, The Puerto Rico State Insurance Fund and others. The Bar Date to file a proof of claim for non-governmental entities was March 6, 2017 and the Bar Date for governmental units is set for May 1, 2017. Any timely filed proof of claim will be reconciled and provided treatment under the Plan of Reorganization.

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**ARTICLE III  
PENDING LITIGATION**

The Debtor is party to various state court actions that were pending prior to the filing of the Bankruptcy Petition which have all been listed in the Statement of Financial Affairs. The Debtor herein submits a list of the pending state court actions and their current status since two of the State Court actions are the subject of removal procedures filed by the Roman Defendants.

Case Name	Case No.	Type of Action	Status
Scotiabank de PR v. L&R Development & Investment Corp, et als	CFCD 2014-0011	Collection of Moneys	Stayed
Gonzales, Martines & Associates Electrical and General Corp. v. L&R Development & Investment Corp, et als	LCD 2011-0058	Collection of Moneys	Stayed
Javier Hernandez Gonzales v. L&R Development & Investment Corp, et als	CFCD2015-0070	Collection of Money and Breach of Contract Claim	Notice of Removal filed at Adv. Pro. 17-00027. Debtor's objection filed
Carlos Aviles Products v. L&R Development & Investment Corp, et als	CD 2014-718	Collection of Moneys	Stayed
CEMEX de Puerto Rico Inc. v. L&R Development & Investment Corp, et als	CFAC 2011-001	Breach of Contract	Judgement entered and collections Stayed.
L&R Development & Investment Corp, et als v. Hector Noel Roman Ramos et als	CFAX 2016-0005	Civil Action and Damages	Notice of Removal filed at Adv. Proc. 17-00026. Debtor agreed to removal.

Any and all claims on account of this pending litigation will be contemplated within the plan and any possible impact in the reorganization process will be considered within the same Plan.

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#### **ARTICLE IV LIQUIDATION ANALYSIS**

One requirement for the confirmation of a plan under Chapter 11 of the Code is that with respect to each impaired class of claims, each claim holder of such class has accepted the plan or will receive or retain under the plan on account of such allowed claim, a value as of the effective date of the plan, that is not less than the amount such claim holder would receive or retain if the debtor were liquidated under Chapter 7 of the Code, on such date. The liquidation analysis attached as **Exhibit 11** to this document shows a liquidation value of 11%, considering that the Roman Defendants return to the bankruptcy estate the Escrow Funds. The Debtor is proposing a 15% payment to all unsecured claims. The payments will begin in ninety 90 days after the confirmation of the Plan of Reorganization becomes a final Order (the "Effective Date"). Debtor contends that this amount is substantially more than a creditor would receive in liquidation.

For the purpose of determining a liquidation value, the market value as of petition date has been adjusted using the experience of sale and liquidation of assets under bankruptcy scenarios. Under Debtor's Plan of Reorganization, unsecured creditors will receive payment on the terms noted in Debtor's Plan of Reorganization and Payment Plan, which will be more than what they will receive on a liquidating scenario in a shorter period of time.

#### **ARTICLE V SUMMARY OF THE PLAN CLASSIFICATION AND TREATMENT OF CLAIMS**

##### **A. DESIGNATION OF CLASSES OF CLAIMS AND INTERESTS**

The Plan has been drafted designating 12 classes in accordance with the provisions of 11 U.S.C. §1122 and §1123. All creditors and other parties in interest are urged to read and consider the Plan in full inasmuch as it represents a proposed legally binding agreement with the Debtor and any other party involved. The classes of creditors are as follows:

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**CLASS 1 ADMINISTRATIVE CLAIMS**

This class shall consist of all allowed administrative expense priority claims, as provided under Section 503 (a)(2) of the Code, including, but not limited to, court costs accrued since the petition date, fees to the United States Trustee, fees and expenses of Debtor's counsel, accountant and any other professionals retained by the Debtor, as may be allowed by the Bankruptcy Court upon application thereof, and after notice and a hearing, in accordance with the Bankruptcy Code and Rules, as well as any unpaid taxes or fees accrued since petition date. Debt under this class is estimated to be approximately \$50,000.

**CLASS 2 SECURED CREDITOR: CRIM**

CRIM filed its Proof of claim No. 1 claiming a secured claim in the amount of \$62,503.31, over the Debtor's real property listed above.

**CLASS 3 SECURED CREDITOR: ASSOC. CHALETS DE LA PLAYA**

The Deb to Assoc. Chalets de la Playa arises from Homeowner Maintenance Fees and that have been scheduled in the amount of \$142.12 over the property Apartment 380 located in Vega Baja Puerto Rico. As of this date no Proof of Claim has been filed. The property is subject to two senior mortgage liens that leave this creditor as fully unsecured. Therefore, this creditor will receive treatment under Class 11 of the Plan of Reorganization.

**CLASS 4 SECURED CREDITOR: SANTANDER**

The Debtor listed Santander's claims as a secured claim over Apartment 380 located in Vega Baja Puerto Rico in the amount of \$146,665.46. Thereafter Santander filed a proof of claim in the amount of \$147,184.87 as a fully secured claim. The Property is listed with a value of 115,000.00. Santander is the holder in due course of the senior lien over the property

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**CLASS 5 SECURED CREDITOR: BPPR**

The Debtor listed BPPR's claims as a secured claim over Apartment 380 located in Vega Baja Puerto Rico in the amount of \$36,231.03. Thereafter BPPR filed a proof of claim in the amount of 36,926.50 as a fully secured claim. The Property is listed with a value of 115,000.00. BPPR's lien is subject to a senior lien by Banco Santander de Puerto Rico.

**CLASS 6 SECURED CREDITOR: DEPARTAMENTO DE HACIENDA**

The Debtor listed this secured claim in the amount of \$8,505.39 with a secured claim over Lot. No. 22,852 located at Pueblo Ward Hatillo. No proof of claim has been filed as of this date. The Debtor has listed the property with a scheduled value of \$350,000.00 and Hacienda hold the senior lien over the property.

**CLASS 7 SECURED CREDITOR: EMILY MATEOUS**

The Debtor listed this secured claim in the amount of \$50,000.00 with a secured claim over Lot Nos. 972 and 915 located at Cataño Puerto Rico, as described above. Thereafter, Ms. Emily Mateus filed Proof of Claim No. 5 claiming a secured claim in the amount of \$41,800.00. The Debtor has listed the property with a value of \$130,000.00 and she is the holder of the senior lien on the property.

**CLASS 8 SECURED CREDITOR: SCOTIABANK**

The Debtor listed Scotiabank with a secured claim over four (4) of the Debtor's real properties, that is Parcel 8 and 9, the "remanente", Lot Nos. 2,948, and 1,655. Thereafter, Scotiabank filed Proof of Claim Nos. 8, 9, 10, and 11 claiming secured claims in the amount of \$861,604.11, \$902,736.80,

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\$1,527,338.12, and \$602,766.56 respectively. These Claims arise from four separate mortgage loan agreements that arose prior to the bankruptcy petition. Specifically, Loan No. 7425 relates to Proof of Claim No. 10; Loan No. 4375 relates to Proof of Claim No. 9, Loan No. 8239 relates to Proof of Claim No. 11; and Loan No. 4284 related to Proof of Claim No. 8 belongs to a property that was executed prior to the Bankruptcy Proceedings and as such is no longer part of the Bankruptcy Estate.

**CLASS 9 GENERAL UNSECURED CLAIMS FOR GOVERNMENTAL UNITS AND TAXING AUTHORITIES**

This class shall consist of general unsecured claims held by government entities listed by the Debtor and those governmental units and taxing authorities who have allowed non-priority unsecured claims. The Debtor scheduled non-priority governmental claims in the amount of \$1,786.45. Thereafter, Proofs of Claim have been filed in this class including: CRIM's Proof of Claim No. 1 with an unsecured claim in the amount of \$52,945.38; CRIM's Proof of Claim No. 2 with an unsecured claim in the amount of \$8,989.83; and IRS' Proof of Claim No. 4 with an unsecured claim in the amount of \$470.16. The Bar Date for governmental entities in this case is set for May 1, 2017. Any timely filed proof of claim will be reconciled and provided treatment under the Debtor's Plan of Reorganization.

**CLASS 10 GENERAL UNSECURED CREDITORS**

This class shall consist of all unsecured claims that are not separately classified. General unsecured creditors were listed in Debtor's Schedules in the total amount of \$3,233,574.99. The Bar Date to file a proof of claim for



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non-governmental entities is March 6, 2017. Any timely filed proof of claim will be reconciled and provided treatment under the Plan of Reorganization.

**CLASS 11 CONTINGENT, DISPUTED, AND/OR UNLIQUIDATED UNSECURED CLAIMS**

This class shall consist of any and all contingent, unliquidated, and/or disputed claims that are scheduled as such in Debtor's Schedules including deficiency claims, if any, filed by secured creditors. These claims shall include CEMEX de PR, Javier Hernandez and any deficiency claim from secured creditors or rejection claims from executory contracts. The Debtor scheduled these claims in the amount of \$1,340,853.00. On March 6, 2017, Mr. Javier Hernandez and NRR Enterprises filed Proof of Claim Nos. 13 and 15. The Debtor is reconciling these claims and will be objecting them accordingly.

**CLASS 12 EQUITY SECURITY AND/OR OTHER INTEREST HOLDERS**

This class includes all equity and interest holders who are the owners of the stock of the Debtor.

**B. TREATMENT TO CLASSES**

**CLASS 1 ADMINISTRATIVE CLAIMS**

This class shall consist of all allowed administrative expense priority claims, as provided under Section 503 (a)(2) of the Code, including, but not limited to, court costs accrued since the petition date, fees to the United States Trustee, fees and expenses of Debtor's counsel, accountant and any other professionals retained by the Debtor, as may be allowed by the Bankruptcy Court upon application thereof, and after notice and a hearing, in accordance with the Bankruptcy Code and Rules, as well as any unpaid taxes or fees accrued since petition date.

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Debt under this class is estimated to be approximately \$25,000. This class will be paid on effective date or by agreement between the parties.

**This class is not impaired**

**CLASS 2 SECURED CREDITOR: CRIM**

CRIM filed its Proof of claim No. 1 claiming a secured claim in the amount of \$62,503.31, over the Debtor's real property listed above. CRIM will retain the liens securing each one of its claim, whether the property subject to such liens is retained by the Debtor or transferred to another entity prior to the confirmation date, until payment of the allowed amount is made. CRIM's claim will be paid in full in 60 equal monthly payments including interest at the prime rate (3.75%) from the effective date or paid in full upon from the sale of each property.

**This class is impaired.**

**CLASS 3 SECURED CREDITOR: ASSOC. CHALETS DE LA PLAYA**

The Deb to Assoc. Chalets de la Playa arises from Homeowner Maintenance Fees and that have been scheduled in the amount of \$142.12 over the property Apartment 380 located in Vega Baja Puerto Rico. As of this date no Proof of Claim has been filed. The property is subject to two senior mortgage liens that leave this creditor as fully unsecured. Therefore, this creditor will receive treatment under Class 11 of the Plan of Reorganization.

**This class is impaired.**

**CLASS 4 SECURED CREDITOR: SANTANDER**

The Debtor listed Santander's claims as a secured claim over Apartment 380 located in Vega Baja Puerto Rico in the amount of \$146,665.46. Thereafter Santander filed a proof of claim in the amount of \$147,184.87 as a fully

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secured claim. The Property is listed with a value of 115,000.00. Santander is the holder in due course of the senior lien over the property. Santander filed a Motion for Lift of Stay and the Debtor has consented to a friendly foreclosure of the Property. The Debtor obtain an offer for this property for \$100,000 and submitted it to counsel of the Bank. Any amounts received from the public or private sale of the property will be applied to Santander's secured claim. Any deficiency will receive treatment under Class 11 of the Debtor's Plan of Reorganization.

**This Class is impaired**

**CLASS 5 SECURED CREDITOR: BPPR**

The Debtor listed BPPR's claims as a secured claim over Apartment 380 located in Vega Baja Puerto Rico in the amount of \$36,231.03. Thereafter BPPR filed a proof of claim in the amount of 36,926.50 as a fully secured claim. The Property is listed with a value of 115,000.00. BPPR's lien is subject to a senior lien by Banco Santander de Puerto Rico. The Property subject to this lien is being foreclosed upon by the senior lien holder Santander. Any excess funds received from the Santander foreclosure if any will be paid to BPPR. The Debtor obtain an offer for this property for \$100,000 and submitted it to counsel of the Bank. Any deficiency to this creditor or claim will be paid in Class 11 of the Plan of Reorganization.

**This Class is Impaired**

**CLASS 6 SECURED CREDITOR: DEPARTAMENTO DE HACIENDA**

The Debtor listed this secured claim in the amount of \$8,505.39 with a secured claim over Lot. No. 22,852 located at Pueblo Ward Hatillo. No proof of claim

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has been filed as of this date. The Debtor has listed the property with a scheduled value of \$350,000.00 and Hacienda hold the senior lien over the property. This creditor will retain the liens securing its claim, whether the property subject to such liens is retained by the debtor or transferred to another entity, until payment of the allowed secured amount is made. In any event the Debtor proposes to pay this claim plus interest at the rate of 3.75%, within five (5) years in equal monthly payments of \$161.00.

**This class is impaired**

**CLASS 7 SECURED CREDITOR: EMILY MATEOUS**

The Debtor listed this secured claim in the amount of \$50,000.00 with a secured claim over Lot Nos. 972 and 915 located at Cataño Puerto Rico, as described above. Thereafter, Ms. Emily Mateus filed Proof of Claim No. 5 claiming a secured claim in the amount of \$41,800.00. The Debtor has listed the property with a value of \$130,000.00 and she is the holder of the senior lien on the property. This creditor will retain the liens securing each one of its claim, whether the property subject to such liens is retained by the debtor or transferred to another entity. This class shall be paid in full within one year from the sale of the Debtor property securing such claim.

**This class is impaired**

**CLASS 8 SECURED CREDITOR: SCOTIABANK**

The Debtor listed Scotiabank with a secured claim over certain Debtor's real properties, that is Parcel 8 and 9, the "remanente", Lot Nos. 2,948, and 1,655. Thereafter, Scotiabank filed Proof of Claim Nos. 8, 9, 10, and 11 claiming secured claims in the amount of \$861,604.11, \$902,736.80, \$1,527,338.12, and \$602,766.56 respectively, for a total amount of claims of \$3,894,445.

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These Claims arise from four separate mortgage loan agreements that arose prior to the bankruptcy petition. Specifically, Loan No. 7425 relates to Proof of Claim No. 10; Loan No. 4375 relates to Proof of Claim No. 9, Loan No. 8239 relates to Proof of Claim No. 11; and Loan No. 4284 related to Proof of Claim No. 8 belongs to a property that was executed prior to the Bankruptcy Proceedings and as such is no longer part of the Bankruptcy Estate. This creditor will retain the liens securing each one of its claim, whether the property subject to such liens is retained by the debtor or transferred to another entity. The Debtor has reached an agreement with this creditor subject to immediate payment of \$810,000 from the Escrow Funds in possession of the Roman Defendants in full payment of debt and release of all parties. If immediate payment is not made by cause of the Roman Defendants and an extension of time for payment is not obtained, this class will receive a partial payment of the total amount claimed from the sale or surrender of the collateral and the difference will be paid as an unsecured creditor under Class 11.

**This Class is Impaired**

**CLASS 9 GENERAL UNSECURED CLAIMS FOR GOVERNMENTAL UNITS AND TAXING AUTHORITIES**

This class shall consist of general unsecured claims held by government entities listed by the Debtor and those governmental units and taxing authorities who have allowed non-priority unsecured claims. The Debtor scheduled non-priority governmental claims in the amount of \$1,786.45. Thereafter, Proofs of Claim have been filed in this class including: CRIM's Proof of Claim No. 1 with an unsecured claim in the amount of \$52,945.38;

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CRIM's Proof of Claim No. 2 with an unsecured claim in the amount of \$8,989.83; and IRS' Proof of Claim No. 4 with an unsecured claim in the amount of \$470.16. The Bar Date for governmental entities in this case is set for May 1, 2017. Any timely filed proof of claim will be reconciled and provided treatment under the Debtor's Plan of Reorganization.

This class will be paid a 15% dividend of its allowed claim on a yearly basis during 3 years commencing on the effective date..

**This Class is impaired.**

**CLASS 10 GENERAL UNSECURED CREDITORS**

This class shall consist of all unsecured claims that are not separately classified. General unsecured creditors were listed in Debtor's Schedules in the total amount of \$3,233,574.99. The Bar Date to file a proof of claim for non-governmental entities was March 6, 2017. Any timely filed proof of claim will be reconciled and provided treatment under the Plan of Reorganization.

This class will be paid a 15% dividend of its allowed claim on equal monthly payments during 60 months from the Effective Date.

**This class is impaired.**

**CLASS 11 CONTINGENT, DISPUTED, AND/OR UNLIQUIDATED UNSECURED CLAIMS**

This class shall consist of any and all contingent, unliquidated, and/or disputed claims that are scheduled as such in Debtor's Schedules including deficiency claims, if any, filed by secured creditors. These claims shall include CEMEX de PR, Javier Hernandez and any deficiency claim from secured creditors or rejection claims from executory contracts. The Debtor scheduled these claims

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in the amount of \$1,340,853.00. On March 6, 2017, Mr. Javier Hernandez and NRR Enterprises filed Proof of Claim Nos. 13 and 15. The Bar Date to file a proof of claim for non-governmental entities was March 6, 2017.

This class will be paid a 15% dividend of its allowed claim in equal monthly payments during 60 months commencing on the Effective Date.

**This class is impaired.**

**CLASS 12 EQUITY SECURITY AND/OR OTHER INTEREST HOLDERS**

This class includes all equity and interest holders who are the owners of the stock of the Debtor. This class will not receive treatment under the Plan of Reorganization.

This class does not vote.

*(All parties are urged to review the Payment Schedule and Projected Cash Flow included in this document as Exhibit 12 and 13.)*

**ARTICLE VI  
IMPAIRMENT OF EXISTING CLAIMS AND INTERESTS**

As provided by 11 U.S. C. §1124, a class of claims of interests is impaired under a plan unless with respect to each claim of interest of such a class, the Plan:

- 1) leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder of such claim or interest; or
- 2) notwithstanding any contractual provision or applicable law that entitles the holder of such claim or interest to demand or receive accelerated payment of such claim or interest after the occurrence of a default.
  - a. cures any such default that occurred before or after the commencement of the case under this title, other than a default of a kind specified in section 365(b)(2) of this title;

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- b. reinstates the maturity of such claim or interest as such maturity existed before such default;
- c. compensated the holder of such claim or interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; and
- d. does not otherwise alter the legal, equitable, or contractual rights to which such claim or interest entitles the holder of such claim or interest.

**ARTICLE VII  
PAYMENT TO PRIORITIES UNDER SECTION 507(a)(8) OF THE CODE**

All unsecured priority governmental claims pursuant to Section 507(a)(8) of the Code, not previously classified priority claims and/or any priority portion of any debt to any of the governmental units, as they are approved, allowed and ordered to be paid by the Court, will receive payment in full of their allowed claim and/or the agreed amount plus prevailing prime rate interest over a period ending no later than five (5) years from the date of the order for relief or as agreed by the parties.

**ARTICLE VIII  
LEASES AND EXECUTORY CONTRACTS**

Contracts to which Debtor is a party were listed on Schedule G. The Debtor listed two (2) executory contracts. The First Executory Contract was with Able Insurance Agency Inc. for an Escrow Agreement as per an Asset Purchase Agreement and Escrow Agreement between the Debtor and its former shareholder. The second is a rental agreement for Apartment No. 380 at Chalets de la Playa in Vega Baja.

Assumption of Designated Executory Contracts and Unexpired Leases.

Pursuant to Sections 1123 (b)(2) and 365 (a) of the Bankruptcy Code, the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the assumption, as of the Effective Date, of each executory contract or unexpired lease to which the Debtor is a



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party for which a motion to assume is pending at the time of the Confirmation Date. Unless otherwise provided in a pending motion to assume, on the Effective Date or as promptly as possible thereafter, the Debtor shall cure any defaults under such assumed executory contracts or unexpired leases to the extent required by Section 365 of the Bankruptcy Code. In addition, to the extent the Debtor has rights of setoff against any of the parties to these leases and contracts, the Debtor reserves the right to cure any defaults under such leases and contracts by exercising this right of setoff.

Rejection of Executory Contracts and Unexpired Leases.

Pursuant to Sections 1123 (b)(2) and 365 (a) of the Bankruptcy Code, the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the rejection, as of the Effective Date, of each executory contract and/or unexpired lease to which the Debtor has not filed a motion to assume or a rejection motion has been filed.

Executory Contracts and Unexpired Leases Which Were Assumed or Rejected to Date. Any executory contract or unexpired lease (other than insurance policies) which (i) has not expired by its own terms on or prior to the Confirmation Date, (ii) has not been assumed or rejected with the approval of the Bankruptcy Court on or prior to the Confirmation Date, (iii) is not subject of a motion to assume or reject which is pending at the time of the Confirmation Date, or (iv) is not designated in the Disclosure Statement, listing an executory contract or unexpired lease to be assumed at the time of confirmation of this Plan, shall be deemed rejected and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejection pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code.

Rejection Damage Claims. If the rejection of an executory contract or unexpired lease by the Debtor results in a claim for damages to the other party or parties to such contract or lease, any claim for such damages, if not hereto evidenced by a filed proof of claim, shall be

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forever barred and shall not be enforceable against the Debtor's Estate, or its respective properties or agents, successors or assigns, unless a proof of claim is filed with the Bankruptcy Court and served upon counsel for the Debtor on or before the earlier of, 30 days after the entry of the Order approving the rejection of the contract or unexpired lease, if such rejection is granted before Confirmation Date, or 30 days after Confirmation Date if the Confirmation Order constitutes approval of the rejection. Unless otherwise ordered by the Court or provided in the Plan, all such Allowed Claims for which proofs of claim are timely filed will be treated as Class 10 subject to the provisions of the Plan and to Section 502(b)(6) of the Bankruptcy Code, to the extent applicable. The Debtor shall have the right to object to any such rejection damage claims filed in accordance with this Section.

Post-Petition Agreements Unaffected By Plan.

Except as otherwise provided herein, nothing contained in the Plan shall alter, amend or supersede any agreements or contracts entered into by the Debtor after the Petition Date that were otherwise valid, effective and enforceable against the Debtor as of the Confirmation Date.

**ARTICLE IX  
PROOF OF CLAIMS NOT FILED**

The Plan provides that where a proof of claim has not been filed, the Allowed Claim shall be in the amount appearing in the Schedules filed by the Debtor, provided however, that the scheduled amount is not shown as unliquidated, contingent or disputed, in which case no amount will be allowed unless the Debtor has notified such creditors and such creditors have filed a timely proof of claim. To the extent that no debt was listed on Debtor's schedules and the creditor was listed for notice purposes only and such creditor did not file a proof of claim, no payment will be provided.

**ARTICLE X  
OBJECTIONS TO CLAIMS**

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The Debtor, at the option of the Debtor or upon order of the Bankruptcy Court, if requested, may file an objection to any claim as to its validity or amount within 30 days prior or after the Confirmation hearing. If an objection is made, payment to such claimants will be made only after the entry of a final order by the Court allowing such claim and in accordance with the provisions of the Plan governing the class to which such claim belongs.

Since the bar date for governmental units this case has not expired the Debtor hereby reserves the right to object to any proof of claim filed before the expiration of said date.

**ARTICLE XI  
CONDITIONS PRECEDENT TO CONSUMMATION**

Before the consummation of the Plan takes place, the Confirmation Order should be a final order. Once the Plan is confirmed by a final order, the provisions of the Plan will be the new contract between the parties, even in case of default thereafter.

**ARTICLE XII  
NON-ACCEPTANCE OF THE PLAN  
(CRAMDOWN)**

If all applicable requirements of 11 U.S.C. §1129(a), other than subsection (a)(8), are met with respect to the Plan, the Debtor hereby requests that the Court confirms this Plan, notwithstanding the requirements of said section, if the Plan complies with the provisions of 1120(b) for secured creditors and does not discriminate unfairly and is fair and equitable with respect to each class of claims or interests that is an unsecured impaired class under the Plan and has not accepted this Plan.

**ARTICLE XIII  
MEANS OF EXECUTION OF THE PLAN  
AND MANAGEMENT OF DEBTOR**

On the Effective Date of the Plan, the distribution, administration and management of Debtor's affairs, collection of moneys, and distribution to creditors, unless otherwise provided herein, will be under the control and supervision of the current officers, who will

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assume the same roles they have assumed throughout this reorganization process. Officers of the Debtor are: Joaquin Lopez Aviles (President) and Nilza Guzman (secretary). Mrs. Saenid Lopez, an attorney specialized in real estate and daughter of Mr. Joaquin Lopez will be assisting her parents in the reorganization process and thereafter. None of these persons receive compensation for their services as officers.

The proposed plan will be funded with Debtor's own assets, including the escrow funds, selling of its properties and collections of accounts receivable. Debtor's principal will provide additional funds in capital, as needed.

#### **ARTICLE XIV PROVISIONS FOR THE MODIFICATION OF THE PLAN**

The Debtor may propose amendments of modification of the Plan at any time prior to its confirmation, upon notice to creditors and parties in interest. After confirmation of the Plan, the Debtor may, with the approval of the Court and as long as it does not adversely affect the interests of the creditors, remedy any defect or omission, in such manners as may be necessary to carry out the purposes and effects of the same. If by any chance the Plan of Reorganization is to be amended, the creditors shall have a reasonable opportunity to review it with enough time prior to any hearing on confirmation.

#### **ARTICLE XV CLOSING THE CASE**

At such time as the case has been substantially consummated, this case shall be closed. In order for the case to be closed, the Debtors shall file an application for final decree showing that the case has been fully administered and the Plan has been substantially consummated. The Court shall conduct a hearing upon application thereon and after notice to all creditors and parties in interest. Thereafter, an order approving the Debtor's report and closing of the case shall be entered.

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## **ARTICLE XVI RELEASE AND DISCHARGE OF CLAIMS**

Discharge. Except as otherwise expressly provided in the Plan or in Section 1141(d) of the Code, the distributions made pursuant to and in accordance with the applicable terms and conditions of the Plan of Reorganization are in full and final satisfaction, settlement, release and discharge as against the Debtors of any debt of the Debtors that arose before the Effective Date, and any debt of the Debtors of a kind specified in Section 502(g), 502(h), or 502 (i) of the Code, and all claims against the Debtors or its Estate of any nature, including, without limitation, any interest accrued thereon from and after the Petition Date, other than the interest proposed in Debtor's plan, whether or not (i) a proof of claim based on such debt, obligation or equity interest is filed or deemed filed under Section 501 of the Code, (ii) such Claim is Allowed under Section 502 of the Code, or (iii) the holder of such Claim has accepted the Plan.

It should be noted that under the provisions of 11 U.S.C.1141(d)(3) when a plan of reorganization is in reality a plan to liquidate a business, the discharge can be denied, if the Debtor does not engage in business after consummation of the Plan.

Injunction Relating to the Plan. As of the Effective Date, all persons are hereby permanently enjoined from commencing or continuing, in any manner or in any place, any action or other proceeding, whether directly or indirectly against the Debtor and its Estate while payments under the Plan are pending, on account of, or respecting any claims, debts, rights, causes of action or liabilities discharged pursuant to the Plan, except to the extent expressly permitted under the Plan or under any specific order entered by the Bankruptcy Court.

*L & R Development and Investment Corp.*

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Setoffs. Except as otherwise provided in this Plan, nothing contained in this Plan shall constitute a waiver or release by the Estate of any rights of setoff the Estate may have against any person.

Transfer of Properties under the Plan. The transfer of any property (real or personal) to be made under the plan of reorganization, including but not limited to the transfer of title to secured creditor or to any other party designated by the secured lender to be transferred after the confirmation of the Plan, may not be taxed under any law imposing a stamp tax or similar tax, under the provisions of 11 U.S.C. 1146.

#### **ARTICLE XVII OTHER PROVISIONS**

Confirmation of the Plan and the Confirmation Order will vest title of all property of the Estate in Debtors and will constitute the final settlement of payment to all creditors. All injunctions or stays provided for in the bankruptcy case at bar under Sections 105 and 362 of the Bankruptcy Code (11 U.S.C.), or otherwise, and in existence on the Confirmation Date shall remain in full force and effect until the Effective Date.

The provisions of this Plan shall bind all claims against Debtors of whatever nature, including any claim arising from the rejection of any executory contract, or any other action. Any holder of a claim or interest who fails to file an objection in writing to the provisions of the Plan, which is filed with the Court and served upon counsel for the Debtor, not later than the date set for the confirmation of the plan, shall be deemed to have accepted its classification and to be bound by the proposed Plan.

All actions taken by the Debtors with respect to any person shall not be construed to release, waive, discharge, compromise or in any other way satisfy any claim, except those subject to any agreement between the parties. Upon completion of the requirements of the

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Plan and the order of confirmation, the Debtors and/or the claimant shall execute all corresponding documents and cooperate fully to reflect, release and/or reaffirm all the obligations herein provided.

There are possible risks with this Reorganization Plan given the fact that the Roman Defendants have illegally retained funds from the Debtor against the disposition of certain Escrow Agreement. If this funds are not returned and the Debtor cannot pay Scotiabank the agreed amount of \$810,000 on expedite basis, the bankruptcy estate will be liable for over \$3.9 million dollars which may cause the abortion of this Plan. Also the current economic condition of the Island of Puerto Rico and the real estate market may delay the disposition of the properties and payment to creditors. The Plan shall become effective upon the Effective Date of the Plan, which is 90 days after the order confirming the plan becomes a final order and shall be the date on which payments shall begin as provided by the Plan and certain transfers will take place.

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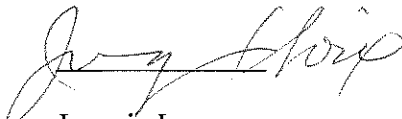
To the extent that any term of this Disclosure Statement varies from the terms of the Plan, the terms of the Plan shall govern.

**ARTICLE XVIII  
RETENTION OF JURISDICTION**

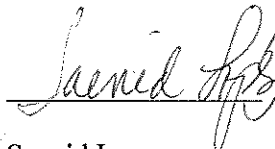
The Bankruptcy Court shall retain jurisdiction over this case as is conferred upon it by law, rule or statute, or by the Plan, to enable the Debtors to substantially consummate any and all proceedings which it may bring or after the entry of the order of confirmation, in order to carry out the provisions of the Plan and or any related matter.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 15th day of March, 2017.



Joaquín Lopez  
President



Saenid Lopez  
President's Assistant

**I HEREBY CERTIFY** that on this date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF System, which will send notification of such filing to the parties appearing in said system including the US Trustee and by the United States Postal Service to all those parties who have requested a copy and are not within the electronic notification service.

**C. CONDE & ASSOC.**  
Attorney for the Debtor  
San José Street #254, 5<sup>th</sup> Floor  
San Juan, P.R. 00901-1253  
Tel: (787) 729-2900  
Fax: (787) 729-2203  
E-mail: [condelaw.com](mailto:condelaw.com)  
/s/ Carmen D. Conde Torres  
Carmen D. Conde Torres  
USDC No.: 207312





### PURCHASE AGREEMENT

This Purchase Agreement ("Agreement") is made as of June 10, 2014 (the "Closing Date"), by and among L&R DEVELOPMENT & INVESTMENT CORPORATION, a Puerto Rico corporation ("LRDIC" OR "Seller"), JOSÉ JOAQUIN LOPEZ AVILES and NILSA ENID GUZMAN BIDOT, each of legal age, married to each other, property owners, and residents of Camuy, Puerto Rico, (said individuals, together with the conjugal partnership existing between them, "López Shareholders") and HÉCTOR NOEL ROMAN RAMOS and MIRNA ENID PÉREZ VEGA, each of legal age, married to each, property owners, and residents of Hatillo, Puerto Rico (said individuals, together with the conjugal partnership existing between them, "Buyers").

### RECITALS

Buyers own fifty percent (50%) of the issued and outstanding shares of capital stock of L&R DEVELOPMENT & INVESTMENT CORPORATION, a Puerto Rico corporation ("LRDIC"), L & R CONTRACTORS, INC. a Puerto Rico corporation ("LRC"), and COSTA MAR INSURANCE, INC. a Puerto Rico corporation ("Costa Mar", LRDIC, LRC and Costa Mar collectively "Companies").

