

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF RHODE ISLAND**

In re: Gilded Age, LLC  
Debtor-In-Possession

Bk No: 1:17-bk-10738  
Chapter 11

**FIRST AMENDED DISCLOSURE STATEMENT  
OF  
DECEMBER 31, 2017**

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**ARTICLE I  
OVERVIEW AND IDENTIFICATION OF PROPONENT**

Gilded Age Properties, LLC, the Debtor-in-Possession (“Debtor”), hereby submits to its creditors this Amended Disclosure Statement in connection with its Plan of Reorganization (the “Plan”) pursuant to Chapter 11 of Title 11 United States Code (hereinafter the “Bankruptcy Code” or “Code”).

**ARTICLE II  
PRELIMINARY STATEMENT**

The Debtor submits this Amended Disclosure Statement (“Disclosure Statement”) to all of its creditors in order to comply with provisions of the Code requiring the submission of information necessary for creditors to arrive at an informed decision in exercising their rights to vote for acceptance or rejection of the Debtor’s Amended Plan (“Plan”) of Reorganization dated December 31, 2017, presently on file with the Bankruptcy Court. A copy of the Plan accompanies this Disclosure Statement. The Debtor is the proponent of this Plan.

As a creditor or partner involved in the Gilded Age Properties, LLC Bankruptcy, you should take the time to vote on the proposed Amended Plan, which, if confirmed, will affect your economic interest. Before casting your ballot, it is important that you be properly informed about the nature of the Chapter 11 Case and the workings of the proposed Plan and its consequences. Debtor contends that this Disclosure Statement contains adequate information to enable you to make an informed decision about the Plan. The Debtor urges you to review the Disclosure Statement and Plan, consult with your own legal counsel or other advisers if you think it is appropriate and for the reasons which follow, vote in favor of the Plan.

If you are a creditor, the Debtor believes that you should be paid in full. Here, payment of the debts of the Debtor in full is possible over time. The Debtor believes that its major assets, two (2) rental buildings located at 117 Bellevue Avenue and 38-40 Freebody Street both in Newport, Rhode Island, have a reasonable prospect of generating revenues sufficient to meet the obligations of the Reorganized Debtor under the Plan. The Debtor has devoted considerable time and energy to negotiating a Plan which it believes will provide its creditors with a significantly greater and more certain return than any other likely outcome of the bankruptcy, and particularly more than a liquidation. The Reorganized Debtor will own the Property (hereinafter defined) of the Debtor after the Effective Date. The Debtor believes that the reset of the indebtedness owed to Webster Bank, N.A. (hereinafter “Lender” or Secured Lender”), coupled with the increased revenues from operations, will yield an operating entity able to handle its debt service requirements, operating expenses and Plan payments going forward.

**ARTICLE III  
SUMMARY OF PLAN, CODE PROVISIONS FOR VOTING  
AND THE REORGANIZATION PROCESS**

**A. Repayment of Creditors**

The Debtor anticipates paying all claims in full during the pendency of the Plan. The Debtor is proposing a 36 month plan of repayment. The plan of the Debtor details the treatment of all of the known creditors. The Debtor's Plan provides for a restructuring of the secured debt of Lender. The plan proposes a 100% repayment of all priority and unsecured debts as well as a 100% cure of the arrearage owed to Secured Lender within 36 months of the Confirmation Order.

This Disclosure Statement contains a brief discussion of the Plan and its implementation. This Disclosure Statement should be read in conjunction with the Plan of Reorganization which is a legal document and upon confirmation will become binding upon creditors and all other parties in interest. The Debtor urges creditors and other parties in interest to consult with independent counsel in connection with their decision to accept or reject the Plan.

**B. Creditors Allowed to Vote: Deadline**

Creditors holding Allowed Claims are entitled to vote to accept or reject the Debtor's Plan of Reorganization. After carefully reviewing the Plan, this Disclosure Statement, and (if you are entitled to vote) the detailed instructions accompanying your Ballot, please indicate your acceptance or rejection of the Plan by checking the appropriate box on the enclosed Ballot. Please complete and sign your original Ballot and return in the envelope provided. You must provide all of the information requested by the appropriate Ballot. The Plan may be confirmed under certain circumstances, despite dissent by one or more Impaired Classes and the Debtor hereby reserves the right to seek such non-consensual confirmation of the Plan.