LRDIC is the owner of two parcels of land containing approximately 23.6 cuerdas, equivalent to 92,757.20 sq. meters ("Land Tract 1"), and has an option to purchase from Universal Insurance Company a parcel of land of approximately 15 cuerdas, equivalent to 55,025.46 sq. meters ("Land Tract 2") pursuant to the terms of a "Contrato de Opción a Compra" dated June 22, 2010, renewed pursuant to "Enmienda a Contrato de Opción a Compra" dated September 14, 2012, as further amended pursuant to the terms of a "Tercera Enmienda a Contrato de Opción" dated October 22, 2013 (collectively the "Option Agreement") (Land Tract 1 and Land Tract 2 are hereinafter collectively referred to as the "Land"), both of which are located in the Barrio Carrizales, with their north boundaries adjoining the Puerto Rico State Road No. 2 in the Municipality of Hatillo, and both of which are more particularly described in Exhibit A.

Seller desires to sell, and Buyers desire to purchase, all of its right, title, interest and obligations in and to the Land Tract 1 and the rights, title, interest and obligations to the Option Agreement (the "Seller's Interests") for the consideration and on the terms set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

### AGREEMENT

In consideration of the forgoing premises and the mutual representations, warranties and covenants herein contained, the parties, intending to be legally bound, agree as follows:

*Handwritten signatures and initials:*  
J.A.  
N.C.  
M.C.V.  
H.A.

## 1. PURCHASE AND SALE OF SELLER'S INTEREST

1.1 PURCHASE AND SALE. On the terms, provisions, and conditions set forth herein and in reliance upon the warranties and representations contained herein, Buyers shall purchase, and the Seller shall sell, transfer and assign to Buyers at Closing the Purchased Assets, free and clear of all Liens (other than Permitted Liens).

1.2 DELIVERY OF TITLE. On the date hereof, Seller will deliver title and beneficial ownership of the Seller's Interests to Buyer.

1.3 CLOSING. The Closing shall take place, in accordance with the provisions of this Agreement, at the location agreed upon by the Seller, López Shareholders and Buyers.

1.4 TERMINATION OF RIGHTS. After the Closing Date, Buyers will cease to be, and will have no rights as, stockholders of LRDIC, LRC and Costa Mar, and such holders' rights will consist only of the right to receive the consideration provided for in this Agreement in respect of such Shares. Until surrendered for cancellation in accordance with the provisions of this Section 1.4, each stock certificate representing Shares shall, from and after the Closing Date, represent the right to receive the consideration provided for in this Agreement in respect of such Shares.

1.5 ASSUMED LIABILITIES. Seller and López Shareholders agree, effective as of the Closing Date, that Buyers will not have any further liability as shareholders and/or officers of LRDIC, LRC and Costa Mar and Buyers will be released from assuming and satisfying and discharging all obligations, loans, actions, suits, liabilities, proceedings, charges, litigation, judgments, disbursements, taxes, fines and penalties, damages, losses, costs and expenses of LRDIC, LRC and Costa Mar (the "Assumed Liabilities").

Seller and López Shareholders hereby agree to indemnify Buyers and their successors and assigns from and against any and all claims, liability, causes of action, suits, liabilities, proceedings, charges, litigation, judgments, disbursements, taxes, fines and penalties, damages, losses, costs and expenses (including, without limitation, reasonable attorney's fees (including those incurred on any appeals)) (collectively the "Liability") incurred by Buyers relating to the Assumed Liabilities. This obligation shall survive the termination of this Agreement. Notwithstanding the above, this indemnity obligation shall cease and be null and void, if Buyer fails to make any of the payments set forth in Section 2.1 below.

Buyers hereby agree to indemnify Seller and López Shareholders and their successors and assigns from and against any and all claims, liability, causes of action, suits, liabilities, proceedings, charges, litigation, judgments, disbursements, taxes, fines and penalties, damages, losses, costs and expenses (including, without limitation, reasonable attorney's fees (including those incurred on any appeals)) (collectively the "Liability") incurred by Seller and López Shareholders and their successors relating to the obligations mentioned in section 2.1 (B) below. This obligation shall survive the termination of this Agreement.

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2. PURCHASE PRICE; POST CLOSING EXCLUSIVITY PERIOD; ESCROW

2.1 PURCHASE PRICE

Subject to Sections 2.2 and 2.3 below, the aggregate purchase price for the Seller's Interests shall be TWO MILLION DOLLARS (\$2,000,000.00) ("Monetary Payment") plus fifty percent (50%) of the shares of common stock shares and any share equivalent that may be convertible into common shares (the "Shares") of capital stock of LRDIC, LRC and Costa Mar owned by Buyers; plus (A) the assumption by Seller and López Shareholders of the obligations of Buyers under all loan documents regarding a loan facility in the amount of \$6,000,000.00 granted to Better Home Development Corp. by the Cooperativa de Ahorro y Crédito de Aguada or obligations incurred by Buyers in their personal capacity related to the project known as "Emerald View" in Yauco, Puerto Rico; less (B) the assumption by Buyer of the all the obligations of LRDIC and López Shareholders under all loan documents regarding a loan facility in the amount of \$5,350,000.00 granted to LRDIC, Buyer, and López Shareholders by Eurobank, and currently in the possession of Universal Insurance Company over the property described in Recitals above or obligations incurred by LRDIC and López Shareholders in their personal or corporate capacity related to the project known as "Plaza del Mar"; less (C) the deduction of the Escrow Funds, the Security Max Escrow, and the Hacienda Escrow (the "Purchase Price"). The Monetary Payment component of the Purchase Price shall be paid as follows:

(a) At Closing, Buyer shall pay to the Seller the amount of THREE HUNDRED AND SIX THOUSAND EIGHT HUNDRED AND SEVENTY DOLLARS AND FORTY SEVEN CENTS (\$306,870.47) (via certified check or wire transfer of immediately available funds and deliver all Shares (or stock powers executed in blank) to LRDIC, LRC and Costa Mar.

(b) At Closing, Buyer shall deliver to Escrow Agent (defined below) the amount of SEVEN HUNDRED THOUSAND DOLLARS (\$700,000.00) (the "First Escrow").

(c) On or before January 31, 2015, Buyers shall pay to the Escrow Agent the amount of SIX HUNDRED EIGHTEEN THOUSAND FOUR HUNDRED AND FORTY THREE DOLLARS AND ELEVEN CENTS (\$618,443.11) via certified check or wire transfer of immediately available funds (the "Second Escrow", the First Escrow and the Second Escrow shall be collectively referred to as the "Escrow Funds").

(d) At Closing, Buyer will deliver to Escrow Agent an amount equal to One Hundred and Thirty One Thousand Nine Hundred and Sixty Six Dollars and Thirteen Cents (\$131,966.13) (the "Security Max Escrow") to be held in escrow until Seller or López Shareholders deliver to Escrow Agent or Buyer either a sworn statement from Security Max & Investigation Corp. indicating that a Judgment in its favor under case number CFCD2010-0088 has been fully satisfied in form and substance satisfactory to Escrow Agent and in compliance with the provisions of title 30 L.P. R.A. §1809 or a writ and order from the Court of First Instance under case number CFCD2010-0088 eliminating from the record the judgment filed pursuant to said case at page 33 of volume 3 of Judgments of the Registry of the Property of Puerto Rico, Second Section of Arecibo.

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(e) At Closing, Buyer will deliver to Escrow Agent an amount equal to Sixty Eight Thousand Six Hundred and Seventy Nine Dollars and Thirteen Cents (\$68,679.13) (the "Hacienda Escrow") to be held in escrow until Seller or López Shareholders deliver to Escrow Agent or Buyer or the Department of the Treasury files at the Registry of the Property of Puerto Rico, Second Section of Arecibo the necessary documentation to release two properties (identified as property 2,863 and property 7,627 de Hatillo) sold by Seller to Plaza del Mar Holdings, LLC on May 30, 2014 from an embargo lien recorded at page 101 of volume 1 of Governmental Liens.

(f) At Closing, Buyer will make a payment to Banco Popular de Puerto Rico in the amount of One Hundred and Seventy Thousand One Hundred Dollars (\$170,100.00) to pay off loans numbers 101-2520419-1001.

2.2 POST-CLOSING EXCLUSIVITY PERIOD.

From the Closing until January 31, 2014 (the "Exclusivity Period"), LRDIC and López Shareholders shall have the exclusive right to negotiate and enter into agreements with Scotiabank de Puerto Rico or Banco Cooperativo de Puerto Rico to settle, restructure, release, repay LRDIC, López Shareholders or Buyers loan obligations with such financial institutions. LRDIC and López Shareholders shall promptly advise Buyers of any proposal or offer, and shall promptly inform Buyers of all the terms and conditions thereof, and shall furnish to Buyers copies of any such written proposal or offer and the contents of any communications in response thereto (it being understood that the Buyers shall not be required to take any action). If during the Exclusivity Period LRDIC and López Shareholders reach a settlement, restructure, release, or repayment of LRDIC, López Shareholders or Buyers respective obligations with each financial institution, the First Escrow or the Escrow Funds shall be applied towards any payments arranged with each such financial institution, provided, however, that at a minimum the amount of Nine Hundred and Sixty Eight Thousand Four Hundred and Forty Three Dollars and Eleven Cents (\$968,443.11) of the Escrow Funds shall be used for Scotiabank de Puerto Rico and Three Hundred and Fifty Thousand Dollars (\$350,000.00) shall be used for Banco Cooperativo de Puerto Rico.

After February 6, 2015, Buyers shall have the non-exclusive right to enter into negotiations and reach agreements with Scotiabank de Puerto Rico or Banco Cooperativo de Puerto Rico to reach any type of settlement, restructure, release, or repayment of the loan obligations of LRDIC, López Shareholders or Buyers with the above mentioned financial institution so long as the Buyers have paid the Second Escrow to Escrow Agent. Buyers shall have the right to unilaterally inform in writing to Escrow Agent to disburse all or a portion of the Escrow Funds to either Scotiabank de Puerto Rico or Banco Cooperativo de Puerto Rico to complete Buyers release from any further obligations with such financial institutions.

If by June 10, 2015, LRDIC and López Shareholders do not agree with Scotiabank de Puerto Rico or Banco Cooperativo de Puerto Rico to settle, restructure, release, repay LRDIC, López Shareholders or Buyers loan obligations with such financial institutions, the remaining balance of the Escrow Funds shall be released to the Buyers. Notwithstanding the above, the Buyers agree they still owe to LRDIC and López Shareholders an amount equal to the remaining of the Escrow Funds and will issue a promissory note for the remaining balance of the Escrow

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Funds with a maturity date of January 31, 2016; provided, however, if before, on or after June 10, 2015, Buyers must make a payment for any Assumed Liabilities or under loan numbers 1600387425, 1600434284, 1600434375, and 1600408239 of Scotiabank de Puerto Rico, or loan number 1094860 of Banco Cooperativo de Puerto Rico, the Buyers shall have the right to use any portion of the Escrow Funds to pay any Assumed Liabilities or loan numbers 1600387425, 1600434284, 1600434375, and 1600408239 of Scotiabank de Puerto Rico, or loan number 1094860 of Banco Cooperativo de Puerto Rico, and such payments shall be deducted from any amounts owed by Buyers to Seller or López Shareholders under this Agreement. If Buyers use any portion of the Escrow Funds to pay for any Assumed Liabilities or under loan numbers 1600387425, 1600434284, 1600434375, and 1600408239 of Scotiabank de Puerto Rico, or loan number 1094860 of Banco Cooperativo de Puerto Rico, the Buyers shall have the right to deduct such amount from the monies owed to LRDIC and López Shareholders under the new promissory note issued pursuant to the prior sentences of this paragraph.

*Handwritten initials:*  
JG  
A.S.G.  
MAPV  
AS

2.3 ESCROW AGREEMENT.

At Closing, Seller, López Shareholders and Buyers agree that the First Escrow shall be deposited into an escrow account with Able Insurance Agency, Inc. (the "Escrow Agent") to hold it and disburse it as provided herein. Seller, López Shareholders and Buyers hereby irrevocably appoint and authorize the Escrow Agent to act as their agent hereunder with such powers as are specifically delegated to the Escrow Agent by the terms of this Agreement, together with such powers as are reasonably incidental thereto. As of the date of this Agreement, the Escrow Agent will establish and, at all times thereafter until the powers of this Section of the Agreement are terminated, shall open and maintain an interest bearing account with the entitled the "Escrow Account" (the "Escrow Account").

The duties and obligations of the Escrow Agent shall be limited to and determined solely by the provisions of the separate escrow agreement executed on the same date hereof and the Escrow Agent is not charged with knowledge of or any duties or responsibilities with respect to any other agreement or document. On the date hereof Buyers shall pay to the Escrow Agent to be held by it in the Escrow Account the First Escrow. The Escrow Funds and all interest thereon shall be held by the Escrow Agent on the terms and subject to the conditions of such separate escrow agreement executed on this date. Any such amounts (i) shall not be subject to lien or attachment by any creditor of any party hereto and shall be used solely for the purpose set forth in this Agreement and (ii) shall not be available to, and shall not be used by, the Escrow Agent to set off any obligations of either Seller or López Shareholders or Buyers owing to the Escrow Agent in any other capacity.

The release of Escrow Funds shall be carried out by the Escrow Agent under the following instructions:

- (1) Except for the provisions of Section 2.2 above, the Escrow Agent shall disburse the Escrow Funds, the Security Max Escrow, or the Hacienda Escrow from time to time in accordance with written instructions signed by an authorized agent, representative or employee of Seller, the López Shareholders and the Buyers indicating that the Escrow Funds should be sent to:

*Handwritten marks:*  
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A large bracket on the right side of the list item.  
A horizontal line under the list item.

★  
a. Scotiabank de Puerto Rico in lesser of Nine Hundred and Sixty Eight Thousand Four Hundred and Forty Three Dollars and Eleven Cents (\$968,443.11) or the amount indicated by Scotiabank de Puerto Rico to pay off loan number 1600387425, 1600434284, 1600434375, and 1600408239; or

b. Banco Cooperativo de Puerto Rico in the lesser of \$350,000 or the amount indicated by Banco Cooperativo de Puerto Rico to pay off the loan number 1094860.

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APY.  
WCDV  
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c. The Security Max Escrow will be disbursed to López Shareholders upon Seller or López Shareholders delivery to Escrow Agent or Buyer either a sworn statement from Security Max & Investigation Corp. indicating that a Judgment in its favor under case number CFCD2010-0088 has been fully satisfied in form and substance satisfactory to Escrow Agent and in compliance with the provisions of title 30 L.P.R.A. §1809 or a writ and order from the Court of First Instance under case number CFCD2010-0088 eliminating from the record the judgment filed pursuant to said case at page 33 of volume 3 of Judgments of the Registry of the Property of Puerto Rico, Second Section of Arecibo.

d. The Hacienda Escrow will be disbursed to López Shareholders upon Seller or López Shareholders deliver to Escrow Agent or Buyer or the Department of the Treasury files at the Registry of the Property of Puerto Rico, Second Section of Arecibo the necessary documentation to release two properties (identified as property 2,863 and property 7,627 de Hatillo) sold by Seller to Plaza del Mar Holdings, LLC on May 30, 2014 from an embargo lien recorded at page 101 of volume 1 of Governmental Liens.

In the event that either Scotiabank de Puerto Rico or Banco Cooperativo de Puerto Rico provide to either Seller, the López Shareholders or the Buyers (A) a pay-off letter with an amount less than the above indicated release or strike amount or (B) the release of the personal guaranty of Buyers, the Escrow Agent shall be authorized to disburse such excess funds to the order of López Shareholders after the payment of the amount set forth in the pay-off letter and receipt by either Seller, the López Shareholders or the Buyers of the legal documentation concerning such loan.

If Buyers fail to deposit the Second Escrow, then the Escrow Agent shall be authorized upon receipt of written instructions signed by an authorized agent, representative or employee of Seller or the López Shareholders to disburse the entire Escrow Funds remaining to López Shareholders.

### 3. CLOSING OBLIGATIONS

#### 3.1 CLOSING OBLIGATIONS - SELLER.

At the Closing Seller will deliver to Buyers:

- (a) A deed of purchase and sale for the Land;
- (b) An assignment of all rights, title and interest to the Option Agreement;

(c) A deed of termination of transfer in exchange of membership interest pursuant to which LRDIC assigned to Miguel Angel Rivera Figueroa and Saenid Del Carmen Lopez Guzman the Land and the Option Agreement; and

(d) such other affidavits, documents, instruments and certificates as Buyer reasonably may request, including without limitation those required by Buyers', consistent with Sellers' obligations under this Agreement.

*Handwritten notes:*  
JA  
N.A.S.  
MADV  
[Signature]

3.2 CLOSING OBLIGATIONS - BUYER

At the Closing Buyers will deliver to Seller:

- (a) The Shares;
- (b) A deed of purchase and sale for the Land;
- (c) An assignment of all rights, title and interest to the Option Agreement;
- (d) A promissory note for the deferred balance of the Purchase Price;
- (e) The Monetary Payments;
- (f) Waivers of ebp Design Group Consulting Engineers, P.S.C., Miguel Angel Ramos Rivas, Sonia Juana Rosa Torres and Pedro Navarro;
- (g) Letter from Buyers regarding their elimination from any bank accounts of Seller; and
- (h) such other affidavits, documents, instruments and certificates as Buyer reasonably may request, including without limitation those required by Buyer's title insurance Companies, consistent with Sellers' obligations under this Agreement.

4. REPRESENTATIONS AND WARRANTIES OF SELLERS

Seller represents and warrants to Buyers severally and jointly as follows:

4.1 ORGANIZATION AND GOOD STANDING.

Seller is a corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Puerto Rico, with full corporate power and authority to conduct its business as it is now being conducted, to own or use the properties and assets that it purport to own or use, and to perform all its obligations under this Agreement.

4.2 AUTHORITY; NO CONFLICT.

(a) Upon the execution and delivery by Seller of this Agreement, same will constitute their legal, valid, and binding obligation, enforceable against them in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws which affect the enforcement of creditors rights generally and by equitable principles, including the availability of specific performance. Seller has the right, power, authority, and capacity to execute and deliver this Agreement, to perform its obligations under this Agreement and to consummate the contemplated transactions.

(b) Neither the execution and delivery of this Agreement, nor the consummation or performance of any of the contemplated transactions by Seller will, directly or indirectly (with or without notice or lapse of time):

(i) contravene, conflict with, nor result in a violation of (A) any provision of the organizational documents of LRDIC as currently in effect, or (B) any resolution adopted by the board of directors or the shareholders of LRDIC, currently in effect;

(ii) contravene, conflict with, or result in a violation of, or give any governmental body or other person the right to challenge any of the contemplated transactions;

(iii) contravene, conflict with, or result in a violation of any of the terms or requirements of, or give any governmental authority the right to revoke, withdraw, suspend, cancel, terminate, or modify, any governmental authorization that is held by LRDIC or that otherwise relates to the business of, or any of the assets owned or used by, LRDIC;

(iv) contravene, conflict with, or result in a violation or breach of any provision of, or give any person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, this Agreement; or

(v) result in the imposition or creation of any encumbrance upon or with respect to the Shares or any of the assets owned or used by LRDIC.

4.3 TITLE TO PROPERTIES.

Seller is the sole legal and beneficial owner and holder of the Seller's Interest free and clear of any liens or other charges or encumbrances or rights of third parties and has not pledged, encumbered, assigned, transferred, conveyed, disposed of, terminated or granted any security interest in, in whole or in part, any of its right, title and interest in and to the Seller's Interest (and is not a party to any agreement which would result in the foregoing).

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5. REPRESENTATIONS AND WARRANTIES OF BUYER

Buyers represent and warrant to Seller as follows:

5.1 CAPACITY

Buyers have the capacity and authority to execute and deliver this Agreement, and to perform their obligations hereunder. This Agreement constitutes the legal, valid and binding obligation of Buyers, enforceable against Buyers in accordance with its respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws which affect the enforcement of creditor's rights generally and by equitable principles, including the availability of specific performance.

6. PURCHASE "AS-IS"/"WHERE-IS"; RELEASES; INDEMNITY.

Except for the representations expressly provided by Seller regarding ownership title to the Seller's Interest, Buyers agree: (i) that it is purchasing the Seller's Interest on an "as-is, where-is" basis and based on its own investigation and examination of the Seller's Interest; (ii) that neither Seller nor López Shareholders, Seller's employees, officers, directors, trustees, principals, agents, consultants, affiliates, brokers, property managers, asset managers, attorneys, contractors, and their respective successors and assigns (collectively, "Seller's Representatives") have made, and Seller and Seller's Representatives do not make and specifically negate and disclaim any warranty, representation, covenant, agreement or guarantee of any kind or character whether express, implied or statutory, written or oral, past, present or future, of, as to, concerning or with respect to any matter pertaining to the Seller's Interest including without limitation: (a) the value of Seller's Interest; (b) any income to be derived from the Seller's Interest; (c) the suitability of the Seller's Interest for any and all activities and uses which Buyer may conduct with the Seller's Interest; (d) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Seller's Interest; (e) the manner, quality, state of Seller's Interest; (f) the nature, quality or condition of the Seller's Interest; (g) the compliance of or by the Seller or the Seller's Interest with any codes, laws, rules, ordinances, regulations of any applicable governmental authority or body; (h) the content, completeness or accuracy of any of the Seller's Interest information, the offering, if any, prepared by broker, or any other materials related to Buyers' inspection of the Seller's Interest, or any preliminary reports, title commitments, or other reports or documents regarding title to the Seller's Interest; and (i) any other matter relating to the Seller's Interest. Buyer acknowledges that the purchase price reflects the "as-is," "where-is" nature of this sale and any faults, liabilities, defects or other adverse matters that may be associated with the Seller's Interest. Without limiting the foregoing and subject solely to the Seller's representations regarding title to the Seller's Interest set forth herein, Buyers, for themselves and their agents, affiliates, successors and assigns, will waive their right to recover from and will release and forever discharge Seller and Seller's Representatives from any and all claims, demands, liabilities, losses, damages, penalties, fines, liens, judgments, costs or expenses (including without limitation attorney fees and disbursements) whatsoever (collectively the "Claims") whether at law or in equity, whether known or unknown at the time of this contract, which Buyers have or may have in the future, arising out of the physical (including without limitation, design and construction defects),

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*[Signature]*

environmental, health, safety, economic or legal condition of the Seller's Interest, including, without limitation, all claims in tort or contract and any claim for indemnification or contribution arising under any environmental laws or any similar federal, commonwealth or local statute, rule or regulation (including any subsequent amendment or addition thereto and judicial interpretations thereof). Buyers, for themselves and their agents, affiliates, successors and assigns upon closing, shall be deemed to have waived, relinquished and released Seller and Seller's Representatives from and against any and all matters affecting the Seller's Interest.

As part of the provisions of this Agreement, but not as a limitation thereon, Buyers hereby agree, represent and warrant that the matters which will be released are not limited to matters which are known or disclosed, and, Buyers, for themselves and their agents, affiliates, successors and assigns, hereby waive any and all rights and benefits which they now have, or in the future may have conferred upon them, by virtue of the provisions of federal, Commonwealth of Puerto Rico or local law, rules or regulations.

If, at any time after the Closing Date all or any portion of the Seller's Interest are sold by Buyers or a related party or a corporation or limited liability company of Buyers, then in such event Buyers shall indemnify, defend, and hold Seller and Seller's Representatives harmless from and against all claims or disputes, including without limitation, those that allege negligence or other tortious conduct, misrepresentation, breach of contract or breach of warranties related to the Seller's Interest (a) fitness for any particular purpose, (b) habitability or merchantability, (c) quality, (d) condition, and (e) compliance with laws and regulations including, without limitation, environmental laws asserted by any third parties including without limitation any subsequent owners of the Seller's Interest and will reimburse Seller for any reasonable expenses (including all reasonable attorneys' fees and costs and expert witness fees and costs) incurred or that may be incurred by Seller and Seller's Representatives as a result of any such claims or disputes asserted by third parties. An assignment or sale or other conveyance by Buyer shall not release it of its obligations hereunder to indemnify, defend and hold harmless Seller and Seller's Representatives.

## 7. GENERAL PROVISIONS

### 7.1 EXPENSES:

Except as otherwise expressly provided in this Agreement, each party to this Agreement will bear their respective expenses incurred in connection with the preparation, execution, and performance of this Agreement and the contemplated transactions, including all fees and expenses of agents, representatives, counsel, and accountants, consultants and advisors.

### 7.2 NOTICES.

All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by facsimile (with written confirmation of receipt), provided that a copy is mailed by certified mail, return receipt requested, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service, in each case to the

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N.E.P.  
M.A.  
C.H.

appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a party may designate by notice to the other parties):

**SELLER:**

Altamonte 264  
Camuy, PR 00627  
e-mail: [saenid@gmail.com](mailto:saenid@gmail.com) or [riveramiguel@gmail.com](mailto:riveramiguel@gmail.com)  
Tel: (787) 409-4085  
Tel: (787) 262-9191  
Tel: (787) 544-7070

**BUYERS:**

Urbanizacion Monte Mar #10  
Hatillo, PR 00659  
Email: [Noelroma@aol.com](mailto:Noelroma@aol.com)  
Tel: (787) 698-4848

7.3 CHOICE OF LAW.

This Agreement will be governed by the laws of the Commonwealth of Puerto Rico without regard to conflicts of laws principles.

7.4 FURTHER ASSURANCES.

The parties agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents, and (c) to do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement.

7.5 SEVERABILITY.

If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect and the parties hereto shall negotiate in good faith to modify this Agreement to effect the original intent of the parties as closely as possible so that the transaction contemplated hereby is fulfilled to the extent possible. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

7.6 SECTION HEADINGS, CONSTRUCTION.

The headings of Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Section" or "Sections" refer to the corresponding Section or Sections of this Agreement. All words used in this Agreement will be

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construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by Buyer and Sellers and no presumption or burden of proof shall arise favoring or disfavoring either party by virtue of authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

7.7 TIME OF THE ESSENCE.

With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

7.8 CONFIDENTIALITY; NO PUBLIC DISCLOSURE.

(a) Buyers, López Shareholders and Seller will maintain in confidence, and will cause the directors, officers, employees, agents, and advisors of Buyers López Shareholders and Seller, as applicable, to maintain in confidence, and not use to the detriment of another party any written, or other information obtained in confidence from another party in connection with this Agreement or the contemplated transactions, unless:

(i) such information is already known to such party or to others not bound by a duty of confidentiality or such information becomes publicly available through no fault of such party,

(ii) the use of such information is necessary or appropriate in making any filing or obtaining any consent or approval required for the consummation of the contemplated transactions, or

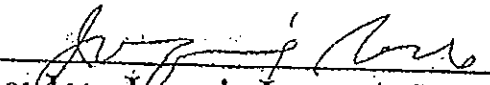
(iii) the furnishing or use of such information is required by legal proceedings.

7.9 ASSIGNMENT. Either party to this Agreement may assign any of its rights or obligations under this Agreement, including by sale of stock, operation of law in connection with a merger or sale of substantially all the assets of such party, without the prior written consent of the other party hereto, provided, that no such assignment by such party shall relieve such party of any of its or their obligations hereunder. In the event Buyers shall sell the Seller's Interest prior to January 31, 2015, then any deferred amounts owed by Buyers to Seller or López Shareholders under this Agreement shall become due and payable immediately.

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IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement under seal as of the date first written above.

L & R Development and Investment, Inc., as Seller

By:   
Name: Jose Joaquin Lopez Aviles  
Title: President

LOPEZ SHAREHOLDERS:

  
JOSE JOAQUIN LOPEZ AVILES

  
NILSA ENID GUZMAN BIDOT

BUYERS:

  
HECTOR NOEL ROMAN RAMOS

  
MIRNA ENID PEREZ VEGA

**EXHIBIT A**

Parcel 1:

Finca: 2863 inscrita al Folio 225 del Tomo 408 de Hatillo, Arecibo II, Inscripción 10ma.

Rustica: Remanente: Parcela radicada en el Barrio Carrizales de Hatillo, con una cabida de 15.581 cuerdas, equivalentes a 61,239.41 metros cuadrados. En lindes por el Norte, con la carretera número 2; por el Sur, con remanente de la finca principal; por el Este, con camino de la finca; y por el Oeste, con Francisco Román.

Tracto: se segrega de la finca 1780 inscrita al Folio 236 del Tomo de Hatillo.

Parcel 2:

Finca: 7267 inscrita al Folio 135 el tomo 148 de Hatillo, Sección II de Arecibo.

Rustica: Parcela radicada en el barrio Carrizales de Hatillo, con una cabida de 8.00 cuerdas, equivalentes a 32,443.12 metros cuadrados. En lindes por el Norte con Edelmira Garcia, por el Sur con Blanca Delia Toledo, por el Este con camino de acceso a carretera #2 y por el oeste con Francisco Román.

Tracto: Se segrega de la finca #4473 inscrita al Folio 51vto. del Tomo 94 de Hatillo

**TRACT 2**

Finca: 4490 inscrita al Folio 115 del Tomo 367 de Hatillo, registro de Arecibo II, Inscripción 8va

Rustica: Finca sita en el Barrio Carrizales del término municipal de Hatillo, compuesta de 15 cuerdas equivalentes a 95 hectáreas, 89 áreas y 55 centiáreas de terreno; lindante al Norte, con la Carretera Estatal #2; al Sur, con el resto de la finca de la cual es segregación propiedad de Evangelista Toledo y al Oeste, tierras de Edelmira Garcia; y al Saliente, con tierras de Rufino Rosa.

Expropiadas 1,552.00 metros cuadrados a favor del Estado Libre Asociado pasando a formar la finca 16923 inscrita al Folio 175 del Tomo 247 de Hatillo, 18 de septiembre de 1986.

Tracto: es segregación de la finca 4471 inscrita al Folio 48 del Tomo 94 de Hatillo.

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**PAGARÉ A TÉRMINO  
(SIN INTERESES PAGO GLOBAL AL VENCIMIENTO)**

**VALOR: U.S. \$618,443.11**

**VENCIMIENTO: 31 DE ENERO DE 2015**

**POR VALOR RECIBIDO**, el suscribiente (el "Deudor") se obliga a pagar a **JOSE JOAQUIN LOPEZ AVILES** y **NILSA ENID GUZMAN BIDOT** (el "Acreedor"), o a su orden, la cantidad de **SEISCIENTOS DIECIOCHO MIL CUATROCIENTOS TREINTA Y TRES DOLARES CON ONCE CENTAVOS (\$618,443.11)**, con fondos de obtención inmediata y en moneda legal de los Estados Unidos de América, en San Juan, Puerto Rico o en el sitio que designe el tenedor sin intereses.

El principal de la deuda será pagadero a la orden del Acreedor antes de a las 5:00 p.m. en la fecha de vencimiento, cualquiera que ésta sea. El emisor podrá prepagar el principal de este pagaré durante la vigencia del mismo en cualquier momento sin penalidad alguna.

En caso de que ocurra, o continúe ocurriendo, una de las siguientes causas de incumplimiento, las obligaciones del Acreedor terminarán y las sumas de principal y sus intereses acumulados sobre este Pagaré quedarán automáticamente líquidas y exigibles, sin que se requiera acción, notificación, protesto, presentación, demanda o aviso, de parte del Acreedor al Deudor o a ninguna otra persona natural o jurídica, todos los cuales se renuncian expresamente. Cada uno de los siguientes eventos constituirá una "Causa de Incumplimiento":

- a) Que el Deudor incumpla con el pago de principal sobre el Pagaré cuando dichos pagos vengzan y sean pagaderos (a la fecha de vencimiento u otra fecha);
- b) Que la validez, legalidad o ejecutabilidad del Pagaré sea objetado por el Deudor o el Deudor niegue que tiene responsabilidades u obligación bajo este Pagaré en los cuales el Deudor sea parte; o
- c) Que el Deudor sea declarado insolvente o quebrado o admita por escrito su incapacidad para pagar sus deudas según éstas vengzan o haga una cesión de sus bienes para beneficio de los acreedores; o el Deudor solicite o consienta al nombramiento de un custodio, síndico u oficial similar para administrar o custodiar o tomar posesión de la totalidad o cualquier parte sustancial de su propiedad; o el Deudor instituya (por petición, solicitud, contestación, consentimiento, o de otra forma) cualquier procedimiento de quiebra, insolvencia, composición, reorganización, arreglo, reajuste de deudas o cualquier otro procedimiento similar bajo las leyes o reglamentos de cualquier jurisdicción; o que cualquier sentencia, orden, embargo, providencia judicial o administrativa, o cuestión similar sea emitida contra cualquier propiedad o bien del Deudor y dicha sentencia, orden, embargo, providencia judicial o administrativa o cuestión similar no sea dejada sin efecto, cancelada o afianzada dentro de los treinta (30) días calendarios de ser emitida o impuesta.

En caso de que ocurra una causa de incumplimiento el Acreedor, el Deudor pagará al Acreedor un cargo por demora equivalente a cinco por ciento (5%) del montante de cada plazo o porción del mismo que no haya sido satisfecho dentro de los diez (10) días siguientes a su vencimiento.