**IN ORDER FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE PROPERLY COMPLETED AS SET FORTH ABOVE AND IN ACCORDANCE WITH THE VOTING INSTRUCTIONS ON THE BALLOT AND ACTUALLY RECEIVED NO LATER THAN 5:00 P.M. (PREVAILING EASTERN TIME) ON THE DATE SET OUT IN THE ACCOMPANYING NOTICES BY:**

**William Delaney, Esquire  
DarrowEverett, LLP  
One Turks Head Place  
Providence, RI 02903  
Fax: (401) 453-1201**

**BALLOTS RECEIVED AFTER SUCH TIME MAY NOT BE COUNTED UNLESS THE COURT SO ORDERS. THE DEBTOR RECOMMENDS A VOTE "FOR ACCEPTANCE" OF THE PLAN.**

Even though a creditor may not choose to vote or may vote against the Plan, the creditor will be bound by the terms and treatment set forth in the Plan if the Plan is accepted by the requisite majorities in each class of creditors and/or is confirmed by the Court. Creditors who fail to vote will not be counted in determining acceptance or rejection of the Plan. The filing of a ballot does not constitute a claim.

Allowance of a claim or interest for voting purposes does not necessarily mean that the claim will be allowed or disallowed for purposes of distribution under the terms of the Plan. Any claim to which an objection has been or will be made will be allowed only for distribution after determination by the Court. Such determination may be made after the Plan is confirmed.

### **C. Voting Provisions**

In order for the Plan to be deemed accepted by a class of creditors entitled to vote under the Plan (CLASSES 1 THROUGH 5 UNDER THE PLAN), creditors that hold at least two-thirds (2/3) in the dollar amount and more than one-half (1/2) in the total number of allowed claims of creditors voting on the Plan must accept the Plan. Under certain limited circumstances more fully described in 11 U.S.C. § 1129(b), the Court may confirm a plan notwithstanding the rejection thereof by more than one-third (1/3) in amount or one-half (1/2) in number of the creditors voting on the Plan in any given class. The Debtor intends to seek confirmation under 11 U.S.C. § 1129(b) in the event any class of creditors rejects the Plan. Debtor hereby reserves all right to move to reject a rejection of the Plan pursuant to 11 U.S.C. § 1126(e).

**AS STATED ABOVE, THE BANKRUPTCY COURT WILL SET A TIME AS THE LAST DATE BY WHICH ALL BALLOTS MUST BE RECEIVED.** All parties eligible to vote on the Plan are urged to complete and return their Ballots promptly to avoid delay in confirmation of the Plan.

### **D. Representations Limited**

No representations concerning the Debtor, particularly regarding future business operations or the value of the Debtor's assets, have been authorized by the Debtor except as set forth in this statement. You should not rely on any other representations or inducements proffered to you to secure your acceptance in arriving at your decision in voting on the Plan. Any person making representations or inducements concerning acceptance or rejection of the Plan should be reported to counsel for the Debtor.

While every effort has been made to provide the most accurate information available, the Debtor is unable to warrant or represent that all information is without inaccuracy. No known inaccuracies are included. Further, much of the information contained herein consists of projections of future performance. While every effort has been made to insure that the assumptions are valid and that the projections are as accurate as can be made under the circumstances, the Debtor does not undertake to certify or warrant the absolute accuracy of the projections.

### **E. Brief Explanation of Chapter 11**

Chapter 11 is the principal business reorganization section of the Bankruptcy Code. Pursuant to Chapter 11, normally a debtor is permitted to reorganize its business affairs for its own benefit and that of its creditors and other interest holders. Unless a trustee is appointed, the debtor is authorized to continue to operate its business while all attempts to collect pre-petition claims from the debtor, or to foreclose upon property of the debtor, are stayed during the pendency of the case, unless otherwise ordered by the Bankruptcy Court.

The objective of a Chapter 11 case is the formulation of a plan of reorganization. The Plan is a vehicle for resolving claims against the debtor, as well as providing for its future direction and operations. Impaired creditors are given an opportunity to vote on any proposed plan, and the plan must be confirmed by the Bankruptcy Court to be valid and binding on all parties. Once the plan is confirmed, all claims against the debtor that arose before the confirmation of the Plan are extinguished, unless specifically preserved in the Plan.

### **F. Purpose of Disclosure Statement**

The purpose of a Disclosure Statement is to provide the creditors with sufficient information about the Debtor and the proposed Plan of Reorganization so as to permit them to make an informed judgment when voting on the Plan. This Disclosure Statement therefore includes background information about the Debtor and also identifies the classes into which creditors have been placed by the Plan. The Disclosure Statement describes the proposed treatment of each of those classes if the Plan is confirmed. In addition, the Disclosure Statement contains information concerning the future prospects for the Debtor in the event of confirmation.

This Disclosure Statement and the Exhibits described herein will be approved by Order of the Bankruptcy Court as containing, in accordance with the provisions of the Bankruptcy Code, adequate information of a kind and in sufficient detail that would enable a reasonable, hypothetical investor, typical of a holder of impaired claims or interests that is entitled to vote on the Plan to make an informed judgment with respect to the acceptance or rejection of the Plan. The Bankruptcy Court's approval of this Disclosure Statement, however, does not constitute a recommendation by the Bankruptcy Court either for or against the Plan.

**YOU ARE URGED TO STUDY THE PLAN IN FULL AND TO CONSULT WITH YOUR COUNSEL AND OTHER ADVISORS ABOUT THE PLAN AND ITS IMPACT, INCLUDING POSSIBLE TAX CONSEQUENCES, UPON YOUR LEGAL RIGHTS. PLEASE READ THIS DISCLOSURE STATEMENT CAREFULLY BEFORE VOTING ON THE PLAN.**

### **G. Notice to Holders of Claims and Interests**

This Disclosure Statement is being transmitted to holders of Claims for the purpose of soliciting votes on the Plan and to others for information purposes. The purpose of this Disclosure Statement is to provide adequate information to enable the holder of a Claim against the Debtor to make a reasonably informed decision with respect to the Plan prior to exercising

the right to vote to accept or reject the Plan.

### **H. Solicitation Package**

Accompanying this Disclosure Statement are, among other things, copies of the (a) the Plan, (b) the order approving the Disclosure Statement, which inter alia, provides notice of the time for submitting Ballots to accept or reject the Plan, the date, time and place of the hearing to consider the confirmation of the Plan and related matters, and the time for filing objections to the confirmation of the Plan, and (c) one or more ballots (and a return envelope), to be used by you, if you are entitled to vote, in voting to accept or reject the Plan.

### **I. The Confirmation Hearing**

The Bankruptcy Court has scheduled a hearing on the confirmation of the Plan and notice of the time and location thereof is a part of your notice you have received with these pleadings, or as soon thereafter as the parties can be heard. At the hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements of the Bankruptcy Code, including whether it is feasible and whether it is in the best interest of holders of claims and interests. The Bankruptcy Court will also receive and consider a report of plan voting prepared by the Debtor concerning the votes for acceptance or rejection of the Plan cast by the parties entitled to vote. The hearing may be adjourned from time to time by the Court without further notice except for the announcement of the adjournment date made at the hearing or at any subsequently adjourned hearing. The Court has directed that objections, if any, to confirmation of the Plan be filed with the Clerk of the Court and served by the date set out in the notice that is a part of your notice you have received with these pleadings.

### **J. Acceptances Necessary to Confirm Plan**

At the scheduled confirmation hearing, the Bankruptcy Court must determine, among other things, whether the Plan has been accepted by each impaired class. Under Section 1126 of the Bankruptcy Code, an impaired class is deemed to have accepted the Plan if at least 2/3 in amount and more than 1/2 in number of the Allowed Claims of class members who have voted to accept or reject the Plan have voted for acceptance of the Plan. Further, unless there is acceptance of the Plan by all members of an impaired class, the Bankruptcy Court must also determine that under the Plan class members will receive property of a value, as of the Effective Date of the Plan, that is not less than the amount that such class members would receive or retain if the Debtor was liquidated under chapter 7 of the Bankruptcy Code on the Effective Date of the Plan.