En caso de ser necesaria acción judicial para el cobro de esta obligación, el Deudor se somete a la competencia y jurisdicción de las cortes del Estado Libre Asociado de Puerto Rico que elija el tenedor y pagará además al tenedor una suma equivalente a diez por ciento (10%) del balance del principal de este pagaré adeudado al momento de la reclamación, por vía de indemnización para responder de costas, gastos y honorarios de abogado, siendo dicha suma líquida y exigible en su totalidad por el mero hecho de la reclamación judicial y aunque los procedimientos se siguieren en rebeldía.

En caso de vencimiento acelerado de esta obligación, el Deudor autoriza al pago de la misma con la compensación o aplicación de cualesquiera fondos o dineros del Deudor en manos o poder del Acreedor, o el tenedor.

El Deudor renuncia a la presentación o requerimiento para el pago de la notificación de no haberse hecho el pago, el protesto y notificación del mismo.

El Deudor renuncia a cualquier término de prescripción en el cobro de este pagaré. El no ejercicio de algún derecho no se interpretará como una renuncia absoluta o impedimento para su ejercicio en el futuro por parte del tenedor.

En San Juan, Puerto Rico, al día 10 de junio de 2014.

PLAZA DEL MAR HOLDINGS, LLC

Por: \_\_\_\_\_  
Nombre: HECTOR NOEL ROMAN RAMOS

Affidavit Núm. \_\_\_\_\_

Reconocido y suscrito ante mí por:

Reconocido y suscrito ante mí por HECTOR NOEL ROMAN RAMOS, mayor de edad, casado, propietario y vecino de Hatillo, Puerto Rico y debidamente facultado mediante Unanimous Written Consent of the Members of Plaza del Mar Holdings, LLC, a quien doy fe de conocer personalmente. En San Juan, Puerto Rico, al día 10 de junio de 2014.

*Suscritor Act. por*  
*responsabilidad.*

NOTARIO PÚBLICO

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### ESCROW AGREEMENT

This Escrow Agreement (the "Escrow Agreement") made and entered into this 10<sup>th</sup> day of June, 2014, by and among L&R DEVELOPMENT & INVESTMENT CORPORATION, a Puerto Rico corporation ("LRDIC" OR "Seller"), JOSE JOAQUIN LOPEZ AVILES and NILSA ENID GUZMAN BIDOT, each of legal age, married to each other, property owners, and residents of Camuy, Puerto Rico, (said individuals, together with the conjugal partnership existing between them, "López Shareholders") and HECTOR NOEL ROMAN RAMOS and MIRNA ENID PÉREZ VEGA, each of legal age, married to each, property owners, and residents of Hatillo, Puerto Rico (said individuals, together with the conjugal partnership existing between them, "Purchasers") (referred collectively as the "Escrow Parties"); and ABLE INSURANCE AGENCY, INC. (the "Escrow Agent").

#### WITNESSETH:

WHEREAS, as of the date hereof the Parties entered into an Purchase Agreement (the "Agreement"; capitalized terms used herein as defined therein) pursuant to which the Seller sold, and Purchaser acquired, all of its right, title, interest and obligations in and to the "Contrato de Opcion a Compra" dated June 22, 2010, renewed pursuant to "Enmienda a Contrato de Opcion a Compra" dated September 14, 2012, as further amended pursuant to the terms of a "Tercera Enmienda a Contrato de Opcion" dated October 22, 2013 (collectively the "Option Agreement") (a copy of the Option Agreement is attached as an exhibit to this Escrow Agreement).

WHEREAS, the Agreement provides for the execution of an escrow agreement for the deposit and disbursement of the option payments;

NOW, THEREFORE, in consideration of the mutual promises and representations of the parties appearing herein, said parties, intending to be legally bound, hereby agree as follows:

1. Escrow Agent: Seller and Purchaser appoint and designate Able Insurance Agency, Inc. as Escrow Agent, and the Escrow Agent by its execution hereof accepts such appointment.

2. Deposit:

(a) On the date hereof, Purchaser shall have deposited with Escrow Agent the sum SEVEN HUNDRED THOUSAND DOLLARS (\$700,000.00) in cash (the "Initial Deposit"). The Initial Deposit shall be held in escrow in accordance with the terms of this Escrow Agreement.

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*N.S.*

(b) On or before January 31, 2015, Purchaser shall have deposited with Escrow Agent the sum SIX HUNDRED EIGHTEEN THOUSAND FOUR HUNDRED AND FORTY THREE DOLLARS AND ELEVEN CENTS (\$618,443.11) in cash (the "Second Deposit", the Initial Deposit and the Second Deposit shall be collectively referred to as the "Deposit"). The Second Deposit shall be held in escrow in accordance with the terms of this Escrow Agreement.

(c) The Initial Deposit and the Second Deposit shall be made by check, money order or wire transfer payable directly to the order of Able Insurance Agency, Inc., as Escrow Agent. Endorsed instruments will not be accepted.

3. Escrow Investment: Escrow Agent shall deposit the Deposit in an Escrow Account in any federally chartered commercial bank and shall keep the same on deposit so long as the conditions for disbursement of the Deposit have not occurred.

Escrow Agent assumes no responsibility for, nor shall Escrow Agent be held liable for, any loss occurring which arises from (i) failure of the depository institution, (ii) the fact that some banking instruments are not covered by the Federal Deposit Insurance Corporation, or (iii) the fact that the amount of Deposit may cause the aggregate amount of the Escrow Agent's or any escrow party's accounts to exceed \$250,000, or the maximum insurable amount at the time, and that such excess amount is not insured by the Federal Deposit Insurance Corporation.

4. Disbursement Instructions: The Escrow Agent shall disburse the funds held in Deposit according to the following Instructions:

(a) Except for the provisions of Section 2.2 of the Agreement, the Escrow Agent shall disburse the Deposit from time to time in accordance with written instructions signed by an authorized agent, representative or employee of Seller and the Purchasers indicating that the Deposit should be sent to:

1. Scotiabank de Puerto Rico in lesser of \$929,000.00 or the amount indicated by Scotiabank de Puerto Rico to pay off loan number 1600387425, 1600434284, 1600434375, and 1600408239; or
2. Banco Cooperativo de Puerto Rico in the lesser of \$350,000 or the amount indicated by Banco Cooperativo de Puerto Rico to pay off the loan number 1094860.

*Handwritten initials and signatures:*  
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In the event that either Scotiabank de Puerto Rico or Banco Cooperativo de Puerto Rico provide to either Seller or the Purchasers a (A) pay-off letter with an amount less than the above indicated release or strike amount or (B) the release of the personal guaranty of Purchasers, the Escrow Agent shall be authorized to disburse such excess funds to the order of López Shareholders after the payment of the amount set forth in the pay-off letter and receipt by either Seller or the Purchasers of the legal documentation concerning such loan.

If Purchasers fail to deposit the Second Deposit, then the Escrow Agent shall be authorized upon receipt of written instructions signed by an authorized agent, representative or employee of Seller or the López Shareholders to disburse the Deposit then remaining to López Shareholders.

Upon disbursement of the full amount of the Deposit, Escrow Agent shall be released of and from all further obligations and responsibilities, and from all liability, under or in connection with this agreement.

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If by June 30, 2015, Seller or López Shareholders do not agree with Scotiabank de Puerto Rico or Banco Cooperativo de Puerto Rico to settle, restructure, release, repay loans numbered 1600387425, 1600434284, 1600434375, 1600408239 or 1094860 with such financial institutions, the remaining balance of the Deposit shall be released to the Buyers. Notwithstanding the above, the Buyers agree they still owe to Seller an amount equal to the remaining of the Deposit and will issue a promissory note for the remaining balance of the Deposit with a maturity date of January 31, 2016; provided, however, if before, on or after April 30, 2015, Buyers must make a payment for any Assumed Liabilities (as defined in the Purchase Agreement dated June 10, 2014) or under loan numbers 1600387425, 1600434284, 1600434375, and 1600408239 of Scotiabank de Puerto Rico, or loan number 1094860 of Banco Cooperativo de Puerto Rico, the Buyers shall have the right to use any portion of the Deposit to pay any Assumed Liabilities or loan numbers 1600387425, 1600434284, 1600434375, and 1600408239 of Scotiabank de Puerto Rico, or loan number 1094860 of Banco Cooperativo de Puerto Rico, and such payments shall be deducted from any amounts owed by Buyers to Seller or López Shareholders under this Agreement. If Buyers use any portion of the Escrow Funds to pay for any Assumed Liabilities or under loan numbers 1600387425, 1600434284, 1600434375, and 1600408239 of Scotiabank de Puerto Rico, or loan number 1094860 of Banco Cooperativo de Puerto Rico, the Buyers shall have the right to deduct such amount from the monies owed to

LRDIC and López Shareholders under the new promissory note issued pursuant to the prior sentences of this paragraph.

(b) Notwithstanding anything in this Agreement to the contrary, Escrow Agent may refuse to release or otherwise dispose of the Deposit unless and until Escrow Agent receives conforming written instructions from all the Escrow Parties directing such release or other disposition of the Deposit. If any disagreement or dispute shall arise between or among any of the parties hereto, or any other person(s), resulting in adverse claims or demands being made for the Deposit or the release or any other disposition thereof, whether or not litigation shall have been instituted, then and in any such event, Escrow Agent is hereby authorized to refuse to comply with any such claims or demands, or any other claims or demands on Escrow Agent with respect to the subject matter of this Agreement, and to continue holding the Deposit until Escrow Agent shall have received either (i) a written notice signed by all the Escrow Parties directing the release or other disposition of the Deposit, or (ii) a final order of a court of competent jurisdiction, entered in a proceeding in which all parties to this Agreement have been named as parties, directing the release or other disposition of the Deposit. Escrow Agent shall not be or become liable in any way to any person for its refusal to comply with any such claims or demands unless and until it shall have received a direction of the nature described in clause (i) or clause (ii) above. Upon taking action in accordance with said direction, Escrow Agent shall be released of and from all further obligations and responsibilities, and from all liability, under or in connection with this Agreement or otherwise with respect to the Deposit.

(c) Notwithstanding anything to the contrary set forth in this Escrow Agreement, if Escrow Agent shall have received written notice from any Escrow Party advising Escrow Agent that litigation has been instituted between or involving any or all Escrow Parties concerning release or other disposition of the Deposit, Escrow Agent may, after notice to the Escrow Parties, (i) deposit the Deposit with the court in which said litigation is pending, or (ii) take such affirmative steps as Escrow Agent, at its option, may elect in order to terminate its obligations and responsibilities under this Agreement, including depositing the Deposit with a court of competent jurisdiction and commencing an interpleader action. Upon taking either of the actions described in clauses (i) or (ii) above, Escrow Agent shall be released of and from all further obligations and responsibilities, and from all liability, under or in connection with this Agreement or otherwise with respect to the Deposit.

(d) The Deposit will be disbursed without any interest accrued for the term in which it was deposited with the Escrow Agent.

5. Rights of Escrow Agent: Acceptance by Escrow Agent of its duties under this Escrow Agreement is subject to the following terms and conditions, which the Seller and the Purchaser hereby agree shall govern and control the rights, duties and immunities of Escrow Agent:

a. The duties and obligations of Escrow Agent shall be determined solely by the express provisions of this Escrow Agreement and Escrow Agent shall have no duty or obligation other than to take such specific action and to perform such duties and obligations as are specifically defined in this Escrow Agreement. Unless Escrow Agent is a party thereto, Escrow Agent shall not be bound in any way by any agreement or contract between the Parties (whether or not Escrow Agent has knowledge thereof).

b. Escrow Agent shall not be responsible in any manner whatsoever for any failure or inability of the Parties to honor any of the provisions of this Escrow Agreement.

c. Escrow Agent shall not have any obligations or responsibilities, or any liability, under or in connection with this Agreement, or otherwise with respect to the Deposit, except as expressly provided in this Agreement. The Escrow Parties shall indemnify and hold harmless Escrow Agent, and its principals, members, shareholders, directors, officers, employees and agents, from and against any and all obligations, responsibilities, liabilities, costs and expenses (including attorneys' fees) that may be asserted against, imposed upon or incurred by Escrow Agent, or any of its principals, members, shareholders, directors, officers, employees or agents, by reason of, on account of or in connection with Escrow Agent's performance of its duties under this Agreement. Except as otherwise provided in this Escrow Agreement, all costs and expenses incurred by Escrow Agent in performing its duties under this Agreement or in connection with any litigation resulting therefrom, including attorneys' fees (either paid to retained attorneys or amounts representing the fair value of legal services rendered to or for itself) shall be borne jointly and severally by the Buyer and Seller.

d. Escrow Agent shall be fully protected in acting upon and relying upon any advice, certificate, notice, direction, instruction, request or other paper or document including e-mail and facsimile transmissions which Escrow Agent in good faith believed to be genuine and to have been signed or presented by the proper party; and it may assume that any person

purporting to give such advice, certificate, notice, direction instruction, request or other paper of document has been duly authorized to do so.

e. Escrow Agent shall not be liable for any error of judgment, or for any act done or step taken or omitted by it or for any mistake in fact or law, or for anything which it may do or refrain from doing in connection herewith.

f. In the event of disagreement about the interpretation of this Escrow Agreement, or about the rights and obligations or the propriety of any action contemplated by Escrow Agent hereunder, Escrow Agent may, at its sole discretion, file an action in interpleader to resolve the said disagreement. Escrow Agent shall be indemnified by Seller and Purchaser jointly for all costs, including reasonable attorneys' fees (including those incurred on any appeal of such action), in connection with the aforesaid interpleader action. Upon the completion of all of the events described herein, this Escrow Agreement shall be determined terminated and Escrow Agent shall be released and discharged from any further obligation hereunder.

g. If the Escrow Agent must be reimbursed or indemnified as stated in any of the Paragraphs of this Section 5, and such reimbursement or indemnification has not occurred within ten (10) days of its written request, then the Escrow Agent may obtain or withdraw said amount from the Deposit.

h. The Escrow Agent's fees of One thousand Dollars (\$1000.00) for its services under this agreement must be and paid at the moment of the execution of this document.

As additional consideration for Escrow Agent's services rendered here under, Purchaser has agreed to obtain, through the Escrow Agent, a title insurance policy covering the ownership of the property to be acquired, in the event it exercises the Option.

6. Amendments: This Escrow Agreement shall not be amended or modified except by an instrument in writing and signed by the Escrow Parties and Escrow Agent.

7. Resignation: Escrow Agent may resign hereunder upon thirty (30) days prior written notice to the Escrow Parties. Upon the effective date of such resignation, Escrow Agent shall deliver the Deposit to any substitute escrow agent designated by the Parties in writing. If the Escrow Parties fail to designate a substitute escrow agent within thirty (30) days after the giving of such notice by Escrow Agent, Escrow Agent may petition a court to have a substitute escrow agent appointed hereunder. Escrow Agent's sole responsibility after such thirty (30) day notice period expires shall be to hold the Deposit and to deliver the same to a designated substitute escrow agent, if any, or in accordance with the directions of a final order of judgment

of a court of competent jurisdiction, at which time of delivery Escrow Agent's obligations hereunder shall cease and terminate.

8. Assignments: This Escrow Agreement shall be binding upon and shall inure to the benefit of Seller, Escrow Agent and Purchaser and their permitted assigns, successors, and legal representatives. However, any assignment of benefits or rights under this Escrow Agreement must be notified in writing to all parties and must be acknowledged in writing by the Escrow Agent.

9. The parties agree and acknowledge that the Escrow Agent has no liability in connection with the Deposit in the event of failure or insolvency of the financial institution in which the Deposit is deposited.

10. Notices: Any notice pursuant or relative to this Escrow Agreement shall be in writing and delivered by courier or personal delivery, e-mail, facsimile transmission or by certified mail, postage prepaid, and return receipt requested, to the following at the address below:

(A) if to Purchaser, the same shall be sent to:

Urbanización Monte Mar #10  
Hatillo, PR 00659  
Email: Noelroma@aol.com  
Tel: (787) 698-4848

(B) if to Seller, the same shall be sent to:

Altamonte 264  
Camuy, PR 00627  
e-mail: saenid@gmail.com or riveramiguel@gmail.com  
Tel: (787) 409-4085  
Tel: (787) 262-9191  
Tel: (787) 544-7070

As to the Escrow Agent:

Pablo L. Dardet, Esq.  
ABLE INSURANCE AGENCY, INC.  
P O BOX 194925  
San Juan, Puerto Rico 00919-4925  
Tel. (787) 306-2813  
E-Mail: pdardet@ableinsurancepr.com

*Handwritten initials/signature*

*Handwritten initials/signature*

If delivered personally, by courier, e-mail or facsimile transmission (provided written confirmation and receipt is obtained by sender), the date on which a notice is delivered or transmitted shall be the date on which such delivery is made. Notices given by mail as aforesaid shall be effective and deemed received upon the date of actual receipt or upon the third business day subsequent to deposit in the mail, whichever is earlier. Any party hereto may change its or his address specified for notices herein by notifying the escrow agent in writing.

11. Choice of Law; venue: This Escrow Agreement shall be construed under the laws of Puerto Rico. Any legal dispute arising out of or relating to the Escrow Agreement will be vented exclusively in local Puerto Rico courts or The Federal District Court for the District of Puerto Rico. These courts shall be the only ones with competence, jurisdiction and property venue to entertain lawsuits related to this Escrow Agreement. The Escrow Parties hereby consent to and submit themselves to the jurisdiction of the above referred courts.

12. Severability: In case any one or more of the provisions contained in this Escrow Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not, in any way, be affected or impaired thereby.

13. Examination of records: Any Party may examine the records pertaining to the Deposit during the business hours of the Escrow Agent; such examination shall be permitted, however, only in the presence of an officer of the Escrow Agent.

14. Counterparts: This Escrow Agreement may be signed in counterparts, all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Escrow Agreement is executed as the date first above written.

SELLER: L&R DEVELOPMENT & INVESTMENT CORPORATION & PURCHASER: HECTOR NOEL ROMAN RAMOS and MIRNA ENID PÉREZ VEGA

By: [Signature]  
Name: José Joaquín López Avilés  
Title: President

By: [Signature]

By: [Signature]

*[Handwritten notes and signatures on the left margin]*





Liquidador: \_\_\_\_\_ Revisor: \_\_\_\_\_  
 20 15  
 Investigado por: \_\_\_\_\_  
 Fecha: \_\_\_\_/\_\_\_\_/\_\_\_\_  
 M N

ESTADO LIBRE ASOCIADO DE PUERTO RICO  
 DEPARTAMENTO DE HACIENDA  
**Planilla de Contribución sobre Ingresos de Corporaciones**  
 AÑO CONTRIBUTIVO COMENZADO EL \_\_\_\_ de \_\_\_\_ de 2015 Y TERMINADO EL \_\_\_\_ de \_\_\_\_ de 2015

PLANILLA ENMENDADA  
 Sello de Pago

Nombre del Contribuyente: **LR DEVELOPMENT INVESTMENT CORP**  
 Dirección Postal: **PO BOX 1951 Hatillo PR**  
 Código Postal: **00659**  
 Número de Identificación Patronal: **66-0616574**  
 Núm. de Registro del Departamento de Estado: **130331**  
 Clave Industrial: **233000** Cod. Municipal: **05**  
 Número de Registro de Comerciante: **01289850018**

Localización de la Industria o Negocio Principal - Número, Calle, Pueblo: **CARR 2 KM 87.7 Hatillo PR 00659**  
 Número de Teléfono - Extensión: **(787) 262-9191**

Naturaleza de la Industria o Negocio Principal (Ej. Ferretería, Cafetería, etc.): **DESARROLLADORES Y CONSTRUCCION**  
 Fecha de Incorporación: **Día 21 / Mes 05 / Año 2002**  
 Tipo de Entidad: **CON FINES DE LUCRO**

Marque el encasillado correspondiente, si aplica:  
 Primera planilla  Última planilla  
 Sí  No  
 CAMBIO DE DIRECCIÓN

Contratos con Organismos Gubernamentales:  Sí  No  
 Correo Electrónico de Persona Contacto (E-mail): \_\_\_\_\_  
 Lugar de Incorporación: **SAN JUAN**  
 Indique si es miembro de un grupo de entidades relacionadas:  Sí  No  
 Número de grupo: \_\_\_\_\_

**PASE A LA PÁGINA 2 PARA DETERMINAR SU REINTEGRO O PAGO.**

Reintegro	1. CONTRIBUCIÓN PAGADA EN EXCESO (Parte IV, línea 58. Indique distribución en las líneas A, B, C y D) ..... (1)	00
	A) Acreditar a la contribución estimada 2016 ..... (1A)	00
	B) Aportación al Fondo Especial para el Estuario de la Bahía de San Juan ..... (1B)	00
	C) Aportación al Fondo Especial para la Universidad de Puerto Rico ..... (1C)	00
	D) A REINTEGRAR ..... (1D)	0 00
Pago	2. TOTAL NO PAGADO DE LA CONTRIBUCIÓN (Parte IV, línea 58) ..... (2)	0 00
	3. Menos: Cantidad pagada (a) Con Planilla ..... (3a)	00
	(b) Intereses ..... (3b)	00
	(c) Recargos _____ y Penalidades ..... (3c)	0 00
4. BALANCE PENDIENTE DE PAGO (Línea 2 menos línea 3(a)) ..... (4)	0 00	

**JURAMENTO**

Nosotros, los suscribientes, presidente (o vicepresidente u otro oficial principal) y tesorero (o tesorero auxiliar), o agente de la corporación a nombre de la cual se hace esta planilla de contribución sobre ingresos, cada uno por sí, bajo el más solemne juramento y so pena de perjurio, declaramos que hemos examinado la misma (incluyendo anejos y estados que la acompañan), y que según nuestro mejor conocimiento y creencia es una planilla exacta, correcta y completa, hecha de buena fe, de acuerdo con el Código de Rentas Internas de Puerto Rico de 2011, según enmendado, y sus Reglamentos.

Nombre del presidente o vicepresidente	Firma del presidente o vicepresidente	Fecha
Nombre del tesorero o tesorero auxiliar	Firma del tesorero o tesorero auxiliar	Fecha
Nombre del agente	Firma del agente	Fecha

**PARA USO DEL ESPECIALISTA SOLOAMENTE**

Declaro bajo penalidad de perjurio que he examinado esta planilla (incluyendo los anejos y estados adjuntos), y a mi mejor conocimiento y creencia, los datos en la misma son ciertos, correctos y constituyen en conjunto una planilla exacta y completa. La declaración de la persona que prepara esta planilla es con relación a la información recibida y ésta puede ser verificada.

Nombre del especialista (Letra de molde)	Núm. de registro	Fecha	Marque si es especialista por cuenta propia <input type="checkbox"/>
Nombre de la firma			
Firma del especialista	Dirección	Código postal	

**NOTA AL CONTRIBUYENTE**  
 Indique si hizo pagos por la preparación de su planilla:  Sí  No. Si contestó "Sí", extija la firma y el número de registro del Especialista.  
 Período de Conservación: Diez (10) años

Parte I		Determinación del Ingreso Neto (o Pérdida) de Operaciones	
1.	Ventas netas de bienes o productos (Véanse instrucciones) (1)	76,981	00
	Menos: Costos de ventas o costos directos de producción		
2.	Inventario al comienzo del año <input type="checkbox"/> 1 "C" <input type="checkbox"/> 2 "C" o "VM" (2)		00
3.	Compra de materiales o mercadería (3)	45,681	00
4.	Jornales directos (4)		00
	Otros costos directos (De la Parte V, línea 17) (5)	0	00
	Costo de bienes disponibles para la venta (Suma líneas 2 a la 5) (6)	45,681	00
7.	Menos: Inventario al finalizar el año <input type="checkbox"/> 1 "C" <input type="checkbox"/> 2 "C" o "VM" (7)		00
8.	Total de costos de ventas o costos directos de producción (Línea 6 menos línea 7) (8)	45,681	00
9.	Ganancia bruta de la venta de bienes o productos (Línea 1 menos línea 8) (9)		31,300
10.	Ingreso bruto generado en la venta de servicios (10)		00
11.	Ganancia neta de capital (Anejo D Corporación, Parte IV, línea 21) (11)		00
12.	Ganancia neta (o pérdida) en la venta de propiedad que no sea activo de capital (Anejo D Corporación, Parte V, línea 22) (12)		00
13.	Renta (13)		00
14.	Intereses: (a) Sujetos a la tasa preferencial de 10% (b) Otros (14)		00
15.	Ingreso por comisiones (15)		00
16.	Dividendos de corporaciones: (a) Domésticas (b) Extranjeras (16)		00
17.	Participación distributable en el ingreso neto de sociedades y sociedades especiales (Anejo R Corporación, Parte III, línea 5) (17)		00
18.	Participación distributable en el ingreso neto sujeto a tasas preferenciales proveniente de sociedades y sociedades especiales (18)		00
19.	Beneficio tributable de agricultura (Anejo S Corporación, Parte I, línea 9) (19)		00
20.	Ingreso neto derivado de las operaciones de una entidad financiera internacional que opera como una unidad de un banco (20)		00
21.	Fletes y pasajes (21)		00
22.	Regalías (22)		00
23.	Condonación de deudas (Someta Formulario 480.6A) (23)		00
24.	Espectáculos públicos (24)		00
25.	Otros pagos reportados en un Formulario 480.6A o 480.6B (25)		00
26.	Ingresos misceláneos (26)		00
27.	Total de ingresos (Suma líneas 9 a la 26) (27)		31,300
28.	Menos: Cantidad exenta bajo Ley 135-2014 (Véanse instrucciones) (28)		31,300
29.	Total de ingreso después de la exención bajo la Ley 135-2014 (Línea 27 menos línea 28) (29)		36,172
30.	Menos: Total de deducciones (De la Parte VI, línea 51) (30)		00
31.	Ingreso neto (o pérdida) de operaciones (Línea 29 menos línea 30) (31)		-4,872

Parte II		Determinación del Ingreso Neto (o Pérdida)	
32.	Menos: Dedución por pérdida neta en las operaciones del año anterior (Someta Anejo G Corporación. No exceder del 80% de la línea 31) (32)		00
33.	Ingreso neto (o pérdida) (33)		-4,872

Parte III		Determinación del Ingreso Neto Sujeto a Contribución Normal y Contribución Adicional	
34.	Menos: Dividendos o beneficios recibidos de corporaciones domésticas (Véanse instrucciones) (34)		00
35.	Ingreso neto sujeto a contribución normal (Línea 33 menos línea 34) (35)		00
36.	Menos: Dedución para fines de la contribución adicional (Marque aquí si viene del Modelo SC 2652 <input type="checkbox"/> (36)		25,000
37.	Ingreso neto sujeto a contribución adicional (Línea 35 menos línea 36) (37)		00

Parte IV		Cómputo de la Contribución	
38.	Contribución normal (Multiplique la línea 35 por: <input checked="" type="checkbox"/> 20% <input type="checkbox"/> 15% <input type="checkbox"/> 10%) (38)		00
39.	Contribución adicional (Véanse instrucciones) (39)		00
40.	Contribución Total (Suma líneas 38 y 39) (40)		00
41.	Contribución Alternativa - Ganancias de Capital y Tasas Preferenciales (Anejo D1 Corporación, línea 9) (41)		00
42.	Contribución determinada antes del crédito por contribuciones pagadas a los Estados Unidos, sus posesiones y países extranjeros (Línea 40 o 41, la que sea menor, siempre que la línea 41 sea mayor de cero) (42)		00
43.	Crédito por contribuciones pagadas a los Estados Unidos, sus posesiones y países extranjeros (Anejo C Corporación, Parte III, línea 6(b)) (43)		00
44.	Contribución determinada antes de contribución alternativa mínima (Línea 42 menos línea 43) (44)		00
45.	Contribución alternativa mínima en exceso de la contribución regular (Anejo A Corporación, Parte VI, línea 41) (45)		00
46.	Responsabilidad contributiva antes de créditos contributivos (Suma líneas 44 y 45) (46)		00
47.	Recobro de crédito reclamado en exceso (Anejo B Corporación, Parte I, línea 3) (47)		00
48.	Crédito por contribución alternativa mínima pagada en años anteriores (Anejo A Corporación, Parte VII, línea 4) (48)		00
49.	Créditos contributivos (Anejo B Corporación, Parte II, línea 26) (49)		00
50.	Responsabilidad contributiva antes del monto equivalente a dividendo o distribución de beneficios y de la contribución sobre dividendo implícito (Suma línea 46 y 47 menos líneas 48 y 49) (50)		00
51.	Contribución sobre monto equivalente a dividendo o distribución de beneficios (Modelo SC 2879, Contribución sobre Monto Equivalente a Dividendo, línea 11) (51)		00
52.	Contribución sobre dividendo implícito (Véanse instrucciones) (Modelo 2877, Contribución sobre Dividendo Implícito, línea 11) (52)		00
53.	Responsabilidad Contributiva Total (Suma líneas 50 a la 52) (53)		00
54.	Menos: Otros Pagos y Retenciones (Anejo B Corporación, Parte III, línea 12) (54)		00
55.	Total no pagado de la contribución (Si la línea 54 es menor que la línea 53, anote la diferencia aquí, de lo contrario en la línea 56) (55)		00
56.	Exceso de contribución pagada o retenida (Véanse instrucciones) (56)		00
57.	Adición a la Contribución por Falta de Pago de la Contribución Estimada (Anejo T Corporación, Parte II, línea 21) (57)		00
58.	BALANCE: * Si línea 56 es mayor que la suma de líneas 55 y 57, usted tiene un sobrepago. Anote diferencia aquí y en línea 1 de página 1. * Si línea 56 es menor que la suma de líneas 55 y 57, usted tiene un balance pendiente de pago. Anote diferencia aquí y en línea 2 de la página 1. * Si diferencia entre línea 56 y la suma de líneas 55 y 57 es igual a cero, anote cero aquí y pase a firmar su planilla en la página 1. (58)		00

LA CANTIDAD RELEJADA EN LA LINEA 58 DEBERÁ TRASLADARSE A LA LINEA CORRESPONDIENTE DE LA PÁGINA 1.