### **K. Confirmation of The Plan Without The Necessary Acceptances**

A plan is fair and equitable as to a class of unsecured claims that rejects a plan if the plan provides (a) for each holder of a claim included in the rejecting class to receive or retain on account of that claim property that has a value, as of the effective date of the plan, equal to the

allowed amount of such claim or (b) that the holder of any claim or interest that is junior to the claims of such class will not receive or retain an account of such junior claim or interest any property at all. The Plan may be confirmed under certain circumstances, despite dissent by one or more Impaired Classed and the Debtor hereby reserves the right to seek such non-consensual confirmation of the Plan.

## **ARTICLE IV HISTORY AND ORGANIZATION OF THE DEBTOR**

### **A. History of the Debtor**

The Debtor is the owner of a multi-use commercial office/retail building located at 117 Bellevue Ave., Newport, RI. It consists of three retail units on the first floor of the building along with 12 office spaces on the second floor. The Debtor purchased this property on 9/27/2011.

The Debtor is also the owner of a 16 unit residential apartment building located at 38-40 Freebody St. in Newport, Rhode Island. Since the Debtor purchased the property it has rehabbed 12 of the 16 units and is desirous of rehabbing the remaining units in an effort to further increase the rental income of the building and increase the market value of the property. The Debtor purchased this property on 10/05/2012.

The Debtor has been operating the business pursuant to this Court's order since the filing of the bankruptcy.

Due to an occasional lack of working capital, cash flow and the desire of the member to make substantial capital improvements that would in turn increase the rents of the building it fell behind on some obligations including the mortgage holder. In the first year of Debtor's ownership of the Bellevue and Freebody properties the Debtor was forced to expend considerable sums on improvements required to maintain the habitability of the property such as a new commercial heating and hot water system and plumbing repairs required by fire damage to an apartment unit that was unknown at the time of purchase. The costs of these repairs totaled more than \$100,000.00.

Since the purchase of the properties and continuing, the Debtor has made substantial capital improvements to the properties, which have increased occupancy to near 100%, and substantially increased rental revenues. Therefore the cash flow shortages the Debtor experienced are unlikely to re-occur as the properties are now well maintained and in substantially superior condition than when purchased.

### **B. The Chapter 11 Filing and Post-Petition Events**

The Debtor filed its petition on May 4, 2017, and is operating as Debtor in Possession. The Debtor is complying with all requirements of the Bankruptcy Code and all Local Rule requirements. Since the petition was filed, the Debtor continues to engage in residential and commercial property rental. This activity provides the Debtor with income so that it can service



its ongoing operational expenses.

### **C. Basic Concept of Plan**

The following is a brief summary of the Plan, which is qualified in its entirety by the reference to the Plan.

The implementation of the Plan will permit the Debtor to restructure its obligations and pay off said restructured obligations from the proceeds of rental income derived from the leasing of residential and commercial units in the interim.

On the Effective Date, the Debtor shall assume the existing Management Agreement between the Debtor and Crew Remodeling, Inc. (the “Manager” and/or “Management Agreement”). From and after the Effective Date, management fees shall be paid as and when due in accordance with the Management Agreement. Management fees that are accrued and unpaid as of the Effective Date (“Accrued Fees”) shall be paid by the Reorganized Debtor as funds become available to make such payments as contemplated on Exhibit A to the Plan. From and after the Effective Date, the Manager will collect rents from the rental units consistent with prior practices, deliver Net Rental Proceeds to the Debtor as and when required pursuant to the terms of the Management Agreement. All such Net Rental Proceeds will be deposited into the Debtor in Possession account.

The Plan sets forth multiple classes of Claims.

CLASS 1 - Class 1 consists of consists of the Secured Claim of Lender. Lender’s Secured Claim is secured by mortgage deeds on the Bellevue and Freebody properties. Class 1 claims are impaired. The Debtor proposed to pay the \$22,643.42 pre-petition arrearage on the Secured Lender’s claims in 36 equal monthly installments of \$628.98. Said arrears payments are to begin the first of the month after the Confirmation Order.

CLASS 2 - Class 2 consists of any pre-petition tax Claims of the Internal Revenue Service (“IRS”). Class 2 claims are not impaired under the Plan. Class 2 claims will be paid in full within 30 days of the Confirmation Order from the Debtors cash on deposit. Debtor does not believe there are any such claims.