Parte V		Otros Costos Directos	
Partida	Importe	Partida	Importe
1. Jornales, sueldos y bonificaciones .....	(1) 00	11. Renta .....	(11) 00
2. Seguro social federal (FICA) .....	(2) 00	12. Limpieza, mantenimiento y recogido de desperdicios .....	(12) 00
3. Seguro de desempleo .....	(3) 00	13. Gastos de empaque de productos .....	(13) 00
Primas Fondo Seguro del Estado .....	(4) 00	14. Gastos de comida pagados a empleados de producción (Total \$ .....) .....	(14) 0 00
4. Seguro médico o de hospitalización .....	(4) 00	15. Depreciación (Someta Anejo E) .....	(15) 00
6. Otros seguros .....	(6) 00	16. Otros gastos (Someta detalle) .....	(16) 00
7. Arbitrios / Impuesto sobre Uso .....	(7) 00	17. Total otros costos directos (Suma líneas 1 a la 16. Igual a la Parte I, línea 5) .....	(17) 0 00
8. Impuesto sobre ventas y uso en importaciones .....	(8) 00		
9. Reparaciones .....	(9) 00		
10. Luz y agua .....	(10) 00		

Parte VI		Deducciones	
1. Compensación a directores (Véanse instrucciones Parte X) .....	(1) 0 00		
2. Compensación a oficiales (Véanse instrucciones Parte XI) .....	(2) 0 00		
3. Sueldos, comisiones y bonificaciones a empleados (Véanse instrucciones) .....	(3) 1,502 00		
4. Comisiones a negocios .....	(4) 00		
5. Seguro social federal (FICA) .....	(5) 186 00		
6. Seguro de desempleo .....	(6) 90 00		
7. Primas Fondo Seguro del Estado .....	(7) 00		
8. Seguro médico o de hospitalización .....	(8) 00		
9. Seguros .....	(9) 4,106 00		
10. Intereses pagados en arrendamiento financiero de automóviles (Someta Formulario 480.7D) .....	(10) 00		
11. Intereses hipotecarios (Someta Formulario 480.7A) .....	(11) 11,554 00		
12. Otros intereses (Véanse instrucciones) .....	(12) 00		
13. Renta de propiedad mueble tangible .....	(13) 00		
14. Renta de propiedad inmueble .....	(14) 1,405 00		
15. Contribución sobre propiedad: (a) Mueble (b) Inmueble .....	(15) 0 00		
16. Otras contribuciones, patentes y licencias (No incluya impuesto sobre ventas y uso. Véanse instrucciones) .....	(16) 00		
17. Impuesto sobre ventas y uso (Véanse instrucciones) .....	(17) 00		
18. Pérdidas ocasionadas por fuego, huracán, otros siniestros o por robo (Véanse instrucciones) .....	(18) 00		
19. Gastos de automóviles (Millaje .....) (Véanse instrucciones) .....	(19) 0 00		
20. Gastos de otros vehículos de motor (Véanse instrucciones) .....	(20) 4,269 00		
21. Gastos de comida y entretenimiento (Total .....) (Véanse instrucciones) .....	(21) 0 00		
22. Gastos de viajes .....	(22) 1,047 00		
23. Servicios profesionales .....	(23) 00		
24. Aportaciones a planes de pensiones u otros planes calificados (Véanse instrucciones. Someta Modelo SC 6042) .....	(24) 00		
25. Depreciación y amortización (Véanse instrucciones. Someta Anejo E) .....	(25) 00		
26. Deudas incobrables (Véanse instrucciones) .....	(26) 00		
27. Reparaciones (Véanse instrucciones) .....	(27) 4,773 00		
28. Regalías .....	(28) 00		
29. Cargos de administración .....	(29) 00		
30. Deducción a patronos que emplean personas impedidas (Véanse instrucciones) .....	(30) 00		
31. Aportaciones a cuentas de aportación educativa para los beneficiarios de sus empleados (Véanse instrucciones) .....	(31) 00		
32. Gastos en propiedades arrendadas a la Compañía de Fomento Industrial de Puerto Rico o almacén de la Compañía de Comercio y Exportación (Véanse instrucciones) .....	(32) 00		
33. Gastos incurridos o pagados a accionistas, personas o entidades relacionadas fuera de Puerto Rico (Véanse instrucciones) (Total \$ .....) .....	(33) 00		
34. Deducción por gastos incurridos o pagados a accionistas, personas o entidades relacionadas, totalmente deducibles (Véanse instrucciones) .....	(34) 00		
35. Servicios públicos (agua, luz, teléfono, internet, etc.) .....	(35) 2,647 00		
36. Limpieza, mantenimiento y recogido de desperdicios .....	(36) 00		
37. Cargos bancarios .....	(37) 362 00		
38. Gastos de publicidad y mercadeo (Anuncios) .....	(38) 00		
39. Materiales y efectos de oficina .....	(39) 4,231 00		
40. Seminarios, adiestramientos y gastos de educación continua para empleados .....	(40) 00		
41. Servicios de seguridad .....	(41) 00		
42. Servicios de cobro de cuentas .....	(42) 00		
43. Servicios subcontratados .....	(43) 00		
44. Gastos incurridos o pagados por concepto de servicios recibidos de personas no dedicadas a industria o negocio en Puerto Rico .....	(44) 00		
45. Gasto por concepto de cuotas, suscripciones y membresías .....	(45) 00		
46. Gastos relacionados con licencias y programas de computadoras no capitalizables (Véase instrucciones) .....	(46) 00		
47. Otras deducciones (Véanse instrucciones) .....	(47) 00		
48. Subtotal de deducciones (Suma líneas 1 a la 47) .....	(48) 36,172 00		
49. Donativos (Véanse instrucciones) .....	(49) 00		
50. Deducción bajo la Ley 185-2014 (Véanse instrucciones) .....	(50) 00		
51. Total de deducciones (Suma líneas 48 a la 50. Traslade a la Parte I, línea 30) .....	(51) 36,172 00		

Activos	Al comenzar el año		Al terminar el año	
		Total		Total
1. Efectivo en caja y bancos ..... (1)		1,322 00	(1)	4 00
2. Cuentas a cobrar ..... (2)	00		(2)	00
Menos: Reserva para cuentas incobrables ..... (3)	00	0 00	(3)	0 00
Inventarios ..... (4)		00	(4)	00
5. Otros activos corrientes ..... (5)		1,305,000 00	(5)	1,295,000 00
6. Obligaciones a cobrar ..... (6)		00	(6)	00
7. Inversiones ..... (7)		00	(7)	00
8. Activos depreciables ..... (8)	00		(8)	00
9. Menos: Reserva para depreciación ..... (9)	00	0 00	(9)	0 00
10. Préstamos por cobrar de accionistas o entidades relacionadas ..... (10)		00	(10)	00
11. Terrenos ..... (11)		00	(11)	00
12. Otros activos a largo plazo ..... (12)		00	(12)	00
13. Total de Activos ..... (13)		1,306,322 00	(13)	1,295,004 00
<b>Pasivos y Capital</b>				
<b>Pasivos</b>				
14. Cuentas a pagar ..... (14)	5,250 00		(14)	7,413 00
15. Gastos incurridos y no pagados ..... (15)	00		(15)	00
16. Otros pasivos corrientes ..... (16)	1,717,836 00		(16)	1,709,227 00
17. Obligaciones a pagar a largo plazo ..... (17)	00		(17)	00
18. Obligaciones a pagar a accionistas o entidades relacionadas ..... (18)	00		(18)	00
19. Otras obligaciones a largo plazo ..... (19)	00		(19)	00
20. Total de Pasivos ..... (20)		1,723,086 00		1,716,640 00
<b>Capital</b>				
21. Capital en acciones				
(a) Acciones preferidas ..... (21a)	00		(21a)	00
(b) Acciones comunes ..... (21b)	30,000 00		(21b)	30,000 00
22. Sobrante de capital ..... (22)	00		(22)	00
23. Ganancias retenidas ..... (23)	-446,764 00		(23)	-451,636 00
Reserva ..... (24)	00		(24)	00
25. Total de Capital ..... (25)		-416,764 00	(25)	-421,636 00
26. Total Pasivos y Capital ..... (26)		1,306,322 00	(26)	1,295,004 00

**Parte VIII Reconciliación del Ingreso Neto (o Pérdida) según Libros con el Ingreso Neto Tributable (o Pérdida) según Planilla**

1. Ingreso neto (o pérdida) según libros ..... (1)	-4,872 00	7. Ingreso registrado en los libros este año no incluido en esta planilla (Detalle, use anejo si es necesario)	
2. Contribución sobre ingresos según libros ..... (2)	0 00	(a) Ingresos exentos (Anejo IE Corp., Parte II, línea 19)	
3. Exceso de pérdidas de capital sobre ganancias de capital ..... (3)	00	(b) Ingresos excluidos (Anejo IE Corp., Parte I, línea 6)	
4. Ingreso tributable no registrado en los libros este año (Detalle, use anejo si es necesario)		(c) _____	
(a) _____		(d) _____	
(b) _____		(e) _____	
(c) _____		(f) _____	
(d) _____		(g) _____	
(e) _____		Total ..... (7)	0 00
(f) _____		8. Deducciones en esta planilla no llevadas contra el ingreso en los libros este año (Detalle, use anejo si es necesario)	
Total ..... (4)	0 00	(a) Depreciación _____	
5. Gastos registrados en los libros este año no reclamados en esta planilla (Detalle, use anejo si es necesario)		(b) _____	
(a) Comida y entretenimiento (porción no deducible) _____ 0		(c) _____	
(b) Depreciación _____		(d) _____	
(c) Embarcaciones, aeronaves y propiedad localizada fuera de P. R. _____		(e) _____	
(d) Gastos incurridos o pagados a accionistas, personas o entidades relacionadas (porción no deducible) _____		(f) _____	
(e) _____		(g) _____	
(f) _____		(h) _____	
(g) _____		(i) _____	
(h) _____		Total ..... (8)	0 00
(i) _____		9. Total (Suma líneas 7 y 8) ..... (9)	0 00
Total ..... (5)	0 00	10. Ingreso neto tributable (o pérdida) según planilla (Línea 6 menos línea 9) ..... (10)	-4,872 00
6. Total (Suma líneas 1 a la 5) ..... (6)	-4,872 00		

Análisis del Sobrante según Libro				Distribuciones:		
1. Balance al comenzar el año	(1)	-446,764	00	(a) Efectivo	(5a)	00
2. Ingreso neto según libros	(2)	-4,872	00	(b) Propiedad	(5b)	00
3. Otros aumentos (Detalle, use anejo si es necesario)				(c) Acciones	(5c)	00
	(3)		0	6. Otras rebajas (Use anejos si es necesario)	(6)	0
4. Total (Sume líneas 1, 2 y 3)	(4)	-451,636	00	7. Total (Sume líneas 5 y 6)	(7)	0
				8. Balance al finalizar el año (Línea 4 menos línea 7)	(8)	-451,636

Nombre del oficial	Número de seguro social	Por ciento del tiempo dedicado a industria o negocio	Por ciento de las acciones poseídas		Compensación
			Comunes	Preferidas	
					00
					00
					00
					00
Total de compensación a directores (Traslade a la Parte VI, línea 1)					0

Nombre del oficial	Número de seguro social	Por ciento del tiempo dedicado a industria o negocio	Por ciento de las acciones poseídas		Compensación
			Comunes	Preferidas	
					00
					00
					00
					00
de compensación a oficiales (Traslade a la Parte VI, línea 2)					0

Cuestionario		SI	NO
1. Si es una corporación extranjera, indique si la industria o negocio operó como sucursal	(1)		X
2. Si es una sucursal, indique el por ciento que representa el ingreso de fuentes de Puerto Rico del total de ingreso de la corporación: %			
3. ¿Mantuvo la corporación durante este año parte de sus récords en un sistema computadorizado?	(3)	X	
4. Los libros de la corporación están a cargo de: Nombre: <u>Officers of the Corporation</u> Dirección: <u>Premises of the Corporation</u> Correo electrónico (E-mail): _____ Teléfono: _____			
5. Indique el método de contabilidad utilizado en los libros para propósitos contributivos: <input type="checkbox"/> Recibido y Pagado <input checked="" type="checkbox"/> Acumulación <input type="checkbox"/> Otro (especifique): _____			
6. ¿Rindió la corporación los siguientes documentos? (a) Declaración Informativa (Formularios 480.5, 480.6A, 480.6B) (6a) <input checked="" type="checkbox"/> X (b) Comprobante de Retención (Formulario 499R-2AW-2PR) (6b) <input checked="" type="checkbox"/> X			
7. Si el ingreso bruto de la entidad o del grupo controlado excede de \$3,000,000, ¿Somelió estados financieros auditados por un CPA con licencia de Puerto Rico? (7) <input checked="" type="checkbox"/> X			
8. Número de empleados durante el año: _____			
9. ¿Reclamó la corporación gastos relacionados con la titularidad, uso, mantenimiento y depreciación de: (a) Automóviles? (9a) <input checked="" type="checkbox"/> X (b) Embarcaciones? (9b) <input checked="" type="checkbox"/> X (1) ¿Derivó más del 80% de la totalidad de sus ingresos de actividades relacionadas exclusivamente con la pesca o transportación de pasajeros o de carga o arrendamiento? (9b1) <input checked="" type="checkbox"/> X (2) ¿Derivó más del 80% de la totalidad de los ingresos de actividades relacionadas exclusivamente con la transportación de pasajeros o de carga o arrendamiento? (9b2) <input checked="" type="checkbox"/> X (c) Aeronaves? (9c) <input checked="" type="checkbox"/> X (1) ¿Derivó más del 80% de la totalidad de los ingresos de actividades relacionadas exclusivamente con la transportación de pasajeros o de carga o arrendamiento? (9c1) <input checked="" type="checkbox"/> X (2) ¿Derivó más del 80% de la totalidad de sus ingresos de actividades relacionadas exclusivamente con el alquiler de propiedades a personas no relacionadas? (9c2) <input checked="" type="checkbox"/> X			
10. ¿Reclamó la corporación gastos relacionados con: (a) Alojamiento? (excepto empleados del negocio) (10a) <input checked="" type="checkbox"/> X (b) Empleados que asistieron a convenciones fuera de Puerto Rico o los Estados Unidos? (10b) <input checked="" type="checkbox"/> X			
11. ¿Distribuyó la corporación, durante el año contributivo, dividendos que no fueran en acciones o en liquidación en exceso de la ganancia corriente y acumulada? Si contestó "SI", indique la cantidad _____ (11) <input checked="" type="checkbox"/> X			
12. ¿Es la corporación socio de una sociedad especial o sociedad? (Si es más de una, someta detalle) (12) <input checked="" type="checkbox"/> X Nombre de la Sociedad Especial o Sociedad _____ Número de identificación patronal _____			
13. ¿Recibió ingresos exentos? (Someta Anejo IE Corporación) (13) <input checked="" type="checkbox"/> X			
14. Añote la cantidad correspondiente de donativos a municipios de la cantidad incluida en la Parte VI, línea 49: _____			
15. Indique si pagó primas a aseguradores no autorizados (15) <input checked="" type="checkbox"/> X			
16. Número de patrono otorgado por el Departamento del Trabajo y Recursos Humanos: _____			
17. Número de accionistas: (a) ¿Es alguno de los accionistas de la corporación un individuo no residente o corporación extranjera? (17a) <input checked="" type="checkbox"/> X (1) Indique el por ciento de participación del total de accionistas no residentes o corporaciones extranjeras _____ % (2) Indique el país de procedencia del accionista extranjero _____			
18. ¿Incurrió o pagó gastos a accionistas, personas o entidades relacionadas fuera de Puerto Rico? (18) <input checked="" type="checkbox"/> X (a) ¿Obtuvo determinación administrativa para tener derecho a la totalidad de la deducción? (18a) <input checked="" type="checkbox"/> X			
19. ¿Reclamó la corporación gastos relacionados con servicios provistos por no residentes de Puerto Rico? (19) <input checked="" type="checkbox"/> X (a) ¿Pagó el impuesto sobre ventas y uso correspondiente? (19a) <input checked="" type="checkbox"/> X			
20. ¿Reclamó la corporación gastos de depreciación por propiedad mueble tangible adquirida fuera de Puerto Rico? (20) <input checked="" type="checkbox"/> X (a) ¿Pagó el impuesto sobre ventas y uso correspondiente? (20a) <input checked="" type="checkbox"/> X			
21. ¿Pagó la corporación dividendo implícito durante el año anterior? Si contestó "SI", indique la cantidad _____ (21) <input checked="" type="checkbox"/> X			

Periodo de Conservación: Diez (10) años

Anejo A Corporación

Rev. 12.15

**CONTRIBUCION ALTERNATIVA MINIMA**

Año contributivo comenzado el 01 de 01 de 2015 y terminado el 31 de 12 de 2015



2015

Nombre del contribuyente  
**LR DEVELOPMENT INVESTMENT CORP**

Número de Identificación Patronal  
**66-0616574**

Parte II		Ajustes en el Cómputo del Ingreso Neto Alternativo Mínimo Antes de Ajustes en los Libros y Pérdidas de Operaciones	
1.	a. Ingreso neto (o pérdida) sujeto a contribución normal (De la Parte I, línea 31 de la planilla) (1a)	-4,872	00
	b. Menos: Ingresos sujetos a tasas preferenciales que haya optado por tributar a la tasa preferencial correspondiente (Anejo D1 Corporación, línea 2(f)) (1b)		00
	c. Menos: Dividendos o beneficios recibidos de corporaciones domésticas (De la Parte III, línea 34 de la planilla) (1c)		00
	d. Ingreso neto (o pérdida) sujeto a contribución normal sin considerar la pérdida neta en operaciones de años anteriores y excluyendo los ingresos sujetos a tasas preferenciales que haya optado por tributar a la tasa preferencial correspondiente (Línea 1(a) menos líneas 1(b) y 1(c)) (1d)		-4,872 00
2.	a. Depreciación flexible (2a)		00
	b. Ventas a plazos (2b)		00
	c. Contrato a largo plazo (2c)		00
	d. Gastos relacionados con intereses exentos (2d)		00
	e. Depreciación acelerada (2e)		00
	f. Total de ajustes (Suma líneas 2(a) a la 2(e)) (2f)		0 00
3.	Ingreso neto (o pérdida) alternativo mínimo antes de ajustes de la Parte II y la pérdida de operaciones (Suma líneas 1(d) y 2(f)) (3)		-4,872 00

Parte III		Ajuste por el Exceso del Ingreso Neto Ajustado según Libros sobre el Ingreso Neto Alternativo Mínimo Antes de Ajustes	
4.	Ingreso neto (o pérdida) según libros (4)		00
5.	Ajuste por amortización de plusvalía (5)		00
6.	Contribuciones sobre ingresos consideradas en los libros (6)	0	00
7.	Suma las líneas 4, 5 y 6 (7)		0 00
8.	Ingreso de intereses exentos neto de gastos relacionados (8)		00
9.	Dividendos y distribuciones de beneficios recibidos de corporaciones o sociedades domésticas, de ingresos de fomento industrial o de desarrollo turístico (9)		00
10.	Ingreso (o pérdida) de fomento industrial, ingreso exento de desarrollo turístico, ingreso de negocio agrícola bona fide o ingreso de renta bajo la Ley 132-2010 (10)		00
11.	Ingreso (o pérdida) reconocido según el método de equidad (11)		00
12.	Reserva para pérdidas catastróficas (12)		00
13.	Ingresos sujetos a tasas preferenciales que haya optado por tributar a la tasa preferencial correspondiente (De la Parte I, línea 1(b)) (Véanse instrucciones) (13)		00
14.	Suma líneas 8 a la 13 (14)		0 00
15.	Línea 7 menos línea 14 (15)		0 00
16.	Línea 15 menos línea 3. Si la línea 3 es mayor que la línea 15, anote cero (16)		0 00
17.	Ajuste por el exceso del ingreso neto ajustado según libros sobre el ingreso neto alternativo mínimo de la línea 3 (Multiplique la línea 16 por 60%) (17)		0 00

Parte IV		Cómputo del Ingreso Neto Alternativo Mínimo	
18.	Ingreso neto alternativo mínimo antes de pérdida neta en operaciones (Suma líneas 3 y 17) (18)		-4,872 00
19.	Pérdida neta en operaciones de años anteriores para la determinación de la contribución alternativa mínima (No puede exceder del 70% de la línea 18) (Del Anejo G Corporación, Parte II, línea 13. Someta Anejo G Corporación) (Véanse instrucciones) (19)		00
20.	Línea 18 menos línea 19 (Anote aquí la diferencia, pero no menos del 20% de la línea 18) (20)		0 00
21.	Cantidad exenta (Véanse instrucciones) (21)		50,000 00
22.	Ingreso neto alternativo mínimo (Línea 20 menos línea 21) (22)		0 00

Parte V		Cómputo de la Contribución Mínima Tentativa y del Crédito Alternativo Mínimo por Contribuciones Pagadas al Extranjero	
23.	Contribución mínima tentativa antes del crédito por contribuciones pagadas al extranjero (Multiplique la línea 22 por 30%) (23)		00
24.	Ingreso neto alternativo mínimo antes de la deducción por pérdida neta en operaciones (Línea 18) (24)	-4,872	00
25.	Cantidad exenta permisible sin considerar la pérdida neta en operaciones (Véanse instrucciones) (25)	50,000	00
26.	Línea 24 menos línea 25 (26)	0	00
27.	Multiplique la línea 26 por 30% (27)		00
28.	Multiplique la línea 27 por 10% (28)		00
29.	Límite del crédito (Línea 23 menos línea 28) (29)		0 00
30.	Crédito alternativo mínimo por contribuciones pagadas al extranjero (Esta cantidad no podrá exceder la cantidad en la línea 29. Véanse instrucciones) (30)		00
31.	Contribución mínima tentativa neta del crédito por contribuciones pagadas al extranjero (Línea 23 menos línea 30. Traslade a la Parte VI, línea 37) (31)		0 00

Parte V		Cómputo de Gastos Pagados a una Persona Relacionada y Compras de Propiedad Mueble de una Persona Relacionada	
32.	Gastos incurridos o pagados a una persona relacionada y transferencia de costos o asignación de gastos de una oficina principal ("Home Office") localizada fuera de Puerto Rico a una sucursal ("Branch") dedicada a la industria o negocio en Puerto Rico (Esta cantidad proviene de la línea de Total de la Parte VI, línea 33 de la planilla).....		
(	Multiplique la línea 32 por 20% .....	(32)	00
33.	Compras de propiedad mueble de una persona relacionada y transferencia de propiedad mueble de una oficina principal ("Home Office") localizada fuera de Puerto Rico a una sucursal ("Branch") dedicada a la industria o negocio en Puerto Rico .....	(33)	00
34.	Multiplique la línea 34 por el porcentaje que aplique [ ]% (Véanse instrucciones) .....	(34)	00
35.	Total de gastos pagados a una persona relacionada y compras de propiedad mueble de una persona relacionada (Sume líneas 33 y 35) .....	(35)	00
		(36)	0 00

Parte VI		Cómputo de la Contribución Alternativa Mínima	
37.	Contribución mínima tentativa después del crédito alternativo mínimo por contribuciones pagadas al extranjero (Línea 31 de la Parte IV) .....		0 00
38.	Total de gastos pagados a una persona relacionada y compras de propiedad mueble de una persona relacionada (Línea 36 de la Parte V) .....	(37)	0 00
39.	Contribución mínima tentativa (Anote la mayor entre líneas 37 y 38) .....	(38)	0 00
40.	Contribución total neta del crédito por contribuciones pagadas al extranjero (Línea 40 menos línea 43 de la Parte IV, página 2 de la planilla) .....	(39)	0 00
41.	Contribución alternativa mínima (Línea 39 menos línea 40. Si la línea 40 excede la línea 39, anote cero, de lo contrario, anote la diferencia en el Formulario 480.2, página 2, Parte IV, línea 45) .....	(40)	0 00
		(41)	00

Parte VII		Cómputo del Crédito de Contribución Alternativa Mínima	
1.	Exceso de la contribución regular sobre la contribución alternativa mínima para el año corriente (Línea 40 menos línea 39 de la Parte VI. Si la línea 39 excede la línea 40, anote cero) .....		00
(1)	Multiplique la línea 1 por 25% y anote el resultado aquí .....	(1)	00
2.	Cantidad de contribución alternativa mínima pagada en años anteriores y no reclamada como crédito (Parte VIII, línea 11) .....	(2)	00
3.	Cantidad del crédito a reclamar (Anote lo menor entre la línea 2 o 3. Traslade a la línea 48, Parte IV de la planilla) .....	(3)	0 00
(4)		(4)	0 00

Parte VIII				Determinación de la Cantidad de Contribución Alternativa Mínima Pagada en Años Anteriores No Reclamada como Crédito	
Año Contributivo (Día / Mes / Año)	(A) Contribución Alternativa Mínima Pagada en Exceso de la Contribución Regular	(B) Cantidad Utilizada como Crédito en Años Anteriores	(C) Balance		
1.					
2.					00
3.					00
4.					00
5.					00
6.					00
7.					00
8.					00
9.					00
0.					00
1.	Total (Traslade a la Parte VII, línea 3 de este Anejo) .....			(11)	0 00

Periodo de Conservación: Diez (10) años

Anejo G Corporación  
Rev. 12.15

**DETALLE DE PÉRDIDAS NETAS EN OPERACIONES INCURRIDAS EN AÑOS ANTERIORES**

**2015**

Año contributivo comenzado el 01 de 01 de 2015 y terminado el 31 de 12 de 2015  
Nombre del contribuyente  
**LR DEVELOPMENT INVESTMENT CORP**

Número de Identificación Patronal  
**66-0616574**

**Detalle de las Pérdidas Netas en Operaciones para Propósitos de la Contribución Regular**

Año en el cual se incurrió la pérdida (Día / Mes / Año)	(A) Pérdida incurrida según planilla	(B) Ajustes bajo la Sección 1033.14 (Véanse instrucciones)	(C) Total de pérdida arrastrable (Columna A menos Columna B)	(D) Cantidad utilizada en años anteriores	(E) Cantidad disponible (Columna C menos Columna D)	Fecha de expiración (Día / Mes / Año)
1 31/12/2014	3619 00	0 00	3,619 00	0 00	3,619 00	31/12/2021
2 31/12/2013	478631 00	0 00	478,631 00	35486 00	443,145 00	31/12/2020
3	00	00	00	00	00	
4	00	00	00	00	00	
5	00	00	00	00	00	
6	00	00	00	00	00	
7	00	00	00	00	00	
8	00	00	00	00	00	
9	00	00	00	00	00	
10	00	00	00	00	00	
11	00	00	00	00	00	
12	00	00	00	00	00	
Total (Traslade el total de la Columna E a la línea 32, Parte II de la planilla) ..(13)	482250 00	0 00	482250 00	35486 00	446764 00	

**Detalle de las Pérdidas Netas en Operaciones para Propósitos de la Contribución Alternativa Mínima**

Año en el cual se incurrió la pérdida (Día / Mes / Año)	(A) Pérdida incurrida según planilla	(B) Ajustes bajo la Sección 1033.14 (Véanse instrucciones)	(C) Total de pérdida arrastrable (Columna A menos Columna B)	(D) Cantidad utilizada en años anteriores	(E) Cantidad disponible (Columna C menos Columna D)	Fecha de expiración (Día / Mes / Año)
1 31/12/2014	3619 00	0 00	3,619 00	0 00	3,619 00	31/12/2021
2 31/12/2013	478631 00	0 00	478,631 00	35486 00	443,145 00	31/12/2020
3	00	00	00	00	00	
4	00	00	00	00	00	
5	00	00	00	00	00	
6	00	00	00	00	00	
7	00	00	00	00	00	
8	00	00	00	00	00	
9	00	00	00	00	00	
10	00	00	00	00	00	
11	00	00	00	00	00	
12	00	00	00	00	00	
Total (Traslade el total de la Columna E al Anejo A de la Declaración, Parte I de la planilla) .....(13)	482250 00	0 00	482250 00	35486 00	446764 00	

Periodo de Conservación: Diez (10) años



Form AS  
Rev. 22 sep 15



ESTADO LIBRE ASOCIADO DE PUERTO RICO - COMMONWEALTH OF PUERTO RICO  
Departamento de Hacienda - Department of the Treasury

SOLICITUD DE PRÓRROGA PARA RENDIR LA PLANILLA DE CONTRIBUCIÓN SOBRE INGRESOS  
Request for Extension of Time to File the Income Tax Return

Año comienza el 1 de Enero de 2015 y termina el 31 de Diciembre de 2015  
Year beginning on Jan 1 of 2015 and ending on Dec 31 of 2015

Numero de Solicitud: 15-001

Tipo de Prórroga - Type of Extension  
 Prórroga Automática - Automatic Extension  
 Prórroga Adicional - Additional Extension

Area de Rentas Internas  
**RADICADO ELECTRONICAMENTE**  
 15-001  
 DEPARTAMENTO DE HACIENDA  
 GOBIERNO DE PUERTO RICO

Numero de recibos de Bases de Permisos a Pagar  
 Importe: \$0.00

Parte - Part I Información del Contribuyente - Taxpayer Information

Número de Seguro Social / Social Security Number: [Redacted]

Número de Identificación Patronal / Employer Identification Number: 000-61-6574

Nombre del Individuo / Individual's First Name: [Redacted]  
 Inicial / Initial: [Redacted]  
 Apellido Paterno / Last Name: [Redacted]  
 Apellido Materno / Second Last Name: [Redacted]

Nombre de la Corporación, Sociedad, Sucesión o Fideicomiso - Name of the Corporation, Partnership, Estate or Trust: LR DEVELOPMENT INVESTMENT CORP.

Dirección Postal / Postal Address: PO BOX 1951

HATILLO PR Código Postal - Zip Code: 00659

Teléfono Residencia - Residential Telephone: 781-898-8357  
 Teléfono Oficina - Office Telephone: 787-62-9191

Ocupación / Negocio / Occupation / Business: 719

Dirección de correo electrónico - E-mail address: e\_cura@hotmail.com

Parte - Part II Ingresos (Aplica a prórroga automática y adicional) - Income (Applies to automatic and additional extension of time)

1. Ingreso según Comprobante de Retención o Ingreso Estimado / Income as per Withholding Statement or Estimated Income: 0

2. Otros Ingresos / Other Income: 0

3. Total de Ingreso Bruto Sujeto a Contribución / Total Gross Income Subject to Tax: 0

Parte - Part III Importe Incluido con esta Solicitud (Aplica solo a prórroga automática) - Amount Included with this Request (Applies only to automatic extension of time)

1. Cantidad pagada con esta solicitud aplicable al total no pagado de la contribución (responsabilidad contributiva total) / Amount paid with this request applicable to the total of tax due (total tax liability): 0

2. Cantidad pagada con esta solicitud aplicable a la Contribución Adicional Especial (Anejo N Incentivos) / Amount paid with this request applicable to the Special Surtax (Schedule N Incentives) ... (CIFRA DE INGRESO 0215): 0

3. Cantidad pagada con esta solicitud aplicable al Prepago del Impuesto sobre Rentas (Formulario 480.30(II)DI, Anejo N Incentivos, Parte V) / Amount paid with this request applicable to the Prepayment of Tax on Rental Income (Form 480.30(II)DI, Schedule N Incentives, Part V) ... (CIFRA DE INGRESO 0242): 0

Juramento - Oath  
 Declaro bajo penalidad de perjurio que he examinado la información aquí suministrada y que según mi mejor información y creencia la misma es verdadera, correcta y completa.  
 I hereby declare under penalty of perjury, that I have examined the information herein and to the best of my knowledge and belief it is true, correct and complete.

Título (Aplica si el contribuyente no es un individuo) / Title (Applies if the taxpayer is not an individual)

11-04-2016

Fecha - Date

LR DEVELOPMENT INVESTMENT CORP.  
 Nombre del contribuyente o representante autorizado / Taxpayer's or duly authorized agent's name

Firmada Electrónicamente

Firma / Signature

Dirección del representante autorizado - Duly authorized agent's address

**Parte-Part IV Solicitud de Prórroga Automática - Request for Automatic Extension of Time**  
 Clase de contribuyente - Type of taxpayer

<input type="checkbox"/> 1. Individuo - Individual	<input type="checkbox"/> 2. Sucesión - Estate	<input type="checkbox"/> 3. Fideicomiso - Trust	3 meses months
<input checked="" type="checkbox"/> 4. Corporación - Corporation	<input type="checkbox"/> 9. Sociedad Especial - Special Partnership	<input type="checkbox"/> 10. Organización Sin Fines de Lucro - Not for Profit Organization	3 meses months
<input type="checkbox"/> 5. Corporación bajo el Programa de Incentivos Corporation de Puerto Rico - Corporation under the Puerto Rico Tax Incentives Program	<input type="checkbox"/> 11. Compañía Inscrita de Inversión - Registered Investment Company	<input type="checkbox"/> 12. Fideicomiso para Beneficio del Fideicomitente - Grantor Trust	3 meses months
<input type="checkbox"/> 6. Corporación Especial Propiedad de Trabajadores Employer-Owned Special Corporation	<input type="checkbox"/> 13. Corporación extranjera que no tiene oficina en Puerto Rico - Foreign corporation that does not have an office in Puerto Rico		3 meses months
<input type="checkbox"/> 7. Corporación de Individuos - Corporation of Individuals			3 meses months
<input type="checkbox"/> 8. Sociedad - Partnership			3 meses months
<input type="checkbox"/> 14. Marque aquí si es socio en una sociedad sujeta a tributación bajo el código de Rentas Internas Federal (Véanse instrucciones) Check here if you are a partner of a partnership subject to tax under the Federal Internal Revenue Code (See Instructions)			3 meses months
<input type="checkbox"/> 15. Fideicomiso de Empleados - Employee Trust			3 meses months
<input type="checkbox"/> 16. Persona sujeta a Ley 154-2010 - Person subject to Act 154-2010			3 meses months
<input type="checkbox"/> a. Corporación - Corporation <input type="checkbox"/> b. Individuo - Individual <input type="checkbox"/> c. Sociedad - Partnership <input type="checkbox"/> d. Sociedad a nombre de sus socios - Partnership on behalf of partners			3 meses months
<input type="checkbox"/> 17. Otros Contribuyentes - Other Taxpayers			3 meses months
<input type="checkbox"/> a. Formulario 482(C) - Form 482(C) <input type="checkbox"/> b. Formulario 4801(SC) - Form 4801(SC) <input type="checkbox"/> c. Formulario 4802(AI) - Form 4802(AI)			3 meses months

Decimoquinto (15) día del mes siguiente al cierre del año contributivo  
 Fifteenth (15) day of the month following the close of the taxable year

**Parte-Part V Solicitud de Prórroga Adicional (Véanse instrucciones) - Request for Additional Extension of Time (See Instructions)**

A. Si se encuentra fuera de Puerto Rico - If taxpayer is outside of Puerto Rico

Clase de contribuyente - Type of taxpayer:

<input type="checkbox"/> 1. Individuo - Individual	<input type="checkbox"/> 2. Sucesión - Estate	<input type="checkbox"/> 3. Fideicomiso - Trust	3 meses months
--	---	---	-------------------

B. Socios sujetos a Ley 154-2010 - Partners subject to Act 154-2010

<input type="checkbox"/> 1. Corporación - Corporation	<input type="checkbox"/> 2. Individuo - Individual		3 meses months
---	--	--	-------------------

ESTA PRORROGA NO EXTIENDE EL PAGO DE LA CONTRIBUCIÓN O CUALQUIER BALANCE PENDIENTE POR LO QUE CUALQUIER BALANCE PENDIENTE GENERARÁ INTERESES Y RECARGOS DESDE LA FECHA DE VENCIMIENTO DE LA PLANILLA. ES IMPORTANTE QUE COMPLETE TODOS LOS ENCASILLADOS.  
 THIS EXTENSION DOES NOT EXTEND THE TIME FOR THE TAXPAYMENT OR ANY INSTALLMENT THEREOF. THEREFORE, ANY BALANCE DUE WILL GENERATE INTERESTS AND SURCHARGES FROM THE DUE DATE OF THE RETURN. IT IS IMPORTANT THAT YOU COMPLETE ALL BOXES.

Número de Confirmación: 041120161020EDA6C57104820 Conservación/Dies (10) años - Retention: Ten (10) years

RADICADA

RADICADA

RADICADA

EXHIBIT  
3b

Formulario 480.2 Rev. 02.15

2014

ESTADO LIBRE ASOCIADO DE PUERTO RICO  
DEPARTAMENTO DE HACIENDA

2014

Planilla de Contribución sobre  
Ingresos de Corporaciones

PLANILLA ENMENDADA

AÑO CONTRIBUTIVO COMENZADO EL  
01 de Ene de 14 Y TERMINADO EL 31 de Dic de 14

Nombre del Contribuyente  
**L&R DEVELOPMENT & INVESTMENT CORP**

Dirección Postal  
**PO BOX 1951  
HATILLO PR 00659-0000**

Código Postal  
**00659-0000**

"Coloque el Sello de Goma (Label) aquí".

Número de Identificación Patronal  
**66-061657A**

Núm. de Registro del Departamento de Estado  
**130331**

Clave Industrial  
**233000**

Número de Registro de Comerciante  
**01289850018**

Número de Teléfono - Extensión  
**(787) 262-9191**

Localización de la Industria o Negocio Principal - Número, Calle, Pueblo  
**CARR 2 KM 87.7  
HATILLO, PR 00659**

Fecha de Incorporación  
**Día 21 / Mes 05 / Año 2002**

Lugar de Incorporación  
**SAN JUAN**

Tipo de Entidad

Indique si es miembro de un grupo de entidades relacionadas  
 Sí  No

Número de grupo

Naturaleza de la Industria o Negocio Principal (Ej. Ferretería, Cafetería, etc.)  
**DESARROLLADORES Y CONSTRUCCION**

Fecha de Incorporación

Tipo de Entidad

Marque el encasillado correspondiente, si aplica

Primera planilla  Última planilla

CAMBIO DE DIRECCIÓN

Sí  No

PLANILLA 2015

Español  Inglés

Indique si es miembro de un grupo de entidades relacionadas

Sí  No

Contratos con Organismos Gubernamentales

Sí  No

PLANILLA 2015

Español  Inglés

Correo Electrónico de Persona Contacto (E-mail)  
**ivanieves1@gmail.com**

Número de grupo

Parte I	1. Ingreso neto (o pérdida) de operaciones (De la Parte V, línea 54) .....	(1)	-3619	00
	2. Menos: Deducción por pérdida neta en las operaciones del año anterior (Someta detalle) .....	(2)	443145	00
	3. Ingreso neto (o pérdida) .....	(3)	-446764	00
Parte II	4. Menos: Dividendos o beneficios recibidos de corporaciones domésticas (Véanse instrucciones) .....	(4)		00
	5. Ingreso neto sujeto a contribución normal (Línea 3 menos línea 4) .....	(5)	-446764	00
	6. Menos: Deducción para fines de la contribución adicional (Marque aquí si viene del Modelo SC 2652 <input type="checkbox"/> ) .....	(6)	25000	00
	7. Ingreso neto sujeto a contribución adicional (Línea 5 menos línea 6) .....	(7)		00
Parte III	8. Contribución normal (Multiplique la línea 5 por: <input checked="" type="checkbox"/> 20% <input type="checkbox"/> 15% <input type="checkbox"/> 10%) .....	(8)		00
	9. Contribución adicional (Véanse instrucciones) .....	(9)		00
	10. Contribución Total (Sume líneas 8 y 9) .....	(10)		00
	11. Contribución Alternativa - Ganancias de Capital y Tasas Preferenciales (Anejo D Corporación, Parte VI, línea 47) .....	(11)		00
	12. Contribución Determinada (Línea 10 o 11, la que sea menor, siempre que la línea 11 sea mayor de cero) .....	(12)		00
	13. Recobro de crédito reclamado en exceso (Anejo B Corporación, Parte I, línea 23) .....	(13)		00
	14. Créditos contributivos (Anejo B Corporación, Parte II, línea 25) .....	(14)		00
	15. Responsabilidad contributiva antes de contribución alternativa mínima (Suma de las líneas 12 y 13 menos línea 14) .....	(15)		00
	16. Contribución alternativa mínima (Anejo A Corporación, Parte VI, línea 41) .....	(16)		00
	17. Contribución sobre monto equivalente a dividendo o distribución de beneficios (Modelo 66-2879) (Contribución sobre monto Equivalente a Dividendo, línea 11) .....	(17)		00
	18. Contribución sobre dividendo implícito (Véanse instrucciones) (Modelo 2877, Contribución sobre Dividendo Implícito, línea 11) .....	(18)		00
	19. Contribución sobre ingresos a tasas preferenciales bajo leyes especiales (Anejo D Corporación, Parte VII, línea 50) .....	(19)		00
	20. Contribución adicional sobre ingreso bruto (Véanse instrucciones) .....	(20)		00
	21. Contribución adicional sobre ingreso bruto en caso de negocio financiero (Véanse instrucciones) .....	(21)		00
	22. Responsabilidad Contributiva Total (Sume líneas 15 a la 21) .....	(22)		00
	23. Menos: Otros Pagos y Retenciones (Anejo B Corporación, Parte III, línea 11) .....	(23)		00
	24. Balance de contribución a pagar (Si la línea 22 es mayor que la línea 23, anote la diferencia aquí, de lo contrario, en la línea 26)			
	a) Contribución .....	(24a)		00
	b) Intereses .....	(24b)		00
	c) Recargos .....	(24c)		00
d) Total (Sume líneas 24(a) a la 24(c)) .....	(24d)		00	
25. Adición a la Contribución por Falta de Pago de la Contribución Estimada (Anejo T Corporación, Parte II, línea 21) .....	(25)		00	
26. Exceso de contribución pagada o retenida (Véanse instrucciones) .....	(26)		00	
27. Cantidad pagada con esta planilla (Sume líneas 24(d) y 25) (Véanse instrucciones) .....	(27)		00	
28. Contribución pagada en exceso (Sume líneas 22 y 25, menos línea 23. Indique la distribución de la línea 28 en línea A, B, C o D):				
A. Acreditar a la contribución estimada año 2015 .....	(28A)		00	
B. Aportación al Fondo Especial para el Estuario de la Bahía de San Juan .....	(28B)		00	
C. Aportación al Fondo Especial para la Universidad de Puerto Rico .....	(28C)		00	
D. A reintegrar .....	(28D)		00	

Período de Conservación: Diez (10) años

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Parte IV	1. Ventas netas.....	(1)	68679
	Menos: Costos de ventas o costos directos de producción		
	2. Inventario al comienzo del año <input checked="" type="checkbox"/> 1°C <input type="checkbox"/> 2°C o VM		
	(a) Materiales.....	(2a)	00
	(b) Artículos en proceso.....	(2b)	00
	(c) Artículos terminados o mercadería.....	(2c)	00
	3. Compra de materiales o mercadería.....	(3)	42340
	4. Jornales directos.....	(4)	00
	5. Otros costos directos (Detalle en Parte VI).....	(5)	00
	6. Total costo bienes disponibles para la venta (Suma líneas 2 a la 5).....	(6)	42340
	7. Menos: Inventario al finalizar el año <input checked="" type="checkbox"/> 1°C <input type="checkbox"/> 2°C o VM		
	(a) Materiales.....	(7a)	00
	(b) Artículos en proceso.....	(7b)	00
	(c) Artículos terminados o mercadería.....	(7c)	00
	8. Total de costos de ventas o costos directos de producción (Línea 6 menos línea 7).....	(8)	42340
	9. Ganancia bruta en venta o producción (Línea 1 menos línea 8).....	(9)	26339
	10. Ganancia neta de capital (Anejo D Corporación, Parte V, línea 28).....	(10)	00
	11. Ganancia neta (o pérdida) en la venta de propiedad que no sea activo de capital (Anejo D Corporación, Parte VIII, línea 5f).....	(11)	00
	12. Renta.....	(12)	00
	13. Intereses.....	(13)	00
	14. Ingreso por servicio o comisiones.....	(14)	00
	15. Dividendos de corporaciones: (a) Domésticas..... (b) Extranjeras.....	(15)	00
16. Participación distribuable en el ingreso neto de sociedades y sociedades especiales (Anejo R Corporación, Parte II, línea 14).....	(16)	00	
17. Beneficio tributable de agricultura (Anejo S Corporación, Parte I, línea 9).....	(17)	00	
18. Fletes y pasajes.....	(18)	00	
19. Ingresos misceláneos.....	(19)	00	
20. Total de ingresos (Suma líneas 9 a la 19).....	(20)	26339	
21. Menos: Cantidad exenta bajo Ley 135-2014 (Véanse instrucciones).....	(21)	00	
22. Total de ingreso después de la exención bajo la Ley 135-2014 (Línea 20 menos línea 21).....	(22)	26339	

		(A)	(B)
23. Compensación a oficiales (Véanse instrucciones Parte X).....	(23)	00	00
24. Sueldos, comisiones y bonificaciones a empleados (Véanse instrucciones).....	(24)	00	1502
25. Comisiones a negocios.....	(25)	00	00
26. Seguro social federal (FICA).....	(26)	00	186
27. Seguro de desempleo.....	(27)	00	90
28. Primas Fondo Seguro del Estado.....	(28)	00	00
29. Seguro médico o de hospitalización.....	(29)	00	00
30. Seguros.....	(30)	00	3793
31. Intereses (Véanse instrucciones).....	(31)	00	8278
32. Renta.....	(32)	00	00
33. Contribución sobre propiedad: (a) Mueble..... (b) Inmueble.....	(33)	00	00
34. Otras contribuciones, patentes y licencias (Véanse instrucciones).....	(34)	00	00
35. Pérdidas ocasionadas por fuego, huracán, otros siniestros o por robo (Véanse instrucciones).....	(35)	00	00
36. Gastos de automóviles (Millaje.....) (Véanse instrucciones).....	(36)	00	00
37. Gastos de otros vehículos de motor (Véanse instrucciones).....	(37)	00	3718
38. Gastos de comida y entretenimiento (Total.....) (Véanse instrucciones).....	(38)	00	00
39. Gastos de viajes.....	(39)	00	927
40. Servicios profesionales.....	(40)	00	00
41. Aportaciones a planes de pensiones u otros planes calificados (Véanse instrucciones, Someta Modelo SC 6042).....	(41)	00	00
42. Depreciación y amortización (Véanse instrucciones, Someta Anejo E).....	(42)	00	00
43. Deudas incobrables (Véanse instrucciones).....	(43)	00	00
44. Donativos (Véanse instrucciones).....	(44)	00	00
45. Reparaciones (Véanse instrucciones).....	(45)	00	4192
46. Regalías.....	(46)	00	00
47. Cargos de administración.....	(47)	00	00
48. Deducción a patronos que emplean personas impedidas (Véanse instrucciones).....	(48)	00	00
49. Aportaciones a cuentas de aportación educativa para los beneficiarios de sus empleados (Véanse instrucciones).....	(49)	00	00
50. Gastos en propiedades arrendadas a la Compañía de Fomento Industrial de Puerto Rico o almacén de la Compañía de Comercio y Exportación (Véanse instrucciones).....	(50)	00	00
51. Contribución adicional sobre ingreso bruto pagada en o antes de la radicación de la planilla (Véanse instrucciones).....	(51)	00	00
52. Otras deducciones (Véanse instrucciones).....	(52)	00	7272
53. Total de deducciones (Suma líneas 23 a la 52, Columnas A y B, respectivamente).....	(53)	00	29958
54. Ingreso neto (o pérdida) de operaciones del año (Línea 22 menos línea 53, Columna B. Traslade a la Parte I, línea 1).....	(54)		-3619

Parte VI	Partida		Partida		
	Importe	Importe	Importe	Importe	
1. Jornales, sueldos y bonificaciones.....	(1)	00	8. Reparaciones.....	(8)	00
2. Seguro social federal (FICA).....	(2)	00	9. Luz y agua.....	(9)	00
3. Seguro de desempleo.....	(3)	00	10. Renta.....	(10)	00
4. Primas Fondo Seguro del Estado.....	(4)	00	11. Depreciación (Someta Anejo E).....	(11)	00
5. Seguro médico o de hospitalización.....	(5)	00	12. Otros gastos (Someta detalle).....	(12)	00
6. Otros seguros.....	(6)	00	13. Total otros costos directos (Suma líneas 1 a la 12. Igual a la Parte IV, línea 5).....	(13)	00
7. Arbitrios / Impuesto sobre Uso.....	(7)	00			

Corporación - Estado de Situación Comparado

Activos	Al comenzar el año		Al terminar el año	
	Total		Total	
1. Efectivo en caja y bancos	2972	(1)	1322	(1)
2. Cuentas a cobrar	00	(2)	00	(2)
3. Menos: Reserva para cuentas incobrables	00	(3)	00	(3)
4. Inventarios	00	(4)	00	(4)
5. Otros activos corrientes	1315000	(5)	1305000	(5)
6. Obligaciones a cobrar	00	(6)	00	(6)
7. Inversiones	00	(7)	00	(7)
8. Activos depreciables	00	(8)	00	(8)
9. Menos: Reserva para depreciación	00	(9)	00	(9)
10. Terrenos	00	(10)	00	(10)
11. Otros activos a largo plazo	00	(11)	00	(11)
12. Total de Activos	1317972	(12)	1306322	(12)
<b>Pasivos y Capital</b>				
<b>Pasivos</b>				
13. Cuentas a pagar	4392	(13)	5250	(13)
14. Gastos incurridos y no pagados	00	(14)	00	(14)
15. Otros pasivos corrientes	00	(15)	00	(15)
16. Obligaciones a pagar a largo plazo	1726725	(16)	1717836	(16)
17. Otras obligaciones a largo plazo	00	(17)	00	(17)
18. Total de Pasivos	1731117	(18)	1723086	(18)
<b>Capital</b>				
19. Capital en acciones				
(a) Acciones preferidas	00	(19a)	00	(19a)
(b) Acciones comunes	30000	(19b)	30000	(19b)
20. Sobrante de capital	00	(20)	00	(20)
21. Ganancias retenidas	-443145	(21)	-446764	(21)
22. Reserva	00	(22)	00	(22)
23. Total de Capital	-413145	(23)	-416764	(23)
24. Total Pasivos y Capital	1317972	(24)	1306322	(24)

Reconciliación del Ingreso Neto (o Pérdida) según Libros con el Ingreso Neto Tributable (o Pérdida) según Planilla

1. Ingreso neto (o pérdida) según libros	-3619	(1)	7. Ingreso registrado en los libros este año no incluido en esta planilla (Detalle, use anejo si es necesario)	
2. Contribución sobre ingresos según libros	00	(2)	(a) Intereses exentos	
3. Exceso de pérdidas de capital sobre ganancias de capital	00	(3)	(b)	
4. Ingreso imponible no registrado en los libros este año (Detalle, use anejo si es necesario)		(4)	(c)	
(a)			(d)	
(b)			Total	00
(c)			8. Deducciones en esta planilla no llevadas contra el ingreso en los libros este año (Detalle, use anejo si es necesario)	
(d)			(a) Depreciación	
(e)			(b)	
(f)			(c)	
(g)			(d)	
(h)			Total	00
5. Gastos registrados en los libros este año no reclamados en esta planilla (Detalle, use anejo si es necesario)		(5)	9. Total (Sume líneas 7 y 8)	00
(a) Comida y entretenimiento (porción no reclamada)			10. Ingreso neto imponible (o pérdida) según planilla (Línea 6 menos línea 9)	-3619
(b) Depreciación				
(c) Vehículos de motor (en exceso del límite)				
(d) Embarcaciones, aeronaves y propiedad localizada fuera de P. R.				
(e) Gastos incurridos o pagados a accionistas, personas o entidades relacionadas				
(f)				
(g)				
(h)				
6. Total	-3619	(6)		

Análisis del Sobrante según Libros

1. Balance al comenzar el año	-443145	(1)	5. Distribuciones:	
2. Ingreso neto según libros	-3619	(2)	(a) Efectivo	
3. Otros aumentos (Detalle, use anejo si es necesario)		(3)	(b) Propiedad	
			(c) Acciones	
			6. Otras rebajas (Use anejo si es necesario)	
			7. Total (Sume líneas 5 y 6)	
4. Total (Sume líneas 1, 2 y 3)	-446764	(4)	8. Balance al finalizar el año (Línea 4 menos línea 7)	-446764

**Compensación a Oficiales**

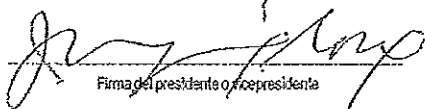
Nombre del oficial	Número de seguro social	Por ciento del tiempo dedicado a industria o negocio	Por ciento de las acciones poseídas		Compensación
			Comunes	Preferidas	
Total de compensación a oficiales (Traslada a la Parte V, línea 23)					

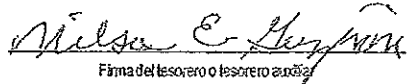
**Cuestionario**

<p>1. Si es una corporación extranjera, indique si la industria o negocio operó como sucursal ..... (1) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>2. Si es una sucursal, indique el por ciento que representa el ingreso de fuentes de Puerto Rico del total de ingreso de la corporación: ..... %</p> <p>3. ¿Mantuvo la corporación durante este año parte de sus récords en un sistema computadorizado? ..... (3) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>4. Los libros de la corporación están a cargo de:                  Nombre <u>L&amp;R DEVELOPMENT &amp; INVESTMENT CORP</u>                  Dirección <u>PO BOX 1951 HATILLO PR 00659</u>                  Correo electrónico (E-mail) _____                  Teléfono <u>(787) 262-9191</u></p> <p>5. Indique el método de contabilidad utilizado en los libros para propósitos contributivos: <input type="checkbox"/> Recibido y Pagado <input checked="" type="checkbox"/> Acumulación  <input type="checkbox"/> Otro (especifique): _____</p> <p>6. ¿Rindió la corporación los siguientes documentos?:                  (a) Declaración Informativa (Formularios 480.5, 480.6A, 480.6B) ..... (6a) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO                  (b) Comprobante de Retención (Formulario 499R-2/W-2PR) ..... (6b) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>7. Si el ingreso bruto de la entidad o del grupo controlado excede de \$3,000,000, ¿Sometió estados financieros auditados por un CPA con licencia de Puerto Rico? (7) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>8. Número de empleados durante el año: _____</p> <p>9. ¿Reclamó la corporación gastos relacionados con la titularidad, uso, mantenimiento y depreciación de:                  (a) Automóviles? ..... (9a) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO                  (b) Embarcaciones? ..... (9b) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO                  (1) ¿Derivó más del 80% de la totalidad de sus ingresos de actividades relacionadas exclusivamente con la pesca o transportación de pasajeros o de carga o arrendamiento? ..... (9c) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p>	<p>(c) Aeronaves? ..... (9c) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO                  (1) ¿Derivó más del 80% de la totalidad de los ingresos de actividades relacionadas exclusivamente con la transportación de pasajeros o de carga o arrendamiento? ..... (9c) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>(d) Propiedad residencial fuera de Puerto Rico? ..... (9d) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO                  (1) ¿Derivó más del 80% de la totalidad de sus ingresos de actividades relacionadas exclusivamente con el alquiler de propiedades a personas no relacionadas? ..... (9d) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>10. ¿Reclamó la corporación gastos relacionados con:                  (a) Alojamiento? (excepto empleados del negocio) ..... (10a) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO                  (b) Empleados que asistieron a convenciones fuera de Puerto Rico o los Estados Unidos? ..... (10b) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>11. ¿Distribuyó la corporación, durante el año contributivo, dividendos que no fueran en acciones o en liquidación en exceso de la ganancia corriente y acumulada? ..... (11) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>12. ¿Es la corporación socio de una sociedad especial? (Si es más de una, someta detalle) ..... (12) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO                  Nombre de la Sociedad Especial _____                  Número de identificación patronal _____</p> <p>13. ¿Recibió ingresos exentos? (Somete Anejo IE Corporación) ..... (13) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>14. Anote la cantidad correspondiente de donativos a municipios de la cantidad incluida en la Parte V, línea 44: _____</p> <p>15. Indique si pagó primas a aseguradores no autorizados ..... (15) <input type="checkbox"/> SI <input checked="" type="checkbox"/> NO</p> <p>16. Número de patrono otorgado por el Departamento del Trabajo y Recursos Humanos: _____</p> <p>17. Número de accionistas: _____</p>
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**JURAMENTO**

Nosotros, los suscribientes, presidente (o vicepresidente u otro oficial principal) y tesorero (o tesorero auxiliar), o agente de la corporación a nombre de la cual se hace esta planilla de contribución sobre Ingresos, cada uno por sí, bajo el más solemne juramento y so pena de perjurio, declaramos que hemos examinado la misma (incluyendo anejos y estados que la acompañan), y que según nuestro mejor conocimiento y creencia es una planilla exacta, correcta y completa, hecha de buena fe, de acuerdo con el Código de Rentas Internas de 2011, según enmendado, y sus Reglamentos.

  
 Firma del presidente o vicepresidente

  
 Firma del tesorero o tesorero auxiliar

Agente

**PARA USO DEL ESPECIALISTA SOLAMENTE**

Declaro bajo penalidad de perjurio que he examinado esta planilla (incluyendo los anejos y estados adjuntos), y a mi mejor conocimiento y creencia, los datos en la misma son ciertos, correctos y constituyen en conjunto una planilla exacta y completa. La declaración de la persona que prepara esta planilla es con relación a la información recibida y ésta puede ser verificada.

Nombre del especialista (Letra de molde)	Núm. de registro	Fecha	Marque aquí si es especialista por cuenta propia <input type="checkbox"/>
Nombre de la firma			
Firma del especialista	Dirección	Código postal	

**NOTA AL CONTRIBUYENTE**

Indique si hizo pagos por la preparación de su planilla:  SI  No. Si contestó "SI", elija la firma y el número de registro del Especialista.

Período de Conservación: Diez (10) años

Reproducido por Alm Corporation (almcorporation.net)

<b>Anejo A Corporación</b> Rev. 02.15	<b>CONTRIBUCION ALTERNATIVA MINIMA</b> Año contributivo comenzado el 01 de Ene de 14, y terminado el 31 de Dic de 14	<b>2014</b>
Nombre del contribuyente <b>L&amp;R DEVELOPMENT &amp; INVESTMENT CORP</b>		Número de Identificación Patronal <b>66-0616574</b>
<b>Parte I Ajustes en el Cómputo del Ingreso Neto Alternativo Mínimo Antes de Ajustes en los Libros y Pérdidas de Operaciones</b>		
1. Ingreso neto sujeto a contribución normal sin considerar la pérdida neta en operaciones de años anteriores y excluyendo la ganancia neta de capital que haya optado por tributar a las tasas especiales (Véanse instrucciones) ..... (1)		-3619
2. Ajustes: a. Depreciación flexible ..... (2a)		00
b. Ventas a plazos ..... (2b)		00
c. Contrato a largo plazo ..... (2c)		00
d. Gastos relacionados con intereses exentos ..... (2d)		00
e. Depreciación acelerada ..... (2e)		00
f. Total de ajustes (Suma líneas 2(a) a la 2(e)) ..... (2)		00
3. Ingreso neto alternativo mínimo antes de ajustes de la Parte II y la pérdida de operaciones (Suma líneas 1 y 2(f)) ..... (3)		-3619
<b>Parte II Ajuste por el Exceso del Ingreso Neto Ajustado según Libros sobre el Ingreso Neto Alternativo Mínimo Antes de Ajustes</b>		
4. Ingreso neto (o pérdida) según libros ..... (4)		00
5. Ajuste por amortización de plusvalía ..... (5)		00
6. Contribuciones sobre ingresos consideradas en los libros ..... (6)		00
7. Suma las líneas 4, 5 y 6 ..... (7)		00
8. Ingreso de intereses exentos neto de gastos relacionados ..... (8)		00
9. Dividendos y distribuciones de beneficios recibidos de corporaciones o sociedades domésticas, de ingresos de fomento industrial o de desarrollo turístico ..... (9)		00
10. Ingreso de fomento industrial, ingreso exento de desarrollo turístico, ingreso de negocio agrícola bona fide o ingreso de renta bajo la Ley 132-2010 ..... (10)		00
11. Ingreso (o pérdida) reconocido según el método de equidad ..... (11)		00
12. Reserva para pérdidas catastróficas ..... (12)		00
13. Ganancia neta de capital a largo plazo (Véanse instrucciones) ..... (13)		00
14. Suma líneas 8 a la 13 ..... (14)		00
15. Línea 7 menos línea 14 ..... (15)		00
16. Línea 15 menos línea 3. Si la línea 3 es mayor que la línea 15, anote cero ..... (16)		00
17. Ajuste por el exceso del ingreso neto ajustado según libros sobre el ingreso neto alternativo mínimo de la línea 3 (Multiplique la línea 16 por 60%) ..... (17)		00
<b>Parte III Cómputo del Ingreso Neto Alternativo Mínimo</b>		
18. Ingreso neto alternativo mínimo antes de pérdida neta en operaciones (Suma líneas 3 y 17) ..... (18)		00
19. Pérdida neta en operaciones de años anteriores para la determinación de la contribución alternativa mínima (No puede exceder del 80% de la línea 18) (Véanse instrucciones. Someta detalle) ..... (19)		00
20. Línea 18 menos línea 19 (Anote aquí la diferencia, pero no menos del 20% de la línea 18) ..... (20)		00
21. Cantidad exenta (Véanse instrucciones) ..... (21)		00
22. Ingreso neto alternativo mínimo (Línea 20 menos línea 21) ..... (22)		00
<b>Parte IV Cómputo de la Contribución Mínima Tentativa y del Crédito Alternativo Mínimo por Contribuciones Pagadas al Extranjero</b>		
23. Contribución mínima tentativa antes del crédito por contribuciones pagadas al extranjero (Multiplique la línea 22 por 30%) ..... (23)		00
24. Ingreso neto alternativo mínimo antes de la deducción por pérdida neta en operaciones (Línea 18) ..... (24)		00
25. Cantidad exenta permisible sin considerar la pérdida neta en operaciones (Véanse instrucciones) ..... (25)		00
26. Línea 24 menos línea 25 ..... (26)		00
27. Multiplique la línea 26 por 30% ..... (27)		00
28. Multiplique la línea 27 por 10% ..... (28)		00
29. Límite del crédito (Línea 23 menos línea 28) ..... (29)		00
30. Crédito alternativo mínimo por contribuciones pagadas al extranjero (Esta cantidad no podrá exceder la cantidad en la línea 29. Véanse instrucciones) ..... (30)		00
31. Contribución mínima tentativa neta del crédito por contribuciones pagadas al extranjero (Línea 23 menos línea 30. Traslade a la Parte VI, línea 37) ..... (31)		00

Rev. 02/15

L&R DEVELOPMENT & INVESTMENT CORP 609-61-6574

Arejo A Corporación - Página 2

Parte V		Cómputo de Gastos Pagados a una Persona Relacionada y Compras de Propiedad Mueble de una Persona Relacionada	
32.	Gastos incurridos o pagados a una persona relacionada y transferencia de costos o asignación de gastos de una oficina principal ("Home Office") localizada fuera de Puerto Rico a una sucursal ("Branch") dedicada a la industria o negocio en Puerto Rico (Esta línea es la suma de la línea 53, Columna A de la Parte V, página 2 de la planilla más línea 5(e) de la Parte VIII, página 3 de la planilla)...	(32)	00
33.	Multiplique la línea 32 por 20% .....	(33)	00
34.	Compras de propiedad mueble de una persona relacionada y transferencia de propiedad mueble de una oficina principal ("Home Office") localizada fuera de Puerto Rico a una sucursal ("Branch") dedicada a la industria o negocio en Puerto Rico .....	(34)	00
35.	Multiplique la línea 34 por 2% (Véanse instrucciones) .....	(35)	00
36.	Total de gastos pagados a una persona relacionada y compras de propiedad mueble de una persona relacionada (Sume líneas 33 y 35) .....	(36)	00
Parte VI		Cómputo de la Contribución Alternativa Mínima	
37.	Contribución mínima tentativa después del crédito alternativo mínimo por contribuciones pagadas al extranjero (Línea 31 de la Parte IV) .....	(37)	00
38.	Total de gastos pagados a una persona relacionada y compras de propiedad mueble de una persona relacionada (Línea 36 de la Parte V) .....	(38)	00
39.	Contribución mínima tentativa (Anoté la mayor entre líneas 37 y 38) .....	(39)	4333
40.	Contribución regular ajustada (Línea 10 de la Parte III, página 1 de la planilla) .....	(40)	00
41.	Contribución alternativa mínima (Línea 39 menos línea 40. Si la línea 40 excede la línea 39, anote cero, de lo contrario, anote la diferencia en el Formulario 480.2, página 1, Parte III, línea 16) .....	(41)	00

Periodo de Conservación: Días (10) años

Reproducido por Alin Corporation (alin corporation.net)



## Gastos Adicionales

L&R DEVELOPMENT & INVESTMENT CORP

660-61-6574

Desde el 01 de Ene del 2014 - Hasta el 31 de Dic del 2014

GASTOS DE OFICINA	\$	3915
UTILIDADES		2317
CARGOS BANCARIOS		291
MISCELANEOS		749

TOTAL OTROS GASTOS	\$	<u>7272</u>
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L&R DEVELOPMENT & INVESTMENT CORP.

PERDIDA ACUMULADA

AL 31 DE DICIEMBRE DE 2013

AÑO	GANANCIA (PERDIDA)	PERDIDA ACUMULADA
2012		(478,631)
2013	35,486	(443,145)



**L & R DEVELOPMENT & INVESTMENT CORP.  
DIP 16-08792 BKT**

**MONTHLY OPERATING REPORTS  
FROM NOVEMBER 1, 2016 TO JANUARY 31, 2017**

This Schedule is an integral part of Debtor's Disclosure Statement and Plan of Reorganization.

L & R DEVELOPMENT & INVESTMENT CORP.  
CASE NO. 16-08792 BKT  
CHAPTER 11  
MONTHLY OPERATING REPORTS  
FROM NOVEMBER 1, 2016 TO JANUARY 31, 2017

EXHIBIT 4

	November 2016	December 2016	January 2017	Petition to date
<b>Receipts:</b>				
Funds at beginning	\$343	\$343	\$343	\$343
Collections of Rents	900	900	1,800	3,600
Other Collections			536	536
<b>Total Receipts</b>	<b>900</b>	<b>900</b>	<b>2,336</b>	<b>4,136</b>
<b>Total cash Available</b>	<b>1,243</b>	<b>1,243</b>	<b>2,679</b>	<b>4,479</b>
<b>Cash Disbursements:</b>				
Bank Charges			3	3
Contract Labor				0
Insurance			532	532
Advertising				0
Manufacturing Supplies				0
Office Supplies				0
Professional Fees				0
Repairs & Maintenance	900	555	571	2,026
Secured Creditors payments				0
Taxes-Other				0
US Trustee Fees				0
Other Operating Expenses		345	27	372
	<b>900</b>	<b>900</b>	<b>1,133</b>	<b>2,933</b>
<b>Ending cash Balance</b>	<b>\$343</b>	<b>\$343</b>	<b>\$1,546</b>	<b>\$1,546</b>

Note :; As detailed in the monthly operating reports filed on case, Debtor has the following resources available for plan payments ;

Escrow funds in possession of third party	\$	968,000
Account Receivable	\$	300,000

This schedule is an integral part of Debtor's Disclosure Statement and Plan of Reorganization.

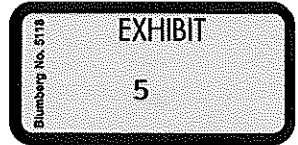
**L & R DEVELOPMENT & INVESTMENT CORP.  
DIP 16-08792 BKT**

**MONTHLY OPERATING REPORTS  
FROM NOVEMBER 1, 2016 TO JANUARY 31, 2017**

***ASSUMPTIONS AND BASIS FOR PREPARATION  
OF MONTHLY OPERATING REPORTS***

In order to properly describe Debtors operations and the basis for the projections the attached schedule summarizes all business transactions as previously reported in the Monthly Operating Reports from November 1, 2016 (petition date) to January 31, 2017 filed with the Bankruptcy Court. All amounts of Debtors' receipts and disbursements during the process of this bankruptcy case can be traced directly to the Monthly Operating Reports that have been filed.

As to the basis for presentation of Operating Reports, Debtors followed the format established by the United States Trustee Operating Guidelines, implemented in this Judicial District by the Regional Office. Debtor maintains its accounting records in the cash method of accounting. Actual receipts and disbursements have been reconciled with bank account activity evidence of which has been included in the Monthly Operating Reports filed.