CLASS 3 - Class 3 consists of any pre-petition unsecured claims of the Debtor estimated to total \$72,000.00. Class 3 claims are impaired under the Plan. Class 3 claims will be paid a monthly pro rata share for 36 months until paid in full beginning with the first of the month after the date of the Confirmation Order.

CLASS 4 - Class 4 consists of those Claims held by insiders of the Debtor, as such term is defined in 11 U.S.C. §101(31), as the same are allowed and ordered paid by the Court. Class 4 Claims are impaired under the Plan.

CLASS 5 – Class 5 consists of any Member’s interest in the Debtor. Class 5 Claims are

impaired under the Plan.

The Plan provides that, on the Effective Date, the acceleration of the entire obligation owing Lender will be deemed revoked, placed in a non-default status, and reset as a performing loan. This new obligation (“Lender’s Allowed Claim”) shall include principal, accrued interest at the non-default Contract Interest Rate and reasonable attorneys fees to the extent allowed under 11 U.S.C. § 506(b) (the “506(b) Charges”). Debtor reserves the right to object to the necessity and reasonableness of any such attorney’s fees. This newly calculated obligation is referred to herein as the “Reset Obligation”. The Debtor shall pay principal and interest on the Reset Obligation. The interest shall be paid at the contractual rate. The first monthly payment shall be due 30 days after the Confirmation Date. The Debtor proposed to pay the \$22,643.42 pre-petition arrearage on the Secured Lender’s claims in 36 equal monthly installments of \$628.98 commencing 30 days after the Confirmation Date.

Debtor will the first of the month after the entry of the Confirmation Order make regular monthly contractual mortgage payments to Secured Lender in the amount of \$5,028.70 on the Bellevue Loan and \$4,807.28 on the Freebody Loan.

Debtor will maintain current with the insurance and tax payments regarding the Secured Lender’s collateral as contemplated by the attached Budget.

#### **D. Creditors’ Committee**

No creditor committee has been formed in this case.

#### **E. Cash on Hand**

As of the Date of the within Disclosure Statement the Debtor currently has cash on hand in the amount of \$85,730.53.

### **ARTICLE V**

#### **PENDING AND POTENTIAL LEGAL ACTION**

The Debtors is party to a receivership proceeding brought by the Secured Lender in the Rhode Island Superior Court for the County of Kent encaptioned Webster Bank, N.A. v. Gilded Age Properties, LLC, C.A. No. 17-0188. This matter is Stayed by the within pending Chapter 11. The Debtor reserves all rights to seek a dismissal of this action and any and all legal rights and remedies relative thereto.

The Debtor is reviewing potential claims and litigation against the Secured Lender and any such other party the Debtor or its counsel determine have liability to the Debtor. The

Debtors potential claims concern the Secured Lender's servicing of the mortgage loans. Debtor is considering claims alleging failure to give the borrower sufficient time or reasonable terms to cure the default; breach of the covenant of good faith; improper exercise of the right of acceleration; improper exercise of default remedies; failure to negotiate in good faith with Debtor to cure the default; the filing of an unwarranted Receivership petition against the Debtor; rejecting reasonable offers to cure default; tortious interference with the Debtor's business and any claims. This is not a comprehensive or exhaustive list of all potential claims Debtor may bring against the Secured Lender and Debtor hereby reserves all rights in this regard.

The Debtor's Plan is not in any way contingent or funded by any such potential litigation against the Secured Lender. Nor will any such litigation effect any of the proposed distributions pursuant to the Debtor's 100% plan.

## **ARTICLE VI CLASSIFICATION OF CLAIMS**

The Debtor's Plan establishes five (5) classes for Claims as described above and also provides for the payment of administrative expenses. Administrative expenses identified to date are outlined below.

### **A. Provisions for Administrative Expenses**

Unless an administrative claimant agrees in writing to less favorable treatment, all administrative expenses shall be paid in full upon the Effective Date of the Plan (as defined by the Plan). Administrative Expenses are those due for expenses incurred after the Petition was filed and include payments to professionals employed by the Debtor as approved by the Court. The Debtor estimates that the following claims will be made:

1. Attorneys for Debtor:

William Delaney, Esquire                      \$ 8,000.00 estimated

2. Committee Expenses:

The Debtor anticipates no expenses for a Committee.