**CLIENTE** : RIVERA-MUNICH, ELIZA & HERNANDEZ LAW OFFICES PÉ 323,657  
**RE** : L & R DEVELOPMENT/ 14-125/  
VANESSA RAMIREZ/ HIPOTECARIO/  
**FINCA** : Número 22,851, inscrita al folio 115 vuelto del tomo 368 de Hatillo.  
Registro de la Propiedad de Puerto Rico, Sección II de Arecibo.

**DESCRIPCIÓN:**

**RÚSTICA:** Parcela MCD 2 localizado en el Barrio Pueblo del término municipal de Hatillo, Puerto Rico, con una cabida de 14,980.6020 metros cuadrados y en lindes por el NORTE, con parcela MRDI y servidumbre de líneas eléctricas; por el SUR, con parcela a segregarse MKD3; por el ESTE, con servidumbre a faja de uso público; y por el OESTE, con Primitivo García.

De esta finca se ha segregado el solar número 1 de 1,300.00 metros cuadrados, sin que se haya descrito su remanente. De esta finca se encuentra presentados y pendientes de inscripción una serie de segregaciones de solares.

**ORIGEN REGISTRAL:**

Se segrega de la finca número 3,235, inscrita al folio 150 del tomo 367 de Hatillo.

**PLENO DOMINIO:**

Consta inscrito al folio 115 vuelto del tomo 368 de Hatillo, a favor de Wilfredo Toledo López y su esposa Zaida María Gómez Hernández, quienes lo adquirieron por compraventa de Sucesión García Amador, por precio de \$160,000.00, mediante la escritura número 184, otorgada en Hatillo, Puerto Rico, el día 25 de septiembre de 2002, ante el notario Reyes M. Ruiz Morales, finca número 22,851, inscripción 3ra.

**GRAVÁMENES:**

i. Por su procedencia está afecta a:

- a. Servidumbre a favor de la Autoridad de Energía Eléctrica de Puerto Rico.
- b. Condiciones restrictivas sobre edificación y uso.

ii. Por sí está afecta a:

Hipoteca en garantía de un pagaré a favor de Eurobank, o a su orden, por la suma principal de \$145,000.00, con intereses al 1% sobre el interés preferencial, crédito ejecutivo 10% del principal, constituida mediante la escritura número 101, otorgada en Manatí, Puerto Rico, el día 8 de noviembre de 2002, ante el notario Ismael Pérez Nieves, e inscrita al folio 115 vuelto del tomo 368 de Hatillo, finca número 22,851, inscripción 4ta., y última.

Continuación...  
Finca número 22,851

**LOS SIGUIENTES DOCUMENTOS SE ENCUENTRAN PRESENTADOS Y PENDIENTES DE DESPACHO:**

1. AL ASIEN TO 154 DEL DIARIO 295, se presentó el día 2 de junio de 2004, la escritura número 50, otorgada en Arecibo, Puerto Rico, el día 21 de mayo de 2004, ante el notario Norman E. Colón Báez, mediante la cual comparecen Wilfredo Toledo López y su esposa Zaida María Gómez Hernández, y segregan de ésta finca los solares marcados con el número 8 de 1,076.8066 metros cuadrados (**objeto de estudio**), solar número 9 de 1,088.2906 metros cuadrados (**objeto de estudio**), el solar número 10 de 1,156.2695 metros cuadrados y uso público de 3,073.7333 metros cuadrados, quedando un remanente de 7,285.58 metros cuadrados.

A continuación se describen el remanente los solares (8 y 9) segregados de la siguiente manera:

**REMANENTE:** Predio de terreno localizado en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con una caída superficial de 7,285.58 metros cuadrados, equivalentes a 1.8537 cuerdas. En lindes por el NORTE, con José M. García Llorens; por el SUR, con calle a dedicarse a uso público; por el ESTE, con calle a dedicarse a uso público, carretera municipal y José O. Vázquez y por el OESTE, con el solar número 8.

Por el mismo documento venden los solares 8 y 9 y el remanente a favor de L & R Development & Investment Corporation, por el precio de \$35,000.00, \$35,000.00 y \$310,500.00, respectivamente y retienen a su favor el solar número 10 con un valor de \$35,000.00 y el uso público en \$1,000.00, el cual se describe a continuación solar número 8.

Solar número 8: RUSTICA: Parcela localizada en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con una cabida superficial de 1076.8066 metros cuadrados, equivalentes a 0.2740 cuerdas. En lindes por el NORTE, con José M. García Llorens; por el SUR, con calle a dedicarse a uso público; ESTE, con remanente de la finca principal; y por el OESTE, con el solar número 9.

Solar número 9: RUSTICA: Parcela localizada en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con una cabida superficial de 1088.2906 metros cuadrados, equivalentes a 0.2769 cuerdas. En lindes por el NORTE, con José M. García Llorens; por el SUR, con la calle a dedicarse a uso público; por el ESTE, con solar número 8 y por el OESTE, con solar número 10.

Se acompaña Plano y Resolución de ARPE.

2. AL ASIEN TO 155 DEL DIARIO 295, se presentó el día 2 de junio de 2004, la escritura número 51, otorgada en Hatillo, Puerto Rico, el día 4 de mayo de 2004, ante el notario Norman E. Colón Báez, mediante la cual comparecen Wilfredo Toledo López y su esposa Zida María Gómez Hernández y ceden el uso público de 3,073.7333 metros cuadrados, a favor del Municipio de Hatillo.
3. AL ASIEN TO 1,668 DEL DIARIO 297, se presentó el día 1 de marzo de 2005, la escritura número 187, otorgada en Arecibo, Puerto Rico, el día 21 de octubre de 2004, ante el notario Rosanna Rivera Sánchez, mediante la cual comparece L & R Development & Investment Corporation, a constituir hipoteca sobre el remanente (**objeto de estudio**) en garantía de un pagaré a favor de R & G Premier Bank of Puerto Rico, o a su orden, por la suma principal de \$510,000.00, con intereses al 12% anual, vencerlo a la presentación.

Continuación...  
Finca número 22,851

4. AL ASIENTO 1,666 DEL DIARIO 297, se presentó el día 1 de marzo de 2005, la escritura número 185, otorgada en Arecibo, Puerto Rico, el día 21 de octubre de 2004, ante la notario Rossanna Rivera Sánchez, mediante la cual comparece L & R Development and Investment Corporation, a constituir hipoteca sobre el solar número 9 de 1088.2906 metros cuadrados (**objeto de estudio**) en garantía de un pagaré a favor de R & G Premier Bank of Puerto Rico, o a su orden, por la suma principal de \$75,000.00, con intereses al 12% anual, vencerlo a la presentación.
5. AL ASIENTO 1,667 DEL DIARIO 297, se presentó el día 1 de marzo de 2005, la escritura número 186, otorgada en Arecibo, Puerto Rico, el día 21 de octubre de 2004, ante la notario Rosanna Rivera Sánchez, mediante la cual comparece L & R Development & Investment Corporation, a constituir hipoteca sobre el solar número 8 de 1076.8066 metros cuadrados (**objeto de estudio**) en garantía de un pagaré a favor de R & G Premier Bank of Puerto Rico, o a su orden, por la suma principal de \$75,000.00, con intereses al 12% anual, vencerlo a la presentación.
6. AL ASIENTO 1,216 DEL DIARIO 308, se presentó el día 18 de marzo de 2008, la escritura número 33, otorgada en Arecibo, Puerto Rico, el día 11 de marzo de 2008, ante la notario Maribel G. Rubio Bello, mediante la cual se constituye hipoteca en garantía de un pagaré a favor de La Cooperativa de Ahorro y Crédito de Arecibo, o a su orden, por la suma principal de \$395,025.00, (sobre solar número 5 de 1042.3545 metros cuadrados (**objeto de estudio**)).

**NOTA: Datos tomados del Diario de Presentación, por no encontrarse disponible el documento al momento de realizar este estudio.**

7. AL ASIENTO 134 DEL DIARIO 309, se presentó el día 11 de abril de 2008, la escritura número 36, otorgada en Arecibo, Puerto Rico, el día 11 de marzo de 2008, ante la notario Maribel G. Rubio Bello, mediante la cual comparecen LR Development & Investment Corporation, segrega para sí los solares número 5 y 6 (**objetos de estudio**), con valor de \$412,000.00 y \$424,000.00. Quedando remanente de 5,189.307 metros cuadrados.

A continuación se describen los solares (5 y 6) segregados y remanente de la siguiente manera:

Solar número 5. **RÚSTICA:** Parcela localizada en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con cabida superficial de 1,042.3545 metros cuadrados. En lindes por el **NORTE**, en 21.577 metros, con Miguel Ángel García Molinari; por el **SUR**, en 21.570 metros, con la calle dedicada a uso público; por el **ESTE**, en 48.059 metros, con el solar número 4; y por el **OESTE**, en 48.590 metros, con solar número 6 a segregarse.

Solar número 6. **RUSTICA:** Parcela localizada en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con una cabida superficial de mil cero cincuenta y tres punto ocho tres ocho cinco metros cuadrados. En lindes por el **NORTE**, en una distancia de veintiuno punto cinco siete siete metros con Miguel Ángel García Molinari; por el **SUR**, en una distancia de veintiuno punto cinco siete cero metros con calle dedicada a uso público; por el **ESTE**, en una distancia de cuarenta y ocho punto cinco nueve cero metros con el solar cinco (5) a segregarse; y por el **OESTE**, en una distancia de cuarenta y nueve punto uno dos tres metros con solar siete (7) a segregarse.

**RUSTICA:** Predio de terreno localizado en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico, con una cabida superficial de cinco mil ciento ochenta y nueve punto trescientos siete metros cuadrados. En lindes por el **NORTE**, con José M. García Llorens; por el **SUR**, con calle a dedicarse a uso público; por el **ESTE**, con calle a dedicarse a uso público carretera municipal y José O. Vázquez; por el **OESTE**, con el solar número ocho (8).



Continuación...

Finca número 22,851

Por el propio documento se liberan los solares de la hipoteca que grava la finca por la suma de \$510,000.00.

8. AL ASIEN TO 228 DEL DIARIO 309, se presentó el día 17 de abril de 2008, la escritura número 3, otorgada en Hatillo, Puerto Rico, el día 17 de marzo de 2008, ante el notario Manuel A. Guzmán González, mediante la cual comparece L & R Development & Investment Corporation, a constituir restricciones y condiciones restrictivas de edificación y uso sobre los solares número 8 y 9 y el 5 y 6 (objetos de estudio).
9. AL ASIEN TO 1,354 DEL DIARIO 309, se presentó el día 30 de junio de 2008, la escritura número 5, otorgada en Arecibo, Puerto Rico, el día 18 de abril de 2008, ante el notario Manuel A. Guzmán González, mediante la cual comparece L & R Development & Investment Corporation, vende el solar número 5 de 1,042.7545 metros cuadrados (objeto de estudio) a favor de Jorge Gines Seda y su esposa Uldamar Martínez Gerena, por el precio de \$475,000.00.
10. AL ASIEN TO 1,355 DEL DIARIO 309, se presentó el día 30 de junio de 2008, la escritura número 40, otorgada en Arecibo, Puerto Rico, el día 18 de abril de 2008, ante el notario Luis Sevillano Sánchez, mediante la cual comparecen Jorge Gines Seda y su esposa Uldamar Martínez Gerena, a constituir hipoteca sobre el solar número 5 de 1,042.3545 metros cuadrados (objeto de estudio) en garantía de un pagaré a favor de R & G Premier Bank of Puerto Rico, o a su orden, por la suma principal de \$424,650.00, con intereses al 6.875% anual, vencerlo el día 1 de mayo de 2038.
11. AL ASIEN TO 790 DEL DIARIO 310, se presentó el día 4 de septiembre de 2008, la escritura número 146, otorgada en San Juan, Puerto Rico, el día 7 de agosto de 2008, ante el notario Vivian S. Alfonso Rivera, sobre cancelación de hipoteca por la suma de \$145,000.00, que grava ésta finca.
12. AL ASIEN TO 522 DEL DIARIO 313, se presentó el día 17 de agosto de 2009, Sentencia de divorcio Caso Civil CDI-2009-0035 del 29 de junio de 2009 en el Tribunal de Primera Instancia, Sala de Arecibo, mediante la cual se inscribe la participación de Jorge Alberto Gines Seda a favor de Uldamar Martínez Gerena en esta finca, con valor de \$475,000.00, (sobre el solar número 5 de 1,042.3545 m/c (objetos de estudio).
13. AL ASIEN TO 868 DEL DIARIO 316, se presentó el día 10 de noviembre de 2010, Orden de Embargo, Caso Civil CD2008-1023, sobre Cobro de Dinero del 12 de abril de 2010, seguido en el Tribunal de Primera Instancia, Sala de Camuy, por Droguera Central, Inc., contra Jorge Gines Seda y su esposa Uldamar Martínez Gerena, por la suma de \$54,841.60, sobre el solar número 5 de 1,042.3545 metros cuadrados (objeto de estudio).

**OBSERVACIÓN:**

- a. Embargo Federal, contra Jorge A. Gines Seda, seguro social patronal número 66-0582519, por la suma de \$16,175.60, notificación número 419162808, presentado el día 13 de febrero de 2008 y anotado al folio 193, Asiento 2, del libro de Embargos Federales número 3.
- b. Embargo Federal, contra Jorge A. Gines Seda, seguro social patronal número 66-0582519, por la suma de \$5,980.37, notificación número 495787108, presentado el día 4 de diciembre de 2008 y anotado al folio 228, Asiento 4, del libro de Embargos Federales número 3.
- c. Embargo Federal, contra Jorge A. Gines Seda, seguro social patronal número 66-0582519, por la suma de \$1,445.00, notificación número 504023408, presentado el día 21 de enero de 2009, anotado al folio 235, Asiento 3, del libro de Embargos Federales número 3.

Continuación...

Finca número 22,851

- d. Embargo Federal, contra Jorge A. Gines Seda, seguro social patronal número 66-0582519, por la suma de \$95.80, notificación número 929493613, presentado el día 11 de abril de 2013 y anotado al folio 161, Asiento 3, del libro de Embargos Federales número 4.

**NOTA: No podemos precisar que la persona embargada y el comprador del solar número 5 en el Asiento 1,354 del diario 309 sean la misma persona.**

- e. Sentencia de fecha 20 de octubre de 2011, expedida en el Tribunal de Primera Instancia, Sala de Hatillo, en el Caso Civil Número CFD 2010-0088, sobre Cobro de Dinero, seguido por Security Max & Investigation Corporation, contra LR Development Investment Corporation, por la suma de \$100,000.00, presentado el 7 de marzo de 2013 y anotado el 3 de marzo de 2013 al folio 33 del Libro de Sentencia Número 3.
- f. Embargo Ley 12 de fecha 17 de septiembre de 2015, contra LR Development Investment Corp., por la suma de \$11,975.33, ARE 15-1437, certificado el 1 de septiembre de 2015, presentado el 17 de septiembre de 2015, inscrito al folio 23, Orden 67 del tomo 4.

**NOTA: No podemos precisar que la entidad en sentencia y embargada y el comprador en el Asiento 154 del Diario 295 sean la entidad.**

**REVISADOS:**

Registro de Embargos del ELA, incluyendo los de la Ley número 12 del día 20 de enero de 2010; Contribuciones Federales; Sentencias 9:00 am; Bitácora Ágora, Electrónica y Sistema Karibe a las 8:00 am.

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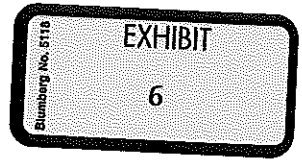
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Capital Title Services, Inc.

POR: Ramón F. Gómez Marcos

3 de febrero de 2017

GL/cf



**CLIENTE** : RIVERA-MUNICH, ELIZA & HERNANDEZ LAW OFFICES PÉ 323,662

**RE** : L&R DEVELOPMENT & INVESTMENT CORPORATION/ 14-125/  
VANESSA RAMIREZ/ HIPOTECARIO/

**FINCA** : Número 22,852, inscrita al folio 120 del tomo 368 de Hatillo.  
Registro de la Propiedad de Puerto Rico, Sección II de Arecibo.

**DESCRIPCIÓN:**

**RÚSTICA:** Parcela MKD-3, localizada en el Barrio Pueblo del Municipio de Hatillo, Puerto Rico. Tiene una cabida de 14,980.7366 metros cuadrados. Linda por el NORTE, con parcela MKD-2 y servidumbre; por el SUR, con Sucesión de Ovidio García Molinary y servidumbre; por el ESTE, con servidumbre; y por el OESTE, con Primitivo García.

Segregados sin que se describe remanente los siguientes solares: solar 1 de 1369.660 metros cuadrados, finca número 26,121; solar 2 de 1133.611 metros cuadrados, finca número 26,122; solar 3 de 1272.752 metros cuadrados, finca número 26,123; solar 9 de 1279.594 metros cuadrados, finca número 26,124 y solar 10 de 1273.632 metros cuadrados, finca número 26,125.

**ORIGEN REGISTRAL:**

Se segrega de la finca número 3,235, inscrita al folio 150 del tomo 367 de Hatillo.

**PLENO DOMINIO:**

Consta inscrito al tomo karibe de Hatillo, a favor de LR Development & Investment Corporation, cuya entidad lo adquirió por compraventa de Dennis Saul Montalvo Cruz, por precio de \$190,000.00, mediante la escritura número 54, otorgada en Arecibo, Puerto Rico, el día 31 de mayo de 2004, ante el notario Norman E. Colón Báez, finca número 22,852, inscripción 5ta.

**GRAVÁMENES:**

- i. Por su procedencia está afecta a:
  - a. Servidumbre a favor de la Autoridad de Energía Eléctrica de Puerto Rico.
  - b. Condiciones restrictivas sobre edificación y uso.
- ii. Por sí está:
  - a. Hipoteca en garantía de un pagaré a favor de RG Premier Bank of Puerto Rico, o a su orden, por la suma principal de \$540,000.00, con intereses al 12% anual, venciendo a la presentación, constituida mediante la escritura número 189, otorgada en Arecibo, Puerto Rico, el día 28 de octubre de 2004, ante la notario Rosana Rivera Sánchez, e inscrita al tomo karibe de Hatillo, finca número 22,852, inscripción 6ta.
  - b. Condiciones restrictivas de uso y edificación, mediante la escritura número 8, otorgada en Hatillo, Puerto Rico, el día 1 de febrero de 2006, ante el notario Román A. Amador López, e inscrito al tomo karibe de Hatillo, finca número 22,852, inscripción 7ma., y última.

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Continuación...  
Finca número 22,852

**OBSERVACION:**

- a. Embargo Ley 12 de fecha 17 de septiembre de 2015, contra LR Development Investment Corp., por la suma de \$11,975.33, ARE 15-1437, certificado el 1 de septiembre de 2015, presentado el 17 de septiembre de 2015, inscrito al folio 23 del tomo 4, Orden 67.
- b. Sentencia de fecha 20 de octubre de 2011, expedida en el Tribunal de Primera Instancia, Sala de Hatillo, en el Caso Civil Número CFD 2010-0088, sobre Cobro de Dinero, seguido por Security Max & Investigation Corporation, contra LR Development Investment Corporation, por la suma de \$100,000.00, presentado el 7 de marzo de 2013 y anotado el 3 de marzo de 2013 al folio 33 del Libro de Sentencia Número 3.

No podemos precisar que la persona embargada y el titular en esta finca sean la misma persona.

**REVISADOS:**

Registro de Embargos del ELA, incluyendo los de la Ley número 12 del día 20 de enero de 2010; Contribuciones Federales; Sentencias a las 8:20 a.m.; Bitácora Ágora; Electrónica y Sistema Karibe hasta el Asiento 2017-011057-AR02 a las 8:00 a.m.

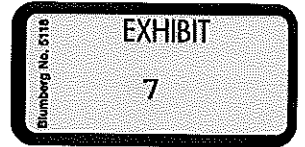
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Capital Title Services, Inc.

POR: Ramón F. Gómez Marcos  
2 de febrero de 2017  
GL/ssn/f



**CLIENTE** : RIVERA-MUNICH, ELIZA & HERNANDEZ LAW OFFICES PÉ 323,663

**RE** : L&R DEVELOPMENT & INVESTMENT CORPORATION/ 14-125/  
VANESSA RAMIREZ/ HIPOTECARIO/

**FINCA** : Número 2,948, inscrita al folio 124 del tomo 180 de Cataño.  
Registro de la Propiedad de Puerto Rico, Sección IV de Bayamón.

**DESCRIPCIÓN:**

**URBANA:** Solar radicado en el Barrio de Cataño del término municipal de Bayamón, Puerto Rico, área de 1,322.00 metros cuadrados. Colinda por el NORTE, en 21.00 metros, con alineación establecida por el Departamento del Interior para el lado Sur de la Carretera de Cataño a Bayamón, enclavada en la zona marítima; por el SUR, en 24.40 metros, con una zona de terreno reservado para Calle Marginal a lo largo de la ensenada de Cataño; por el ESTE, en 58.12 metros, con solar ocupado por Sualdialio Charbonier, hoy por Josefa Mas; y por el OESTE, en 58.52 metros, con una zona de terreno reservada para el Gobierno Insular para Calle, la cual se encuentra ocupada por Gerónimo Plaza.

**PLENO DOMINIO:**

Consta inscrito al folio 124 del tomo 180 de Cataño, a favor de L&R Development & Investment Corporation, cuya entidad adquirió por compraventa de Sterling Auctioneers, Inc., por precio de \$600,000.00, mediante la escritura número 82, otorgada en San Juan, Puerto Rico, el día 19 de septiembre de 2006, ante el notario Ramón A. Amador López, finca número 2,948, inscripción 17ma.

**GRAVÁMENES:**

i. Por su procedencia está:

LIBRE DE CARGAS.

ii. Por sí está afecta a:

Hipoteca en garantía de un pagaré a favor de R-G Premier Bank of Puerto Rico, o a su orden, por la suma principal de \$639,500.00, con intereses al 12% anual, venciendo a la presentación, constituida mediante la escritura número 90, otorgada en San Juan, Puerto Rico, el día 19 de septiembre de 2006, ante la notario Blanca Alexandra Landrón Baralt, e inscrita al folio 124 del tomo 180 de Cataño, finca número 2,948, inscripción 17ma.

**REVISADOS:**

Registro de Embargos del ELA, incluyendo los de la Ley número 12 del día 20 de enero de 2010; Contribuciones Federales; Sentencias; Bitácora Ágora; Electrónica y Sistema Karibe.

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Continuación....

Finca número 2,948

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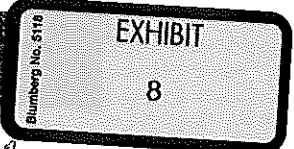
Capital Title Services, Inc.

POR: Ramón F. Gómez Marcos

2 de febrero de 2017

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COMPRAVENTA Y CONSTITUCION DE HIPOTECA, y en tal virtud libremente:-----

----- EXPONEN -----

--- PRIMERO: Que LA PARTE VENDEDORA es dueña en pleno dominio de las propiedades que se describen a continuación: -----

--- PROPIEDAD A: URBANA: SOLAR Y CASA en la Carretera del Barrio de Cataño de Bayamón, Puerto Rico, compuesto de cinco metros por su frente y veinte de fondo y la casa es de madera con techo de zinc, de cinco varas de frente por siete de fondo, colindante por el ESTE con Narciso Rojas, hoy Antonio Rodríguez; por el OESTE con Sandalío Charbonier;; por el NORTE con la Carretera de Cataño a Bayamón y por el SUR con el Manglar.-----

---Dicha propiedad consta inscrita al folio número noventa y nueve del tomo número veintidós, finca número novecientos setenta y dos (972) de Bayamon-Cataño, Sección Segunda de Bayamón del Registro de la Propiedad de Bayamón.-----

---PROPIEDAD B: URBANA: SOLAR radicado en el Barrio de Cataño del término municipal de Cataño, Puerto Rico, compuesto de CIENTO OCHENTA Y SIETE METROS CUADRADOS de superficie y cuya descripción es como sigue: Colinda por el NORTE en cinco metros con dos alineaciones de veinte y dieciséis metros con solar de Juan Abreu y Montilla; por el SUR , en cinco metros, con la Ensenada o Caño de Cataño y por el OESTE en treinta y seis metros con Josefa Más y Díaz.-----

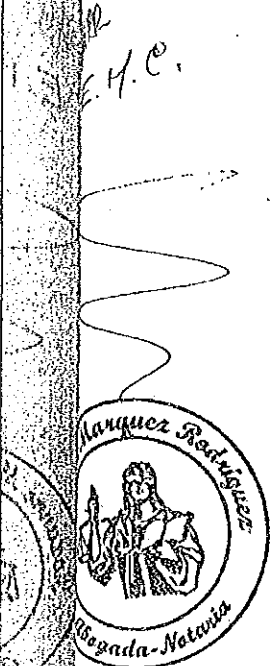
--- Dicha propiedad consta inscrita al folio doscientos cuarenta y nueve (249) del tomo catorce (14) de Cataño, Puerto Rico, finca número novecientos quince (915), sección segunda de Bayamón del Registro de la Propiedad de Puerto Rico.-----

---SEGUNDO: La parte vendedora adquirió la antes descrita propiedad a través de la escritura de Compraventa número diecinueve (19) otorgada el día treinta y uno (31) de octubre del año dos mil (2000), en Cataño, Puerto Rico ante la Notaria Helen Santos.-----

----- CARGAS Y/O GRAVAMENES -----

--- TERCERO: La antes descrita propiedad se encuentra afectá a las siguientes cargas y/o gravámenes: -----

--- CUARTO: Que los comparecientes tienen convenida la compraventa de la propiedad descrita en el párrafo primero de ésta escritura y la llevan a efecto bajo las siguientes: -----



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-----CLAUSULAS Y CONDICIONES-----

---Una: La parte Vendedora por medio del presente otorgamiento vende, cede y traspasa a favor de la parte Compradora, la propiedad descrita en el apartado primero de esta escritura con todos sus usos, anexos, servidumbre y edificaciones, sin reservas ni limitaciones de clase alguna, libre de cargas y/o gravámenes, obligándose a la evicción y saneamiento de lo vendido conforme a derecho.

---Dos: La parte vendedora garantiza que tiene título bueno y limpio sobre la propiedad que es objeto de esta compraventa, que tiene facultades para este otorgamiento y que acepta todas las obligaciones que le impone el Código Civil de Puerto Rico como tal parte Vendedora.

---Tres: Se aclara que los solares objeto del presente negocio jurídico han sido mensurados por el agrimensor Jose I. Viruet Ramos con licencia 16094 contratado por la parte compradora y surge del plano de mensura que el conjunto de solares arroja una cabida de 525.094 metros cuadrados. La diferencia en cabida no surge de la descripción que consta en el Registro de la Propiedad. Los vendedores ceden cualquier derecho en el exceso de cabida a favor de los compradores y advierten la necesidad de llevar a cabo un procedimiento de Expediente de Dominio por el exceso que sobrepasa el 20%, en el Tribunal Superior correspondiente.

---Cuatro: Efectuase esta compraventa por el convenio y ajustado precio de DOSCIENTOS MIL DOLARES (\$200,000.00), de cuya cantidad la parte Vendedora recibe en este acto y en mi presencia de manos de la parte Compradora, la suma de CUARENTA MIL DOLARES (\$40,000.00) y el remanente o sea la suma de ciento sesenta mil dólares (\$160,000.00) serán satisfechos en cuatro (4) plazos de cuarenta mil dólares

*H.C.*  




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(\$40,000.00) cada uno , los cuales se efectuaran de la siguiente manera: cuarenta mil dólares (\$40,000.00) durante el primero (1) de mayo de dos mil siete (2007), cuarenta mil dólares (\$40,000.00) el día primero (1) de noviembre de dos mil siete (2007), cuarenta mil dólares (\$40,000.00) el día primero de mayo de dos mil ocho (2008) y cuarenta mil dólares el día primero (1) de noviembre de dos mil ocho (2008), la cual estará garantizada por un Pagare Hipotecario el cual describiremos a continuación:-----

----- PAGARE -----

---VALOR: CIENTO SESENTA MIL DOLARES (\$160,000.00 ). --

---VENCIMIENTO: DOS (2) AÑOS -----

--- Por valor recibido me obligo a satisfacer solidariamente a la señora María Emilce Cardona Sánchez, *U/c/c* Emily Mateus, en o antes de la fecha de su vencimiento, la cantidad de CIENTO SESENTA MIL DOLARES (\$160,000.00), los cuales se efectuaran en cuatro (4) plazos de cuarenta mil dólares (\$40,000.00) cada uno de la siguiente manera: cuarenta mil dólares (\$40,000.00) durante el primero (1) de mayo de dos mil siete (2007), cuarenta mil dólares (\$40,000.00) el día primero (1) de noviembre de dos mil siete (2007), cuarenta mil dólares (\$40,000.00) el día primero de mayo de dos mil ocho (2008) y cuarenta mil dólares el día primero (1) de noviembre de dos mil ocho (2008)-----

--- La presente obligación no devengará intereses, siempre y cuando los pagos sean efectuados puntualmente en o antes de la fecha de su vencimiento anual, de no pagarse puntualmente, la presente obligación devengará intereses a razón de un 5% anual hasta su total vencimiento y podrá declararse vencida desde el primer incumplimiento.-----

--- El compareciente se compromete además, a pagar a la señora María Emilce Cardona Sánchez, *U/c/c* Emily Mateus, el por ciento veinte en el mercado al momento del incumplimiento y luego del incumplimiento de pago durante el término pactado y para la indemnización por concepto de costas, gastos y honorarios de abogado del acreedor en caso de reclamación judicial, siendo dicha cantidad reclamable mediante la mera radicación de una reclamación judicial en un Tribunal de Jurisdicción competente.-----

--- Renuncio a todo derecho de aviso, presentación en caso de incumplimiento de cualquiera de los términos de este pagaré.-----

--- Me someto además a la jurisdicción de los Tribunales de Justicia que elija el acreedor en caso de reclamación judicial.-----

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--- En Cataño, Puerto Rico, a 14 de noviembre de 2006.-----

**LR DEVELOPMENT & INVESTMENT CORPORATION**, representada en este acto por su vice- presidente **Hector Noel Román Ramos**

Affidavit Número: 26,355

**JURADO Y SUSCRITO**, ante mí por Héctor Noel Román Ramos, en representación de LR Development & Investment Corporation, seguro social número 583-04-6935, mayor de edad, casado, Desarrollador y vecino de Camuy, Puerto Rico, a quien DOY FE de conocer personalmente.-----

En Cataño, Puerto Rico, a 15 de noviembre de 2006.-----

**JOSE LUIS CUMBAS TORRES**  
Notario Público

Firmado: **JOSE LUIS CUMBAS TORRES**-----  
-----Notario Publico-----

---Tiene estampado el sello del Notario Autorizante.-----

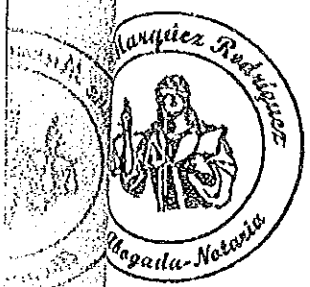
---Concuerda bien fielmente con el original que he tenido a la vista y al que me remito.-----

---Cinco: Con el propósito de garantizar el pago del principal de la obligación antes relacionada ascendente a la suma total de **CIENTO SESENTA MIL DÓLARES (\$160,000.00)** sin intereses y la suma de **MIL SEISCIENTOS (\$1,600.00)** para costas, gastos y honorarios de abogado en caso de reclamación judicial, los deudores hipotecarios constituyen hipoteca voluntariamente sobre el inmueble descrito en el apartado primero de ésta escritura.-----

---Seis: En adición a los pagos antes obligados el Deudor se reserva el derecho de hacer abonos al principal antes del vencimiento del pagaré descrito anteriormente.-----

--- Siete: Igualmente tendrá derecho el tenedor a declarar vencida la deuda en su totalidad y proceder a su cobro por la vía judicial en caso de que el deudor dejare de pagar al acreedor; si dejare de pagar por un periodo mayor de treinta (30) días luego de haber sido puesto al cobro cualquier recibo de contribución territorial; si los deudores se acogieran a algún procedimiento provisto por la

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Ley de Quiebras Federal; o si incumplieran con cualesquiera otras condiciones de las contenidas en este acuerdo.-----

--- QUINTO: Los términos portador, acreedor y tenedor en esta escritura significan también sus plurales según sea el caso. -----

---SEXTO: Para el caso de la primera subasta que haya que celebrarse en caso de ejecución, se tasa la propiedad hipotecada en la suma de CIENTO SESENTA MIL DÓLARES (\$160,000.00).-

----- ACEPTACIÓN Y ADVERTENCIAS -----

--- Los comparecientes aceptan esta escritura en todas sus partes por ser fiel exponente de sus instrucciones, habiéndoles hecho YO, la Notaria, las advertencias legales pertinentes al caso.-----

----- LECTURA Y OTORGAMIENTO -----

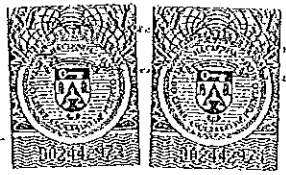
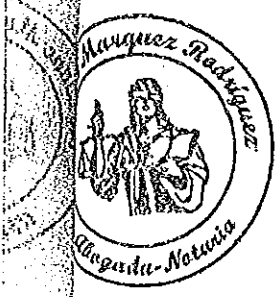
--- Los comparecientes aceptan ésta escritura en todas sus partes por ser fiel exponente de sus instrucciones.-----

---Así lo dicen y otorgan ante mí los comparecientes, luego de haber renunciado al derecho que les advertí tenían de requerir la presencia de testigos instrumentales.-----

--- Leída en alta voz esta escritura a los otorgantes por mí, la fedataria y también personalmente por ellos, en la misma se ratifican y fijan sus iniciales al margen izquierdo de todos y cada uno de los folios de esta escritura firman ante mí, la Notaria, que de todo lo consignado anteriormente en este instrumento público,

DOY FE.-----

*E. H. C.*



*[Handwritten signatures]*  
*Quiero*  
*[Signature]*

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**CERTIFICACION DE RESOLUCION CORPORATIVA  
L & R DEVELOPMENT & INVESTMENT CORPORATION**

D. CARMEN PEREZ FELICIANO, mayor de edad, con seguro social 348-70-0293, casada, y vecina de Camuy, Puerto Rico, y en carácter de Secretaria de la Junta de Directores de la Corporación "LR DEVELOPMENT & INVESTMENT CORPORATION." con seguro social patronal por la presente, CERTIFICO:

1- Que soy la Secretaria de la Junta de Directores de "LR DEVELOPMENT & INVESTMENT CORPORATION", una corporación doméstica organizada y funcionando al amparo de las leyes de Puerto Rico, y como tal, custodio de los récords y Sello Oficial de la Corporación.

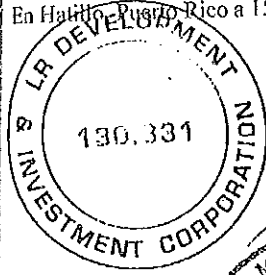
2- Que en reunión extraordinaria celebrada el 9 de noviembre de 2006, previa convocatoria al efecto, habiendo presente en todo momento el Quórum necesario, se presentó, se secundó y se aprobó por unanimidad de los directores la siguiente RESOLUCION, la cual no ha sido revocada ni modificada.

**RESOLUCION**

Por la presente se resuelve por esta Junta de Directores de la Corporación LR DEVELOPMENT & INVESTMENT CORPORATION autorizar a HECTOR NOEL ROMAN RAMOS, con seguro social número [redacted], mayor de edad, casado, vecino de Camuy, Puerto Rico, para que comparezcan y otorguen escrituras públicas y documentos relacionados con aceptación de Hipotecas Voluntarias, cancelaciones de Hipotecas, Cesiones, Compraventa, Permutas, Actas, Subordinaciones y cualquier instrumento oficial que este relacionado con la Corporación de acuerdo a las leyes, reglamentos y estatutos que rigen la Corporación LR DEVELOPMENT & INVESTMENT CORPORATION.

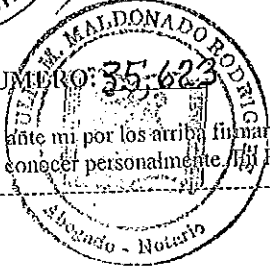
Por lo anteriormente expresado, firmo el presente documento, al cual le imprimo el Sello de L & R DEVELOPMENT & INVESTMENT CORPORATION.

En Hatillo, Puerto Rico a 15 de noviembre de 2006.



*Carmen Perez Feliciano*  
CARMEN PEREZ FELICIANO

AFFIDAVIT NUMERO: 35-623



---Jurado y sucrito ante mi por los arriba firmantes de las circunstancias antes expresadas, a quienes doy fe de conocer personalmente. En Hatillo, Puerto Rico hoy 15 de noviembre de 2006. Doy Fe.





**CLIENTE** : RIVERA-MUNICH, ELIZA & HERNANDEZ LAW OFFICES PÉ 323,661

**RE** : L&R DEVELOPMENT & INVESTMENT CORPORATION/ 14-125/  
VANESSA RAMIREZ/ HIPOTECARIO/

**FINCA** : Número 1,655, inscrita al folio 177 del tomo 70 de Camuy.  
Registro de la Propiedad de Puerto Rico, Sección II de Arecibo.

**DESCRIPCIÓN:**

**RÚSTICA:** Sita en el Barrio Puente de Camuy, Puerto Rico, compuesto de seis mil trescientos noventa y nueve punto cero seis metros cuadrados. Colindancias: al **NORTE**, con Ismael Santos; **SUR**, Julio Vélez Marcelino Soto y Héctor Romero; **ESTE**, con José Alberto Jiménez y Urbanización del Carmen; y por el **OESTE**, con Urbanización Los Rodríguez.

Es el resto de esta finca luego de deducidas las segregaciones que se indican al margen y de reservados dos parcelas con cabidas de 270.3117 y 244.73 de deducidas a uso público según Plano archivados en el Registro.

**PLENO DOMINIO:**

Consta inscrito al folio 180 del tomo 70 de Camuy, a favor de **Héctor Quijano Borges, casado con María Isabel De Jesús Sánchez**, (bajo el Régimen de Capitulaciones Matrimoniales, mediante la escritura número 3, otorgada en San Juan, Puerto Rico, el día 1 de octubre de 1996, ante el notario Larissa Torre Del Campillo), quienes lo adquirieron por compraventa de Víctor Herrera Pino y su esposa Aida Herrera Villalobo, por precio de \$40,000.00, mediante la escritura número 2, otorgada en San Juan, Puerto Rico, el día 20 de julio de 2000, ante el notario Luis Benjamín Méndez Méndez, finca número 1,655, inscripción 18va., y última.

**GRAVAMENES:**

i. Por su procedencia está afectada a:

Servidumbre a favor de la Central Alianza.

ii. Por sí está afectada a:

Servidumbre a favor de Capari Corp., mediante la escritura número 491, otorgada en Camuy, Puerto Rico, el día 29 de agosto de 1969, ante el notario Ángel A. García, e inscrito al folio 178 del tomo 70 de Camuy, finca número 1,655, inscripción 14ta.

Continuación...  
Finca número 1,655

**DOCUMENTOS INSCRITOS BAJO LA LEY NÚMERO 216 DEL 27 DE DICIEMBRE DEL 2010, conocida como la "Ley para Agilizar el Registro de la Propiedad":**

1. AL ASIEN TO 25 DEL DIARIO 296, se presentó el día 24 de agosto de 2004, la escritura número 181, otorgada en Camuy, Puerto Rico, el día 12 de agosto de 2004, ante el notario Luis M. Morell Morell, mediante la cual comparecen Héctor Quijano Borges, casado con María Isabel De Jesús Sánchez, a vender esta finca a favor de L & R Development Investment Corp., por el precio de \$120,000.00.

Se acompaña Resolución Corporativa.

2. AL ASIEN TO 363 DEL DIARIO 299, se presentó el día 27 de junio de 2005, la escritura número 28, otorgada en San Juan, Puerto Rico, el día 10 de mayo de 2005, ante el notario Marcela García Colberg, mediante la cual comparece L & R Development Investment Corp., a constituir hipoteca a favor de RG Premier Bank of Puerto Rico, por la suma de \$829,000.00, con intereses al 12%, vencerdo a la presentación.

**NOTA:** Estos documentos fueron inscritos en virtud de Ley número 216 del 27 de diciembre de 2010, la cual entró en vigor el 10 de febrero de 2011. Al momento de realizarse este estudio aún los asientos abreviados no han sido extendidos, ni firmados por el Registrador; por tal razón no tienen asignados aún tomos, folios, ni números de inscripciones.

**OBSERVACIÓN:**

- a. Embargo a favor del Estado Libre Asociado de Puerto Rico, contra LR Development Investment Corp., por la suma de \$11,975.33, Caso número ARE 15-1437, segun certificado del 1 de septiembre de 2015, presentado el 17 de septiembre de 2015, anotado el 17 de septiembre de 2015, al folio 23, Orden 67 del Libro de Emargos Ley 12 número 4.
- b. Sentencia de fecha 20 de octubre de 2011, expedida en el Tribunal de Primera Instancia, Sala de Hatillo, en el Caso Civil Número CFCD 2010-0088, sobre Cobro de Dinero, seguido por Security Max & Investigation Corporation, contra LR Development Investment Corporation, por la suma de \$100,000.00, presentado el 3 de marzo de 2013 y anotado el 7 de marzo de 2013 al folio 33 del Libro de Sentencias Número 3.

**NOTA:** No podemos precisar que la entidad en sentencia y la mencionada en el Asiento 164 del Diario 309 sean la misma.

**REVISADOS:**

Registro de Embargos del ELA, incluyendo los de la Ley número 12 del día 20 de enero de 2010; Contribuciones Federales; Sentencias a las 8:20 a.m.; Bitácora Ágora; Electrónica y Sistema Karibe hasta el Asiento 2014-011057-AR02 a las 8:00 a.m.

**NOTA:** Esta Sección tiene establecido un sistema computadorizado de Bitácoras. No nos hacemos responsables por errores y/u omisiones que cometa el Empleado del Registro en la entrada y búsqueda de datos en el mismo.

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Continuación...

Finca número 1,655

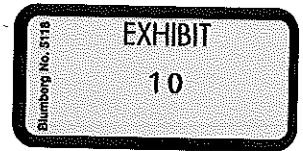
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Capital Title Services, Inc.

POR: Ramón F. Gómez Marcos

2 de febrero de 2017

GL/ssn/f



## Sánchez-rubio & ASSOC.

P. O. Box 364012, San Juan, Puerto Rico 00936-4012  
(787) 788 - 4321  
(787) 788 - 0358 fax  
e-mail: daxsanchezrubio@gmail.com

CASO: L & R DEVELOPMENT CORPORATION  
Expediente No. (16-08798).

FINCA: No. 29754, inscrita al folio 104 del tomo 417 de Vega Baja.  
Registro de la Propiedad, Sección Cuarta de Bayamón.

### DESCRIPCION:

URBANA: PROPIEDAD HORIZONTAL: Apartamento No. 380 del CONDOMINIO CHALETS DE LA PLAYA ESTE, situado en el kilómetro 10.3 de la Carretera Estatal No. 686 en el Barrio Puerto Nuevo del Municipio de Vega Baja, Puerto Rico. Este apartamento esta construido en hormigón reforzado. Tiene tres niveles con su puerta de entrada por el lindero Norte y por ella se accesa al área común general del Condominio. Este apartamento tiene un área total de 1,605.01 pies cuadrados, equivalentes a 149.16 metros cuadrados. Linderos: en el primer nivel del apartamento (*tercer piso del edificio*): por el Norte, en una distancia de 17'0", equivalentes a 5.18 metros lineales, con área común general del Condominio entre la que se encuentra el área de ubicación de la puerta de entrada al apartamento; por el Sur, en una distancia de 19'10", equivalentes a 6.05 metros lineales, con el apartamento No. 371; por el Este, en una distancia de 32'10", equivalentes a 10.01 metros lineales, con área común general del Condominio; y por el Oeste, en una distancia de 32'10", equivalentes a 10.01 metros lineales, con el apartamento No. 378. Los linderos en el segundo nivel del Apartamento (*cuarto piso del Edificio*) son: por el Norte, en una distancia de 20'0", equivalentes a 6.10 metros lineales, con el apartamento No. 379; por el Sur, en una distancia de 16'4", equivalentes a 4.98 metros lineales, con el apartamento No. 371; por el Este, en una distancia de 38'2", equivalentes a 11.64 metros lineales, con área común general del Condominio; y por el Oeste, en una distancia de 38'2", equivalentes a 11.64 metros lineales, con el apartamento No. 378. Este segundo nivel se comunica con el primero a base de una escalera interior del apartamento. Los linderos del tercer nivel del Apartamento (*quinto piso del Edificio*) son: por el Norte, en una distancia de 20'0", equivalentes a 6.10 metros lineales, con un área común de uso limitado del apartamento No. 380 y delimitada en su lindero por una pared; por el Sur, en una distancia de 20'0", equivalentes a 6.10 metros lineales, con un área común de uso limitado del apartamento No. 378; por el Este, en una distancia de 14'10", equivalentes a 4.52 metros lineales, con área común general del Condominio; y por el Oeste, en una distancia de 14'4", equivalentes a 4.37 metros lineales, con el apartamento No. 378. Este tercer nivel se comunica con el segundo a base de una escalera interior del apartamento. Este apartamento consta de sala, comedor, cocina con área de lavandería, balcón, un cuarto principal con closet, dos cuartos con closets, dos closets fuera de los cuartos, dos baños, dos medios baños, escalera interior, terraza techada en la azotea del Edificio y un área no techada en la azotea del Edificio la cual es un elemento común de uso limitado del apartamento No. 380, la cual esta delimitada en su lindero por una pared. A este apartamento le corresponde el uso de un espacio de estacionamiento para dos automóviles uno detrás del otro, identificado con el No. 380, en el área de estacionamiento localizada al Este del Edificio No. 38 del Condominio. A este Apartamento le corresponde una participación de 0.3670 % en los elementos comunes del Condominio.



TRACTO REGISTRAL: Se separa del Condominio Chalets de la Playa Este, finca No. 26367, inscrita al folio 153 del tomo 412 de Vega Baja.

**L & R DEVELOPMENT CORPORATION**

Expediente No. (16-08798)

Finca No. 29754 de Vega Baja.

Página No. 2

DOMINIO:

CONSTA inscrita a favor de LR DEVELOPMENT & INVESTMENT CORPORATION (representado por Héctor Noel Román Ramos), quienes adquieren por título de individualización y compraventa de Chalets de la Playa, Inc., por el precio de \$225,000.00, mediante escritura No. 18, otorgada en San Juan el 31 de marzo del 2004, ante Cristian Bernaschina Bobadilla, inscrita al folio 104 del tomo 417 de Vega Baja, finca No. 29754, inscripción 1ª.

GRAVAMENES:

1. Por su procedencia está afecta a:
  - a. Servidumbres. b. Condiciones Restrictivas sobre uso y edificación.
  
2. HIPOTECA: Por la suma principal de \$180,000.00 en garantía de un pagaré a favor de DORAL BANK, o a su orden, con intereses al 5-7/8% anual y vencimiento el 1ro. de abril del 2012, tasada en \$180,000.00, constituida mediante escritura No. 20, otorgada en San Juan el 31 de marzo del 2004, ante Cristian Bernaschina Bobadilla, inscrita al folio 104 del tomo 417 de Vega Baja, finca No. 29754, inscripción 1ª. Compareciendo como Co-Deudores Héctor Noel Román Ramos y su esposa Johanna Ayala Babilonia, Joaquín López Avilés y su esposa Nilsa Enid Guzmán Bidot.

Modificación: La hipoteca relacionada ad-supra ha sido modificada, compareciendo Los Titulares y el Banco Santander de Puerto Rico, éste último como tenedor por endoso del pagaré, en cuanto a sus intereses serán al 5.875% anual y su vencimiento será para el 1ro. de marzo del 2035, todo mediante escritura No. 141 otorgada en San Juan el 31 de marzo del 2011, ante Edeli Marie Placeres Miranda, inscrita al folio 104 del tomo 417 de Vega Baja, finca No. 29754, inscripción 4ª.

3. HIPOTECA: Por la suma principal de \$45,000.00 en garantía de un pagaré a favor de DORAL BANK, o a su orden, con intereses al 5-7/8% anual y vencimiento el 1ro. de abril del 2012, tasada en \$45,000.00, constituida mediante escritura No. 21, otorgada en San Juan el 31 de marzo del 2004, ante Cristian Bernaschina Bobadilla, inscrita al folio 104 del tomo 417 de Vega Baja, finca No. 29754, inscripción 2ª. Compareciendo como Co-Deudores Héctor Noel Román Ramos y su esposa Johanna Ayala Babilonia, Joaquín López Avilés y su esposa Nilsa Enid Guzmán Bidot.

Modificación: La hipoteca relacionada ad-supra ha sido modificada, compareciendo Los Titulares y el Doral Mortgage, LLC., éste último como tenedor por endoso del pagaré, en cuanto a su principal que será ahora por \$40,227.59 y su vencimiento será para el 1ro. de mayo

del 2035, todo mediante escritura No. 166 otorgada en San Juan el 31 de marzo del 2012, ante Magda V. Alsina Figueroa, inscrita al folio 104 del tomo 417 de Vega Baja, finca No. 29754, inscripción 5ª.

**L & R DEVELOPMENT CORPORATION**

Expediente No. (16-08798)

Finca No. 29754 de Vega Baja.

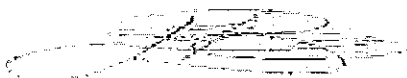
Página No. 2

REVISADOS: Registros de embargos estatales, sentencias, contribuciones federales y bitácora electrónica.

NOTA: Debido al Sistema de Bitácora Electrónica utilizado en esta Sección, no podemos certificar que exista algún documento adicional relacionado con esta finca. Este documento es para uso exclusivo e intransferible de la Institución solicitante. Los Registros Auxiliares (Embargos y Sentencias) fueron cotejados bajo el nombre que aparece en el epígrafe de "Dominio" y/o documentos pendientes de inscripción, no somos responsables de alguna combinación de los nombres, ya que el Sistema Karibe anota los nombres bajo diferentes y múltiples combinaciones.

14 de noviembre del 2016. ζ

jsrb





**L & R DEVELOPMENT & INVESTMENT CORP.  
DIP 16-08792 BKT**

**LIQUIDATION ANALYSIS**

This Schedule is an integral part of Debtor's Disclosure Statement and Plan of Reorganization.

EXHIBIT

L & R DEVELOPMENT & INVESTMENT CORP  
CASE NO. 16-08792-BKT  
CHAPTER 11  
LIQUIDATION ANALYSIS

Ref to Schedules	Explanatory Note	Actual or Scheduled value	Estimated Liquidation value	Realizable Value	BPPR Mortgage Liens	Scotiabank Mortgage Liens	Citi Liens	Santander Mortgage Liens	PR Treasury Liens	Other Liens	Total Liens	Net Liquidation Value
<b>REAL PROPERTIES</b>												
55.1	Property # 22851, Parcel # 8, 1,076,8066 SM, Pueblo Ward, Hatillo, PR	50,000	70%	35,000	Note 2		1,032				1,032	0
55.2	Property # 22851, Parcel # 9, 1,088,2906 SM, Pueblo Ward, Hatillo, PR	50,000	70%	35,000	Note 2		816				816	0
55.3	Property # 22851, Remnant; 7,285.58 SM, Pueblo Ward, Hatillo, PR	150,000	70%	105,000	Note 2		32,071				32,071	0
55.4	Property # 22852, 7 Lots, 14,980,7365 SM, Pueblo Ward, Hatillo, PR	350,000	70%	245,000	Note 2		32,071		8,505		40,576	0
	Sub-Total	600,000		420,000	1,527,338		65,989		8,505		1,601,832	0
55.5	Property (land lot) # 2948, 1,322 SM, Cataño, PR	210,000	70%	147,000	902,757		1,170			41,800	903,907	0
55.6	Property (land lot) # 972 With Wood House, 100 SM, Cataño, PR	55,000	70%	38,500							41,800	0
55.7	Property (land lot) # 915, 187 SM, Cataño, PR	75,000	70%	52,500							0	52,500
55.8	Property # 1655, 6,999.06 SM, Puente Ward, Camuy, PR	30,000	70%	21,000	602,757		10,817				613,574	0
55.9	Property # 29754, 149.16, Cond. Chalets de la Playa, SM, Vega Baja, PR	115,000	70%	80,500	36,927		24,385	147,185		142	208,659	0
55.1	Property # 2203, Lot of land 150 SM in Cataño, PR	20,000	70%	14,000							0	14,000
	<b>SUB-TOTAL REAL PROPERTIES</b>	<b>1,105,000</b>		<b>773,500</b>	<b>3,032,842</b>		<b>102,361</b>	<b>147,185</b>	<b>8,505</b>	<b>41,942</b>	<b>3,369,762</b>	<b>66,500</b>
<b>PERSONAL PROPERTIES</b>												
3	Bank Account Balances	570	100%	570							0	570
4	Escrow Funds cash in possession of Third Parties	968,000	See Notes 1 and 3	968,000							0	968,000
7	USDC deposit- PREPA	541	0%	0							0	0
21	Accounts Receivable- Church (\$ 30,000 less allowance for uncollectable of 15,000)	15,000	60%	9,000							0	9,000
21	Account Receivable (\$ 306,870 less allowance for uncollectable of same amount)	0	0%	0							0	0
21	Account receivable - Blu Sky Properties LLC	300,000	60%	180,000							0	180,000
75	Claim against escrow agent	Undetermined	0%	0							0	0
	<b>SUB-TOTAL PERSONAL PROPERTIES</b>	<b>1,284,111</b>		<b>\$1,157,570</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,157,570</b>
	<b>TOTAL OF ALL PROPERTY AS PER OFFICIAL FORM 206 SUM, AS AMENDED</b>	<b>2,389,111</b>		<b>\$1,931,070</b>	<b>\$3,032,842</b>	<b>\$102,361</b>	<b>\$147,185</b>	<b>\$4,505</b>	<b>\$41,942</b>	<b>\$3,369,762</b>	<b>\$1,224,070</b>	

Summary of Liquidation Analysis

Note 1 The estimated liquidation value of escrowed funds was established as a cash equivalent resource. Refer to disclosure in accompanying notes to liquidation analysis.

Note 2 Properties 22851 and 22852 are claimed as collateral on PCC Num. 11 filed by Scotiabank.

Note 3 The unsecured claims liquidation rate of 11% assumes the recovery of the funds held in escrow for the benefit of the state. If not recovered, the unsecured claims liquidation rate is zero.

Estimated Liquidation value	1,224,070
Less: Chapter 11 administrative expenses	50,000
Less: Chapter 7 administrative expenses (Stamp, notarial, Realtor, Trustee fees)	142,300
Less: Priority claims	59,857
<b>Net Assets for Unsecured Claims</b>	<b>971,913</b>
<b>Total Unsecured Claims to be paid</b>	<b>8,897,702</b>
<b>Unsecured Claims Liquidation Ratio</b>	<b>11%</b>
<b>Proposed Dividend to Unsecured Creditors</b>	<b>15%</b>

**L & R DEVELOPMENT & INVESTMENT CORP.  
DIP 16-08792 BKT**

**LIQUIDATION ANALYSIS**

**ASSUMPTIONS AND BASIS FOR PREPARATION OF THE LIQUIDATION ANALYSIS**

A requirement for the confirmation of plan under chapter 11 of the U.S. Code is that with respect to each impaired class of claims, each claim holder of such class has accepted the plan or will receive or retain under the plan on account of such allowed claim, a value as of the effective date of the plan, that is not less than the amount such claim holder would receive or retain if the Debtors were liquidated under Chapter 7 of the Code. In order to provide the value as of the effective date of the plan under a Chapter 7 scenario, Debtor provides a detailed liquidation analysis.

For the purpose of determining a liquidation value, Debtors have estimated the realizable value in a Chapter 7 scenario of the actual or scheduled value of existing real property and personal property.

Major assumptions in the preparation of this liquidation analysis follow:

**REAL PROPERTIES**

For purpose of estimating the liquidation value of the Debtor's real property, the actual market condition and slow moving status of the real estate industry was considered. At Present all Debtor's properties are in the process to be appraised. Therefore, Debtor adjusted the property value as per last known appraisal or estimated current value as scheduled, to determine the estimated liquidation value.

The following are the real estate properties owned by debtor:

**Real Property – Parcel of land # 8 (Segregated from Lot #22851)** – This property consists of lot of land with 1,076.8066 square meters in Pueblo Ward, Hatillo, Puerto Rico. For purpose of determining liquidation value of in this track of land, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$50,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked. The projected realizable gross value has been reduced by a first mortgage with Scotiabank and a debt claimed by Crim amounting to \$1,032.

**Real Property – Parcel of land # 9 (Segregated from Lot #22851)** – This property consists of lot of land with 1,088.2906 square meters in Pueblo Ward, Hatillo, Puerto Rico. For purpose of determining liquidation value of in this track of land, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$50,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked. The projected realizable gross value has been reduced by a first mortgage with Scotiabank and a debt claimed by Crim amounting to \$816

**Real Property – Remnant of Parcel of land (Segregated from Lot #22851)** – This property consists of 3 lots of land with 7,285.58 square meters in Pueblo Ward, Hatillo, Puerto Rico. For purpose of determining liquidation value of in this track of land, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$350,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked. The projected realizable gross value has been reduced by a first mortgage with Scotiabank and a debt claimed by Crim amounting to \$32,071.

**Real Property – Parcel of land (Lot # 22852)** – This property consists of 7 lots of land aggregating 14,980.7366 square meters in Pueblo Ward, Hatillo, Puerto Rico. For purpose of determining liquidation value of in this track of land, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$150,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked. The projected realizable gross value has been reduced by a first mortgage with Scotiabank , a debt claimed by Crim amounting to \$32,071 and special taxes claimed by the Puerto Rico Treasury Department amounting to \$8.505.

**Real Property – Parcel of land # 2948** – This property consists of lot of land with 1,322 square meters in Catano, Puerto Rico. For purpose of determining liquidation value of in this track of land, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$210,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked. The projected realizable gross value has been

reduced by a first mortgage with Scotiabank and a debt claimed by Crim amounting to \$1,170.

**Real Property – Lot of land # 972** – This property consists of lot of land with 100 square meters with a wood house located in Catano, Puerto Rico. For purpose of determining liquidation value of in this track of land, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$55,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked. The projected realizable gross value has been reduced by a first mortgage of \$41,800.

**Real Property – Lot of land # 915** – This property consists of lot of land with 187 square meters located in Catano, Puerto Rico. For purpose of determining liquidation value of in this track of land, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$75,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked.

**Real Property – Lot of land # 1655** – This property consists of lot of land with 8,399.06 square meters with located in Puente Ward, Camuy, Puerto Rico. For purpose of determining liquidation value of in this track of land, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$30,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked. The projected realizable gross value has been reduced by a first mortgage with Scotiabank and a debt claimed by Crim amounting to \$10817.

**Real Property – Property # 29754 Cond. Chalets de la Playa** – This property consists of a land lot of 149.16 square meters in Vega Baja, Puerto Rico. For purpose of determining liquidation value of in this property, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$115,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked. The projected realizable gross value has been reduced by a first and second mortgages with Banco Santander and Banco Popular respectively, and a debt claimed by Crim amounting to \$24,385

**Real Property – Property # 2203 land Lot** – This property consists of a land lot of 150 square meters in Catano, Puerto Rico . For purpose of determining liquidation value of in this property, debtor considered the scheduled value which is based on an estimate made by debtor by comparing certain transactions involving comparable properties. The estimated value of this property was \$20,000. Debtor considered as realizable in a Chapter 7 scenario 70% of the resulting value detailed due to the general decrease in value of real property that economic recession has provoked.

### **PERSONAL PROPERTY**

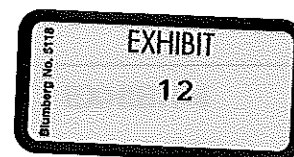
1. ***Checking Accounts at Oriental Bank (8176 and 2044), Scotiabank and Coop Camuy*** – Considered 100% realizable in liquidation as per nature of asset and debtor's operations.
2. ***Cash held in escrow by third party*** – This resource represents cash held in escrow by former shareholder of Debtor . The cash in hands of the former stockholder was incorrectly disbursed to him by the Escrow Agent. Total escrowed funds are \$968,000 which are available and are being claimed to be reimbursed to the state in adversary proceeding No.17-00026 Therefore, for liquidation purposes, due to the cash equivalent nature of resource, the net realizable value of the escrowed funds yields its estimated value in a liquidation environment.
3. ***Checking Account at Banco Popular (Commercial)*** – Considered 100% realizable in liquidation as per nature of asset and debtor's operations.
4. ***Utility deposits***- Considered unrealizable in a liquidation environment due to its nature
5. ***Accounts receivable Church*** - The accounts receivable substantially consist of an amount pending to be collected from a church. Debtor understand that the net realizable value of this receivable is \$15,000. Most likely, in a chapter 7 scenario, this resource may yield 60% of its net scheduled value in a liquidation environment due to its nature and the costs associated with the collection process.
6. ***Accounts receivable*** – This accounts receivable substantially consist of claims against a corporate entity that filed Chapter 7 . The claim relates to a payment made by an entity that is not clear if the payment was to the debtor or for the benefits of debtor's shareholder. Attorney in charge of negotiation was not able to clarify. As a conservative cushion, debtor scheduled the claim as a resource that is 100% uncollectable whose collection is contingent and uncertain. Most likely, in a chapter 7 scenario, this resource may have no value due to its nature.



7. **Accounts receivable Blue Sky Properties LLC** - The accounts receivable substantially consist of balance that resulted from the sale of a property to Blue Sky Properties LLC in 2014 for a development that never started. Debtor asserts that the property is available for sale and that collection is reasonable expected. Therefore the balance is considered as collectable. Most likely, in a chapter 7 scenario, this resource, due to its nature, may be valued in 60% of the scheduled value to account for the collection expenses to be incurred by Trustee in a liquidation environment.
8. **Claim against Escrow Agent** – This claim is substantially related to the Cash equivalent resource described in point number 2 above which were originally disbursed by the Agent against the escrow agreement within the parties. The Escrow Agent is also defendant in adversary proceeding 17-00026 were by Debtor is seeking the deposits of the funds for the benefit of the state. The value of the claim against the Escrow Agent is contingent for the results of the adversary proceeding against the primary defendant which currently maintains custody of funds. If not deposited for the benefits of Debtor's state, a claim will be established to the Escrow Agent. Based on present circumstances and under the assumption that cash held in escrow by a third party will be deposited in court, most likely, in a chapter 7 scenario, this resource may have no value in a liquidation environment.

#### **OTHER COSTS ASSOCIATED WITH LIQUIDATION**

These expenses represent the other costs associated with various related functions of the liquidation process. These costs include those expenses primary related to the Chapter 11 pending administrative expenses which need to be paid with priority plus the liquidation expenses. Section 326 of the of the bankruptcy Code establish the statutory maximum fee allowed to a trustee in a chapter 7 liquidation. For the purpose of this analysis, Chapter 7 liquidation expenses were estimated in \$142,300 to account for the expenses to be incurred by the Chapter 7 Trustee in fees, notary stamps, brokers, title studies and other related expenses in a liquidation environment.



**L & R DEVELOPMENT & INVESTMENT CORP.  
DIP 16-08792 BKT**

**PAYMENTS UNDER THE PLAN OF REORGANIZATION**

This Schedule is an integral part of Debtor's Disclosure Statement and Plan of Reorganization.