3. Accountants:

None anticipated.

4. Court costs payable to Clerk:

The Debtor anticipates no court costs or nominal costs, except for the required quarterly fees.

5. Quarterly Trustee Fees pursuant to 28 U.S.C. §1930(a)(6):

The Quarterly Fees payable to the U.S. Trustee pursuant to 28 U.S.C. § 1930 will be paid in full upon the Effective Date. Subsequent to Confirmation, through the Closing Date of the Bankruptcy Case under § 350 of the Code and entry of a final decree pursuant to Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Debtor (1) will pay all fees payable under 28 U.S.C. § 1930(a)(6), and (2) will timely file with the Court and serve, as required by Rule 3020-2 of the Local Bankruptcy Rules of the Court, a monthly financial report for each month (or portion thereof) the case remains open. The monthly financial report shall include the following:

(1) a statement of all disbursements made during the course of the month, whether or not pursuant to the plan;

(2) a summary, by class, of amounts distributed or property transferred to each recipient under the plan, and an explanation of the failure to make any distributions or transfers of property under the plan;

(3) debtor's projections as to its continuing ability to comply with the terms of the plan;

(4) a description of any other factors which may materially affect the debtor's ability to consummate the plan; and

(5) an estimated date when an application for final decree will be filed with the court (in the case of the final monthly report, the date the decree was filed).

## **B. Secured Creditors**

Class 1 consists of the Secured Claims of Lender secured by various assets of the Debtor. The Allowed Secured Claims will be paid as provided by the Plan as described above. Debtor reserves all rights to object to the Secured Lender's proof of claim.

## **C. Provisions for Secured Priority Claims**

Class 2 consists of the Internal Revenue Service (hereinafter "IRS"). The Debtor does not believe that the IRS holds pre-petition unsecured priority Claims. To the extent that such Claims exist, they will be paid from the Debtor's rental proceeds.

#### **D. Claims of Unsecured Creditors**

Class 3 consists of the Claims of unsecured creditors holding Claims against the Debtor, except for those Claims of insiders. These creditors will be paid in full as set forth in the Plan (36 equal pro-rata monthly payments). The Debtor may object to certain unsecured Claims for reasons including, but not limited to, their improper classification, an improper amount claimed or the fact that the Claim is not owed by the Debtor. Based upon the Debtor's Schedules and the Proof of Claims filed in this matter the Debtor estimates that there is \$72,000.00 in unsecured claims.

#### **E. Method of Distributions Under the Plan**

a. Distributions Under the Amended Plan.

All distributions will be made as set forth in the Amended Plan.

Distributions to holders of Allowed Claims and Allowed Interests shall be made by the Debtor at the addresses set forth in the Debtor's records unless such addresses are superseded by any proofs of Claim or Interests (or transfers thereof) that may be filed pursuant to Bankruptcy Rule 3001.

Except as otherwise provided in the Amended Plan or the Confirmation Order, all Cash necessary for the Debtor to make payments pursuant to the Amended Plan will be obtained from the commercial and residential rental proceeds.

The Debtor will make all distributions required to be distributed under the applicable provisions of the Amended Plan.

b. Timing and Methods of Distributions.

Notwithstanding any other provision of the Amended Plan: (i) each holder of an Allowed Claim or Allowed Interest that is to receive a distribution pursuant to the Amended Plan will have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding and tax obligations, on account of such distribution.

##### **Pro Rata Distribution**

When the Amended Plan provides for Pro Rata distribution, the consideration to be distributed under the Plan shall be divided Pro Rata among the holders of Allowed Claims or Allowed Interests of the relevant Class.

#### **F. Objections to Claims and Authority to Prosecute Objections**

The right to prosecute, file, litigate and settle objections to Disputed Claims whether or not the subject of present litigation shall remain with the Debtor after the Confirmation Date. The debtor has not fully reviewed the claims and interests in the Chapter 11 case or determined whether objections to claims and interests exist or are warranted. This investigation is ongoing. As a result, creditors and other parties-in-interest are hereby advised that, notwithstanding that the existence of any particular objection to a disputed claim or disputed interest may not be listed, disclosed, or set forth in the plan, an objection to a claim or interest may be brought against any creditor or party-in-interest at any time, subject to the time limitations set by the Court.