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L & R DEVELOPMENT & INVESTMENT CORP.  
CASE NO. 16-08792-BKT  
CHAPTER 11  
PAYMENTS UNDER THE PLAN OF REORGANIZATION

Creditor	Amended Scheduled Amount	Claim Number	Claim Subject to Allowance	Claim Class	Plan Class	Status Comment	Allowed Amount	Allowed Plan	Monthly Payment	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Administrative Claims</b>														
<b>Professional and US Trustee Fees</b>														
Carmen D. Conde Torres-Attorney	Estimated		43,000	Adm.	1		43,000	43,000	0	43,000	0	0	0	0
Jose V Jimenez-CPA	Estimated		5,700	Adm.	1		5,700	5,700	0	5,700	0	0	0	0
US Trustee	Estimated		1,300	Adm.	1		1,300	1,300	0	1,300	0	0	0	0
<b>Total</b>			<b>50,000</b>				<b>50,000</b>	<b>50,000</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Secured Claims- CRIM</b>														
CRIM (4028) Property Chalets de la Playa	24,385		24,385	Secured	2	Lift of Stay	0	0	0	0	0	0	0	0
CRIM(3000) Property Puentes Ward	790		5,409	Secured	2	Unliquidated	5,409	5,409	99	1,188	1,188	1,188	1,188	1,188
CRIM(3001) Property Puentes Ward Carr 119	821		0	Secured	2	Unliquidated	0	0	0	0	0	0	0	0
CRIM(7000) Property Puentes Ward Carr 119	713		729	Secured	2	Unliquidated	729	729	13	160	160	160	160	160
CRIM (7000) Puentes Ward	655		612	Secured	2	Unliquidated	612	612	11	134	134	134	134	134
CRIM (9000) Property Puentes Ward	661		590	Secured	2	Unliquidated	590	590	11	130	130	130	130	130
CRIM (4000) Property Puentes Ward Carrret 119	592		585	Secured	2	Unliquidated	585	585	11	129	129	129	129	129
CRIM (4000) Property Puentes Ward	597		590	Secured	2	Unliquidated	590	590	11	130	130	130	130	130
CRIM (6000) Property Puentes Ward	650		657	Secured	2	Unliquidated	657	657	12	144	144	144	144	144
CRIM(8000) Property Pueblo Ward Lot # 3	2,356		2,356	Secured	2	Unliquidated	2,356	2,356	43	517	517	517	517	517
CRIM(9000) Property Pueblo Ward Lot # 4	2,416		2,275	Secured	2	Unliquidated	2,275	2,275	42	500	500	500	500	500
CRIM(0000) Property Pueblo Ward Lot # 5	2,412		2,412	Secured	2	Unliquidated	2,412	2,412	44	530	530	530	530	530
CRIM(2000) Property Pueblo Ward Lot # 3	2,427		2,427	Secured	2	Unliquidated	2,427	2,427	44	533	533	533	533	533
CRIM(2000) Property Pueblo Ward Lot # 7	2,416		12,254	Secured	2	Unliquidated	12,254	12,254	206	2,472	2,472	2,472	2,472	2,472
CRIM(6000) Property Pueblo Ward Lot # 11	2,412		2,412	Secured	2	Unliquidated	2,412	2,412	44	530	530	530	530	530
CRIM(4901) Property Pueblo Ward Lot # 70	2,149		2,149	Secured	2	Unliquidated	2,149	2,149	39	472	472	472	472	472
CRIM(5901) Property Pueblo Ward Lot # 74	37,855		37,855	Secured	2	Unliquidated	37,855	37,855	693	8,315	8,315	8,315	8,315	8,315
CRIM(3000) Property Pueblo Ward Lot # 8	2,430		1,032	Secured	2	Unliquidated	1,032	1,032	19	227	227	227	227	227
CRIM (4000) Property Pueblos Ward Lot # 9	2,419		816	Secured	2	Unliquidated	816	816	15	179	179	179	179	179
CRIM (0000) Property Carrizales Ward Lot # 2 Hatillo PR	6,410		456	Secured	2	Unliquidated	456	456	8	100	100	100	100	100
CRIM (0000) Property Urb. La Pradera # 9, Pueblo Ward	879		879	Secured	2	Unliquidated	879	879	16	193	193	193	193	193
CRIM (0000) Property Urb. La Pradera # 8, Pueblo Ward	870		870	Secured	2	Unliquidated	870	870	16	191	191	191	191	191
CRIM (4000) Property Carrizales Ward Lot # 3 Hatillo PR	469		416	Secured	2	Unliquidated	416	416	8	91	91	91	91	91
CRIM (4000) Property Carrizales Ward Lot # 9 Hatillo PR	495		495	Secured	2	Unliquidated	495	495	9	109	109	109	109	109
CRIM Property Carrizales Ward Lot # 4 Hatillo PR	Non-Scheduled	1	7,278	Secured	2	Sold in 2007	0	0	0	0	0	0	0	0
CRIM Property 70 Calle Barbosa Catano	Non-Scheduled	1	1,170	Secured	2	Sold in 2006	0	0	0	0	0	0	0	0
CRIM Property C-10 Paseo del Bosque Barceloneta	Non-Scheduled	1	9,198	Secured	2	Sold in 2006	0	0	0	0	0	0	0	0
CRIM Property C-3 Paseo del Parque Barceloneta	Non-Scheduled	1	9,185	Secured	2	Sold in 2006	0	0	0	0	0	0	0	0
CRIM Property Solar 4 Corcovado Hatillo	Non-Scheduled	1	345	Secured	2	Sold in 2012	0	0	0	0	0	0	0	0
CRIM Property Carrizales Ward Lot # 8 Hatillo PR	Non-Scheduled	1	440	Secured	2	Sold in 2008	440	440	8	97	97	97	97	97
CRIM Property Carrizales Ward Lot # 11 Hatillo PR	Non-Scheduled	1	10,229	Secured	2	Sold in 2008	0	0	0	0	0	0	0	0

L & R DEVELOPMENT & INVESTMENT CORP.  
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Creditor	Amended Scheduled Amount	Claim Number	Claim Subject to Court Allowance	Claim Class	Plan Class	Status Comment	Allowed Amount	Allowed Plan	Monthly Payment	Year 1	Year 2	Year 3	Year 4	Year 5
CRIM 011-000-002-10-901		1	740	Secured	2		740	740	14	162	162	162	162	162
CRIM Solar 10 Bx, Puente		1	599	Secured	2		599	599	11	132	132	132	132	132
CRIM Carretera 119 Puentes 010-094-069-55-000		1	550	Secured	2		550	550	10	121	121	121	121	121
CRIM Carretera 119 Puentes 010-094-069-54-000		1	545	Secured	2		545	545	10	120	120	120	120	120
CRIM Carretera 119 Puentes 010-094-069-49-000		1	609	Secured	2		609	609	11	134	134	134	134	134
<b>Total</b>	<b>98,281</b>		<b>143,550</b>				<b>82,929</b>	<b>82,929</b>	<b>1,500</b>	<b>17,995</b>	<b>17,995</b>	<b>17,995</b>	<b>17,995</b>	<b>17,995</b>
<b>SECURED CREDITOR- ASOC CHALETS DE LA PLAYA</b>	142		142	Secured	3	Lift of Stay (DK #57)	0	0	0	0	0	0	0	0
<b>SECURED CREDITOR- BANCO SANTANDER DE PUERTO RICO</b>	146,665	3	147,185	Secured	4	Lift of Stay Dk #57)	100,000	0	0	0	0	0	0	0
<b>SECURED CREDITOR - BANCO POPULAR DE PUERTO RICO</b>	36,231	7	36,927	Secured	5	Lift of Stay (DK #57)	0	0	0	0	0	0	0	0
<b>SECURED CREDITOR- PR TREASURY DEPARTMENT</b>	8,505		8,505	Secured	6		8,505	8,505	156	1,868	1,868	1,868	1,868	1,868
<b>SECURED CREDITOR- EMILY MATEUS</b>	50,000	5	41,800	Secured	7		41,800	0	0	41,800	0	0	0	0
<b>SECURED CREDITOR- SCOTIABANK OF PUERTO RICO</b>														
SCOTIABANK MORTGAGE 7425	1,346,773	10	1,527,338		8		1,527,338	0	0					
SCOTIABANK MORTGAGE 4375	797,844	9	902,737		8		902,737	0	0					
SCOTIABANK MORTGAGE 4284	147,995	8	861,604		8	See Note 1 in page 4	861,604	0	0					
SCOTIABANK MORTGAGE 8239	2,292,612	11	602,767		8		602,767	0	0					
<b>Total Secured claims</b>	<b>2,632,437</b>		<b>3,894,445</b>				<b>41,800</b>	<b>810,000</b>	<b>0</b>	<b>871,663</b>	<b>19,863</b>	<b>19,863</b>	<b>19,863</b>	<b>19,863</b>

L & R DEVELOPMENT & INVESTMENT CORP.  
 CASE NO. 16-08792 BKT  
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 PAYMENTS UNDER THE PLAN OF REORGANIZATION

Creditor	Amended Scheduled Amount	Claim Number	Claim Subject to Allowance	Claim Class	Plan Class	Status Comment	Allowed Amount	Allowed Plan	Monthly Payment	Year 1	Year 2	Year 3	Year 4	Year 5
<i>if Unsecured Creditors from Governmental Units and Taxing Authorities</i>														
PR DEPARTMENT OF LABOR	25,346	2	25,346	Unsecured	9		25,346	3,802	106	1,267	1,267	1,267	0	0
CRIM (6574)	Non-Scheduled		8,990	Unsecured	9		8,990	1,348	37	449	449	449	0	0
CRIM(3000) Property Puentes Ward	Non-Scheduled	1	43	Unsecured	9	Unliquidated	43	6	0	2	2	2	0	0
CRIM(3000) Property Puentes Ward Carr 119	Non-Scheduled	1	829	Unsecured	9	Unliquidated	829	124	3	41	41	41	0	0
CRIM(7000) Property Puentes Ward Carr 119	Non-Scheduled	1	52	Unsecured	9	Unliquidated	52	8	0	3	3	3	0	0
CRIM(7000) Puentes Ward	Non-Scheduled	1	44	Unsecured	9	Unliquidated	44	7	0	2	2	2	0	0
CRIM(9000) Property Puentes Ward	Non-Scheduled	1	42	Unsecured	9	Unliquidated	42	6	0	2	2	2	0	0
CRIM(4000) Property Puentes Ward Carretr 119	Non-Scheduled	1	42	Unsecured	9	Unliquidated	42	6	0	2	2	2	0	0
CRIM(6000) Property Puentes Ward	Non-Scheduled	1	42	Unsecured	9	Unliquidated	42	6	0	2	2	2	0	0
CRIM(9000) Property Pueblo Ward Lot # 4	Non-Scheduled	1	47	Unsecured	9	Unliquidated	47	7	0	2	2	2	0	0
CRIM(2000) Property Pueblo Ward Lot # 7	Non-Scheduled	1	726	Unsecured	9	Unliquidated	726	109	3	36	36	36	0	0
CRIM(3000) Property Pueblo Ward Lot # 8	Non-Scheduled	1	22,110	Unsecured	9	Unliquidated	22,110	3,316	92	1,105	1,105	1,105	0	0
CRIM(4000) Property Pueblos Ward Lot # 9	Non-Scheduled	1	72	Unsecured	9	Unliquidated	72	11	0	4	4	4	0	0
CRIM(6000) Property Pueblos Ward Lot # 9	Non-Scheduled	1	58	Unsecured	9	Unliquidated	58	9	0	3	3	3	0	0
CRIM(9000) Property Carrizalez Ward Lot # 2 Hatillo PR	Non-Scheduled	1	5,985	Unsecured	9	Unliquidated	5,985	898	25	299	299	299	0	0
CRIM(4000) Property Carrizalez Ward Lot # 3 Hatillo PR	Non-Scheduled	1	33	Unsecured	9	Unliquidated	33	5	0	2	2	2	0	0
CRIM Property 70 Calle Barboza Catano	Non-Scheduled	1	933	Unsecured	9	Unliquidated	933	140	4	47	47	47	0	0
CRIM Property C-10 Paseo del Bosque Barceloneta	Non-Scheduled	1	9,499	Unsecured	9	Sold in 2007	0	0	0	0	0	0	0	0
CRIM Property C-3 Paseo del Parque Barceloneta	Non-Scheduled	1	9,484	Unsecured	9	Sold in 2006	0	0	0	0	0	0	0	0
CRIM Property Solar 4 Corcovado Hatillo	Non-Scheduled	1	839	Unsecured	9	Sold in 2012	0	0	0	0	0	0	0	0
CRIM Property Carrizalez Ward Lot # 3 Hatillo PR	Non-Scheduled	1	35	Unsecured	9	Sold in 2008	35	5	0	2	2	2	0	0
CRIM Property Carrizalez Ward Lot # 11 Hatillo PR	Non-Scheduled	1	1,231	Unsecured	9	Sold in 2008	0	0	0	0	0	0	0	0
CRIM Property Carrizalez Ward Lot # 4 Hatillo PR	Non-Scheduled	1	579	Unsecured	9	Sold in 2009	0	0	0	0	0	0	0	0
CRIM 011-000-002-10-901	Non-Scheduled	1	54	Unsecured	9		54	8	0	3	3	3	0	0
CRIM Solar 10 Bo. Puente	Non-Scheduled	1	43	Unsecured	9		43	6	0	2	2	2	0	0
CRIM Carretera 119 Puentes 010-094-069-55-000	Non-Scheduled	1	39	Unsecured	9		39	6	0	2	2	2	0	0
CRIM Carretera 119 Puentes 010-094-069-54-000	Non-Scheduled	1	39	Unsecured	9		39	6	0	2	2	2	0	0
CRIM Carretera 119 Puentes 010-094-069-49-000	Non-Scheduled	1	44	Unsecured	9		44	7	0	2	2	2	0	0
MUNICIPAL LICENCE TAX- Arescibo	11,206	1	11,206	Unsecured	9		11,206	1,681	47	560	560	560	0	0
STATE INSURANCE FUND CORPORATION	1,786	4	1,786	Unsecured	9		1,786	268	7	89	89	89	0	0
INTERNAL REVENUE SERVICE	Non-Scheduled	4	470	Unsecured	9		470	71	2	24	24	24	0	0
<b>Total</b>	<b>38,339</b>		<b>100,744</b>				<b>79,111</b>	<b>11,867</b>	<b>330</b>	<b>3,956</b>	<b>3,956</b>	<b>3,956</b>	<b>0</b>	<b>0</b>
<i>General Unsecured Creditors</i>														
CARLOS AVILES PRODUCTS	25,269	6	25,269	Unsecured	10		25,269	3,790	63	758	758	758	758	758
FERRETERIA AMADOR	260,000	10	260,000	Unsecured	10		260,000	39,000	650	7,800	7,800	7,800	7,800	7,800
GMA	263,560	10	263,560	Unsecured	10		263,560	39,534	659	7,907	7,907	7,907	7,907	7,907
INTERNAL REVENUE SERVICE	Non-Scheduled	4	470	Unsecured	10		470	71	1	14	14	14	14	14
JOHNNY'S POOL	45,000	10	45,000	Unsecured	10		45,000	6,750	113	1,350	1,350	1,350	1,350	1,350
JOSE COLON	51,753	12	189,722	Unsecured	10		189,722	28,458	474	5,692	5,692	5,692	5,692	5,692
JR LIEBANA	36,970	10	36,970	Unsecured	10		36,970	5,546	92	1,109	1,109	1,109	1,109	1,109
PARADISE CERAMICS	23,581	10	23,581	Unsecured	10		23,581	3,537	59	707	707	707	707	707
SCOTTIBANK DE PR LOAN 4284	761,514	8	0	Unsecured	10		0	0	0	0	0	0	0	0
<b>Total</b>	<b>1,467,647</b>		<b>844,572</b>				<b>844,572</b>	<b>126,686</b>	<b>2,111</b>	<b>25,337</b>	<b>25,337</b>	<b>25,337</b>	<b>25,337</b>	<b>25,337</b>

See Accompanying Debtor's Disclosure Statement and Plan of Reorganization

L & R DEVELOPMENT & INVESTMENT CORP.  
CASE NO. 16-08792 BKT  
CHAPTER 11  
PAYMENTS UNDER THE PLAN OF REORGANIZATION

Creditor	Amended Scheduled Amount	Claim Number	Claim Subject to Court Allowance	Claim Class	Plan Class	Status Comment	Allowed Amount	Allowed Plan	Monthly Payment	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Contingent, Disputed and/or Unlit. Unsecured Claims</b>														
CEMEX DE PR	325,000		325,000	Unsecured	11	Cont/Unl/Disp.	325,000	0	0	0	0	0	0	0
JAVIER HERNANDEZ	752,293	15	752,293	Unsecured	11	Cont/Unl/Disp.	752,293	0	0	0	0	0	0	0
SCOTTABANK COLLATERAL DEFICIENCY	Non-Scheduled		0	Unsecured	11	Undetermined	0	0	0	0	0	0	0	0
BANCO POPULAR DE PUERTO RICO COLLATERAL DEFICIENCY	Non-Scheduled		0	Unsecured	11		36,927	5,539	92	1,108	1,108	1,108	1,108	1,108
BANCO SANTANDER COLLATERAL DEFICIENCY	Non-Scheduled		0	Unsecured	11		47,185	7,078	118	1,416	1,416	1,416	1,416	1,416
HECTOR N ROMAN AND MYRNA E PEREZ	Non-Scheduled	14	5,922,482	Unsecured	11	Cont/Unl/Disp.	5,922,482	0	0	0	0	0	0	0
NRR ENTERPRISES, LLC	Non-Scheduled	13	289,109	Unsecured	11	Cont/Unl/Disp.	289,109	0	0	0	0	0	0	0
REJECTIONS OF EXECUTORY CONTRACTS	Non-Scheduled		0	Unsecured	11		0	0	0	0	0	0	0	0
<b>Total</b>	<b>1,077,293</b>		<b>7,288,884</b>				<b>7,372,995</b>	<b>12,617</b>	<b>210</b>	<b>2,523</b>	<b>2,523</b>	<b>2,523</b>	<b>2,523</b>	<b>2,523</b>
<b>Equity Security and /or Other Interest Claims</b>														
JOAQUIN LOPEZ	663,501		663,501	Unsecured	12		663,501	0	0	0	0	0	0	0
<b>Priority Unsecured Claims</b>														
PUERTO RICO TREASURY DEPARTMENT (6574)	8,949		8,949	Sec 507 (a) (8)			8,949	8,949	164	1,966	1,966	1,966	1,966	1,966
INTERNAL REVENUE SERVICE (6574)	347	4	24,610	Sec 507 (a) (8)		TO BE REVISED BY IRS	24,610	24,610	450	5,406	5,406	5,406	5,406	5,406
MUNICIPAL LICENCE TAX-Arecibo	22,800		3,498	Sec 507 (a) (8)			3,498	3,498	64	768	768	768	768	768
MUNICIPAL LICENCE TAX- Hatillo	35,594		22,800	Sec 507 (a) (8)			22,800	22,800	417	5,008	5,008	5,008	5,008	5,008
<b>Total</b>	<b>35,594</b>		<b>59,857</b>				<b>59,857</b>	<b>59,857</b>	<b>1,096</b>	<b>13,147</b>	<b>13,147</b>	<b>13,147</b>	<b>13,147</b>	<b>13,147</b>
<b>Grand Total</b>	<b>5,914,812</b>		<b>13,280,113</b>				<b>13,197,717</b>	<b>1,162,461</b>	<b>3,747</b>	<b>966,627</b>	<b>966,627</b>	<b>966,627</b>	<b>966,627</b>	<b>966,627</b>

Date: March 13, 2017 Last POC filed: 15

This schedule is an integral part of Debtor's Disclosure Statement and Plan of Reorganization

Note 1 Creditor Scotiabank of Puerto Rico filed secured Claim # 8 by \$861,604 against a property which is not part of the estate. This Claim will be Objected by Debtor.

Note 2 CRIM claim number 1. Is in the process of being reconciled by debtor because CRIM claim detailed properties by registration number by lot as segregated and information on schedules is by land number. Reconciliation will have no effect in plan since CRIM will retain its lien securing each one of its claim, whether the property subject to such claims are retained by debtor or transferred to another entity prior to the confirmation date, until payment of allowed amount is made.

**L & R DEVELOPMENT & INVESTMENT CORP.  
DIP 16-08792 BKT**

**SCHEDULE OF PAYMENTS UNDER THE PLAN OF  
REORGANIZATION**

The accompanying Schedule is an integral part of Debtor's Disclosure Statement and Plan of Reorganization.

The following is a brief description of the Designation of Classes of Claims and treatment for each one under the plan.

**Designation of Claims:**

The plan divides the creditors in twelve (12) classes plus priority tax claims as follows:

**CLASS 1: ADMINISTRATIVE CLAIMS**

This class shall consist of allowed administrative expense priority claims, as provided under Section 503 (a)(2) of the Code, including, but not limited to, court costs accrued since the petition date, fees to the United States Trustee, fees and expenses of Debtor's counsel, accountant and any other professionals retained by the Debtors, as may be allowed by the Bankruptcy Court upon application thereafter, and after notice and a hearing, in accordance with the Bankruptcy Code and Rules, as well as any unpaid taxes or fees accrued since petition date. Debt under this class is estimated to be approximately \$50,000.

This class will be paid on the effective date or upon an agreement reached by the parties within year one of the Plan.

**CLASS 2: SECURED CLAIM -CRIM**

This class shall consist of CRIM's allowed secured claim. The Debtors listed CRIM's claims in the total secured amount of \$98,281 holding a lien for real estate property taxes over certain real estate property of the Debtors. CRIM filed secured claim # 1 in the total

amount of \$115,448.69 with a secured portion of \$62,503.31 and an unsecured portion of \$59,945.38.

CRIM shall retain its lien over each property. The Debtors will pay in full any amounts owed on account of CRIM's allowed secured claim over each property the Debtors will retain. Any allowed secured claim over these properties will be paid in full in 60 equal monthly installments from the effective date, including interest at the prevailing prime rate as of the confirmation date which is estimated to be 3.75 %.

The liens over the properties to be sold or foreclosed by a creditor shall follow the proceeds and/or the properties and will be paid in full upon the sale of the same. These claims shall continue to bear interest at the prevailing prime rate as of the confirmation date.

**CLASS 3: SECUERD CLAIM ASSOC. CHALETS DE LA PLAYA**

This class shall consist of the amounts due to Assoc. Chalets de la Playa for homeowner's maintenance fees which were scheduled as a secured claim over the property located in Vega Baja, Puerto Rico. The property is subject to two senior liens and as set forth in docket # 57, debtor consented to motions filed by secured creditors for the lift of stay . Property will be surrendered or subjected to a friendly foreclosure. Therefore, no amount related to this claim or class is allowed under this Plan.

**CLASS 4: SECURED CLAIM - BANCO SANTANDER DE PUERTO RICO**

The Debtor listed Banco Santander de Puerto Rico claim as a secured over the property located in Vega Baja , Puerto Rico. Creitor filed secured claim Number 3 in the amount of \$147,185 and collateral expected value upon sale is approximately \$100,000. The property is also subject to a second rank lien and as set forth in docket # 57, debtor consented to a motion filed by secured creditor for the lift of stay . Property will be surrendered or subjected to a friendly foreclosure. Any collateral deficiency, which at present is estimated in \$ 47,185, will be treated and paid as a Class 11 creditor under this Plan of reorganization.



**CLASS 5: SECURED CLAIM - BANCO POPULAR DE PR ("BPPR")**

The Debtor listed BPPR claim as a secured over the property located in Vega Baja , Puerto Rico. BPPR filed secured claim Number 7 in the amount of \$ 36,927. The property is subject to a senior lien which is in excess of estimated collateral sales vale and as set forth in docket # 57, debtor consented to motion filed by secured creditor BPPR for the lift of stay . Property will be surrendered or subjected to a friendly foreclosure. Any collateral deficiency, which at present is estimates in the amount Claimed by creditor, will be treated and paid as a Class 11 creditor under this Plan of reorganization.

**CLASS 6: SECURED CLAIM - PR TREASURY DEPARTMENT**

This class shall consist of the allowed secured claim of the Department of Treasury on account of special taxes secured by a property owned by debtor. Any allowed secured claim over these properties will be paid in full in 60 equal monthly installments from the effective date, including interest at the prevailing prime rate as of the confirmation date which is estimated to be 3.75 %.

**CLASS 7: SECURED CLAIM – EMILY MATEUS**

This class shall consist of Emily Mateus allowed secured claim over Debtors' real estate property. Debtors listed Emily Mateus as a secured creditor holding a lien over Property #972 in the amount of \$50,000.00 .Secured creditor filed secured claim # 5 in the amount of \$41,800. The secured claim will be paid in full upon the sale of the collateral which is expected to occur within a year from effective date. The creditor will retain the lien securing this claim, whether the property is retained by the debtor or transferred to another entity prior to confirmation date.

**CLASS 8: SECURED CLAIM - SCOTIABANK OF PUERTO RICO**

This class shall consist of Scotiabank de Puerto Rico allowed secured claims. The Debtors listed Scotiabank in the Schedules as a secured creditor with liens over certain real estate properties of the debtor on account of the various loans provided to Debtors . Scotiabank filed secured claims 8 to 11 in the total amount of \$3,894,445 as follows:

POC # 8.	Loan 4284:	\$ 861,604
POC # 9	Loan 4375:	902,737
POC # 10	Loan 7425	1,527,338
POC # 11.	Loan 8239:	602,767

Claim # 8 in the amount of \$ 861,604 relates to a claim against a property which is not part of Debtor's state because was executed prior to the filing of the case. This claim may be objected by Debtor.

Creditor will retain the liens securing each claim, whether the property subject to such liens is retained by the debtor or transferred to another entity prior to the confirmation date, until payment of the allowed secured amount is made or as per agreement within the parties. Present reorganization plan assumes that an agreement will be made with creditor to pay \$810,000 in full satisfaction of Claims using the proceeds of the funds recovered from in the Adversary Proceeding 17-00026. Any collateral deficiency, which at this time is undetermined, will be paid under Class 11 in this plan of reorganization.

**CLASS 9: UNSECURED CREDITORS FROM GOVERNMENTAL ENTITIES**

This class shall consist of all allowed unsecured claims of governmental entities. The same will also include any deficiencies on account of any secured claims of a governmental unit or taxing authorities. The total amount owed under this class as of this date is \$100,744 which are being reconciled by the Debtors since it appears to be these amounts are not owed in their entirety.

The Debtors will pay 15% of all allowed claims under this Class in 36 equal monthly installments from the effective date of this plan of reorganization.

**CLASS 10: GENERAL UNSECURED CREDITORS**

This class shall consist of allowed unsecured of creditors listed by the Debtors and those who have filed proofs of claims. After reconciling the amounts listed by the Debtors and the claims filed total liability to this class is \$ 844,572 Debtors will pay 15 % of all

allowed claims under this Class in consecutive equal monthly installments during a term of 60 months from the effective date.

**CLASS 11: CONTINGENT, DISPUTED AND/OR UNLIQUIDATED UNSECURED CLAIMS**

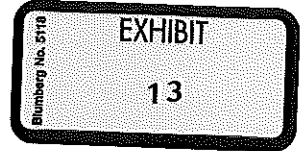
This class shall consist of allowed contingent, disputed and/or unliquidated unsecured claims of creditors listed by the Debtors and those who have filed proofs of claims. After reconciling the amounts listed by the Debtors and the claims filed total liability to this class is \$ 7,372,995 . Debtors will pay 15 % of any allowed claim under this Class in consecutive equal monthly installments during a term of 60 months from the effective date.

**CLASS 12: EQUITY SECURITY AND/OR OTHER INTEREST CLAIM**

This class consists of general unsecured creditors which are insiders. No payments to creditors on this class will be made during the reorganization period.

**SEC 507(a) (8) PRIORITY UNSECURED CLAIMS**

This class relates to governmental entities that filed priority claims in conformity with Section 507(a) (8) of the Code. This class substantially relates to priority tax claims which will be paid over a period not exceeding five (5) years from the order of relief or as otherwise agreed between the parties. Based on relief date, the payment plan assumes the claims will be paid in 60 monthly installments. Interest was calculated at 3.75 %.



**L & R DEVELOPMENT & INVESTMENT CORP.  
DIP 16-08792 BKT**

**REORGANIZATION PLAN CASH FLOW FORECAST  
YEARS 1 TO 5 OF PLAN**

This Schedule is an integral part of Debtor's Disclosure Statement and Plan of Reorganization.

L & R DEVELOPMENT & INVESTMENT CORP.  
CASE NO. 16-08792 BKT  
CHAPTER 11  
OPERATING INFLOWS AND OUT FLOWS FOR  
YEARS 1 TO 7 OF THE PLAN

EXHIBIT 1-B

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>Cash Inflows</b>					
Collection of escrowed funds	968,000	0	0	0	0
Collection of Account Receivables	0	25,000	20,000	20,000	20,000
Sales of Property, net	43,000	0	0	0	0
Capital Contribution from Stockholder	0	6,000	50,000	47,000	46,000
	<u>1,011,000</u>	<u>31,000</u>	<u>70,000</u>	<u>67,000</u>	<u>66,000</u>
<b>Estimated Operating Expenses</b>	5,000	5,150	5,305	5,464	5,628
<b>Cash Available for Plan</b>	<u>1,006,000</u>	<u>25,850</u>	<u>64,696</u>	<u>61,536</u>	<u>60,372</u>
<b>Plan Payments:</b>					
Class 1 Administrative	50,000	0	0	0	0
Class 2 Secured Claim- CRIM	17,995	17,995	17,995	17,995	17,995
Class 3 Secured Claim- Assoc Chalets de La Playa	0	0	0	0	0
Class 4 Secured Claim- Banco Santander de Puerto Rico	0	0	0	0	0
Class 5 Secured Claim- Banco Pupular de Puerto Rico	0	0	0	0	0
Class 6 Secured Claim- Puerto Rico Treasury Department	1,868	1,868	1,868	1,868	1,868
Class 7 Secured Claim- Emily Mateus	41,800	0	0	0	0
Class 8 Secured Claim- Scotiabank of Puerto Rico	810,000	0	0	0	0
Class 9 Unsecured Creditors from Governmental Entities	3,956	3,956	3,956	0	0
Class 10 General unsecured Creditors	25,337	25,337	25,337	25,337	25,337
Class 11 Contingent, Disputed and/or Unliq. Unsecured Claims	2,523	2,523	2,523	2,523	2,523
Class 12 Equity security add/or Other interest Claims	0	0	0	0	0
Sec. 507 (a) (8) Priority Unsecured Claims	13,147	13,147	13,147	13,147	13,147
<b>Total Plan Payments</b>	<u>966,627</u>	<u>64,827</u>	<u>64,827</u>	<u>60,871</u>	<u>60,871</u>
<b>Cash Available after operation and Plan Payments</b>	<u>39,373</u>	<u>-38,977</u>	<u>-131</u>	<u>665</u>	<u>-499</u>
<b>Estimated cash balance at end of year</b>	<u>39,373</u>	<u>396</u>	<u>265</u>	<u>930</u>	<u>431</u>

This schedule is an integral part of Debtor's Disclosure Statement and Plan of Reorganization.

**L & R DEVELOPMENT & INVESTMENT CORP.  
DIP 16-08792 BKT**

**REORGANIZATION PLAN CASH FLOW FORECAST  
YEARS 1 TO 5  
OF PLAN**

***ASSUMPTIONS AND BASIS FOR DEVELOPING THE REORGANIZATION  
PLAN CASH FLOW FORECAST***

**GENERAL**

The reorganization plan has been proposed considering Debtor present financial status and available resources to pay as intended in this plan of reorganization. . A seven (5) year plan is considered necessary and reasonable for Debtor to comply with paying all creditors based on matters set forth in the disclosure statement.

The accompanying schedule of operating cash inflows and outflows present, to the best of Debtors knowledge and belief, the expected results of activities during forecasted periods assuming the plan is confirmed under chapter 11 of the U.S. Bankruptcy Code. Accordingly, these projections reflect Debtor's judgment as of this date, of the expected conditions and their expected course of action and results as provided in the plan of reorganization.

Debtors understand that it is very reasonable to expect to prevail in the adversary proceeding 17-00026 and receive from defendant the cash held under their custody which were incorrectly disbursed by the escrow agent. Also, debtors reasonably understand that cash inflows as projected will be realized per plan and are indicative of expected results of future activities and effectively serve as a basis to develop the forecast.

The plan payment information was determined based on the scheduled payments, plan information and treatment by claim class classification as set forth in the Payments under the Plan of Reorganization. Substantially , the deposit of escrowed funds maintained by a third party, the collection of an account receivable and future capital contributions by the debtor's stockholder are committed to the plan payments as detailed in the accompanying schedule.

Revenues during reorganization period:

**COLLECTION OF ESCROWED FUNDS:** It's reasonable expected that upon resolution of Adversary proceeding 17-00026, the cash in hands of the former stockholder (\$ 968,000) that was incorrectly disbursed to him by the Escrow Agent will be recovered and deposited for the benefits of the state. These funds will be substantially used to pay Scotiabank Claim (Class 8 Creditor).

**COLLECTION OF ACCOUNTS RECEIVABLE:** It's reasonable expected that the account receivable from the Church, as detailed in the liquidation analysis, will be collected during year two (2) of the plan. Also, its assumend that the account receivable from Blue Sky Properties LLC will be collected in full. However, to be conservative the projection assumes that at least \$20,000 will be collected within years 3 to five of the Plan. Any excess collection will be used by Debtor to accelerate the payments under the plan.

**SALE OF PROPERTY :** It's assumed that the property serving as collateral on secured claim number 5 filed by Emily Mateus will be sold during year one (1) of the plan and will produce a net cash flow of at least \$43,000 that will be used to satisfy the Claim in full as specified in the Plan. The expected cash inflow is reduced by any selling expenses or taxes.

**CAPITAL CONTRIBUTIONS FROM STOCKHOLDER :** Debtor Stockholder is committed to do capital contributions of at least \$6,000 during year two, \$50,000 during year 3 , \$ 47,000 during year 4 and \$46,000 during 5 of the plan in order to pay all allowed debts under the Plan of reorganization.

**OTHER :** Debtor own certain unencumbered which are available for sale during the reorganization period. Any available proceeds from such transactions will be available to satisfy any obligation pursuant to this plan of reorganization.

**ESTIMATED OPERATING EXPENSES:**

This estimate of operating expenses is made to account for the payment of property taxes based on enacted tax rates and other corporate expenses, such as license and permits , and professional fees to be incurred considering the passive operation of the debtor during the reorganization period. A 3% annual increase was provided to other expenses to account for inflationary trends and increase in consumer price index.