#### **ARTICLE VII TREATMENT OF INTEREST HOLDERS**

The member of the Debtor as identified above will retain his membership interests in the Debtor.

#### **ARTICLE VIII LIQUIDATION ANALYSIS**

Exhibit B sets forth an analysis of the Debtor's assets and a comparison of the treatment of creditor claims between a liquidation and execution of the Debtor's Plan of Reorganization.

#### **ARTICLE IX REPAYMENT PROJECTIONS**

Exhibit A to the Plan sets forth the projected income and normal operating expenses of the Debtor from December 1, 2017, through December 1, 2020. Exhibit A to the Plan sets forth the resulting cash flow and required plan payments from December 1, 2017, through December 1, 2020.

#### **ARTICLE X MANAGEMENT PROVISIONS**

The Debtor proposes that the current management be retained. Specifically, Peter M. Iascone has operated the Debtor as the manager of the company since the inception of the Project. He shall continue in that capacity and oversee the day to day business operations of the Debtor. The Debtor shall continue to employ Crew Remodeling, Inc. for the maintenance and repair of the properties and assume any contracts and agreements existing between the parties.

**ARTICLE XI  
PROFESSIONALS EMPLOYED**

**A. Lawyers for the Debtor**

The Debtor has employed William Delaney, Esquire to represent it in connection with these and other proceedings with the approval of the Bankruptcy Court.

**B. Debtor's Accountants**

The Debtor has not employed an accountant, but retains the right to do so.

**ARTICLE XII  
PAYMENTS UNDER PLAN ARE IN FULL AND FINAL SATISFACTION OF DEBT**

Except as otherwise provided in Section 1141 of the Bankruptcy Code, or the Plan, the payments and distributions made pursuant to the Plan will be in full and final satisfaction, settlement, release, and discharge, as against the Debtor, of any and all claims against, and interests in, the Debtor, as defined in the Bankruptcy Code, including, without limitation, any Claim or Equity Interest accrued or incurred on or before the Confirmation Date, whether or not (i) a proof of claim or interest is filed or deemed tiled under Section 501 of the Bankruptcy Code, (ii) such Claim or Equity Interest is allowed under Section 501 of the Bankruptcy Code, or (iii) the holder of such Claim or Equity Interest has accepted the Plan.

**ARTICLE XIII  
DISCHARGE OF DEBTOR**

UPON SUBSTANTIAL CONSUMMATION OF THE PLAN, THE DEBTOR WILL BE DISCHARGED OF ALL CLAIMS AND LIABILITIES ARISING PRIOR TO THE FILING OF THE PETITION FOR RELIEF PURSUANT TO 11 U.S.C. § 1141. THIS PROVISION SHALL BE TREATED AS NOTICE AND MOTION PURSUANT TO SECTIONS 1141(D)(1), 1141(D)(2), AND 1141(D)(3), AS APPLICABLE.

SUBSTANTIAL CONSUMMATION SHALL BE ACHIEVED BY THE DEBTOR ONCE THE PLAN HAS BEEN PERFORMED SUBSTANTIALLY IN ACCORDANCE WITH ITS TERMS. THE GRANTING OF A DISCHARGE UNDER THESE CIRCUMSTANCES IS WARRANTED AS THE CONFIRMED PLAN CREATES A CONTRACT WITH CREDITORS FOR THE REPAYMENT OF DEBTS IN ACCORDANCE WITH THE TERMS OF THE PLAN THAT IS ENFORCEABLE AGAINST THE DEBTOR.

**ARTICLE XIV  
TAX IMPLICATIONS**

**The Debtor has not performed an analysis of the tax implications of the provisions of this plan with respect to the payments to be made under the Plan of Reorganization, and makes no warranties or statements regarding the same.**

**CIRCULAR 230 NOTICE: To comply with requirements imposed by the United States Treasury Department and/or IRS, any information regarding any U.S. federal tax matters contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, as advice for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another part) any transaction or matter addressed herein. A formal and thorough written tax opinion would first be required for any tax advice contained in this communication to be used to avoid tax related penalties. Please consult your own tax professional.**

Gilded Age Properties, LLC  
By its attorneys,

Dated: December 31, 2017

/s/ William Delaney  
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