

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

Sonsvest Holdings, LLC,
Debtor.

Case No. 17-01698-dd

Chapter 11

DEBTOR'S DISCLOSURE STATEMENT

Filed by the Debtor-in-Possession on July 5, 2017

Submitted by:

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DEBTOR'S AMENDED DISCLOSURE STATEMENT

<u>Table of Contents</u>		<u>Page</u>
I.	Introduction -----	3
II.	History and Events Leading to Bankruptcy -----	4
III.	Post-Petition Activity -----	5
IV.	Property of the Debtor -----	6
V.	Summary of Proposed Plan -----	7
	Plan Classifications -----	9
VI.	Executory Contracts -----	13
VII.	Liquidation and Other Alternatives -----	13
VIII.	Feasibility of Plan -----	15
IX.	Further Financial Information -----	15
X.	Certain Risk Factors to be Considered -----	16
XI.	Tax Consequences-----	17
XII.	Conclusion -----	20

DEBTOR'S DISCLOSURE STATEMENT

I. INTRODUCTION

Sonsvest Holdings, LLC (the "Debtor") provides this Disclosure Statement to all of its known creditors and parties in interest in order to disclose information considered by the Debtor to be important, material and necessary for creditors to make a reasonably informed decision in exercising their right to vote on the Debtor's Plan of Reorganization (the "Plan") which has been summarized herein and will be filed with this Disclosure Statement (the "Disclosure Statement") in the United States Bankruptcy Court for the District of South Carolina. This Disclosure Statement must provide such information, as far as practicable, that would enable a hypothetical reasonable investor typical of the holders of claims against the Debtor, to make an informed judgment about the Plan. The Debtor believes and asserts that the information provided in this Disclosure Statement gives information adequate for a hypothetical, reasonable investor to make a decision as to the Debtor's Plan. The United States Bankruptcy Court will set a hearing to determine if this Disclosure Statement provides adequate information and conforms to the requirements of the Bankruptcy Code (11 U.S.C. §101 et seq.).

Voting Procedures

The United States Bankruptcy Court will set a date at a later time for a hearing on the acceptance of the Plan. Notice of the Plan Confirmation Hearing will be mailed to all holders of claims, and upon receiving the Notice of Confirmation Hearing, holders of claims may then vote on the Plan by completing the ballot that will be mailed with the Plan and returning such ballot to the Bankruptcy Court. The accompanying Notice of Hearing will specify a time within which the ballots must be returned. The vote of all creditors and holders of Claims is very important. Because there are Impaired classes under the Plan, at least one non-insider class of Impaired Claims must accept the Plan in order for the Plan to be confirmed. The Plan will be confirmed by the Court if the Plan is accepted by the holders of two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the creditors or holders of Claims in each class voting on the Plan, and two-thirds (2/3) in number of the holders of allowed Interests voting on the Plan. In the event the requisite number of acceptances is not obtained, the Court may still confirm the Plan if at least one class of Impaired Claims votes in favor of the Plan and the Court finds the Plan otherwise complies with Bankruptcy Code requirements and accords fair and equitable treatment to those classes rejecting the Plan.

General Provisions

If it is confirmed, the Plan will be a legally binding arrangement documenting how creditors' Claims will be addressed, therefore the Plan should be read in its entirety, rather than relying solely on the summary in this Disclosure Statement. Approval of the Disclosure Statement by the United States Bankruptcy Court does not constitute approval by the Bankruptcy Court on the merits of the Plan.

Any and all capitalized terms herein shall have the meaning prescribed such terms in the Debtor's Plan, or if no such definition is set forth in the Plan, then such words shall be read to have the meaning prescribed in the United States Bankruptcy Code. If any capitalized terms are not defined in the Plan or the United States Bankruptcy Code, such terms are intended to have their common every day meaning.

EXCEPT WHERE SPECIFICALLY STATED OTHERWISE, THE DISCLOSURE STATEMENT HAS BEEN PREPARED BY THE DEBTOR AND HAS BEEN PREPARED BASED ON INFORMATION AVAILABLE TO THE DEBTOR. NO REPRESENTATIONS CONCERNING THE DEBTOR (PARTICULARLY THE VALUE OF THE ASSETS OF THE DEBTOR) ARE AUTHORIZED OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT. THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. THOUGH GREAT EFFORT HAS BEEN MADE TO BE ACCURATE, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED HEREIN IS WITHOUT ANY INACCURACY.

II. HISTORY OF THE DEBTOR AND EVENTS LEADING TO THE FILING OF BANKRUPTCY

Sonsvest Holdings, LLC (the "Debtor") is a single member limited liability company formed in 2006 in South Carolina by Fred McCutcheon. The Debtor manages and leases real property that consists of four separate addresses, two of which have completed commercial warehouse/office buildings contracted and a billboard (the "Property"). The Debtor is managed by Fred McCutcheon, its sole member.

Debtor purchased the Property in 2006. The Property was acquired and has been improved through financing from First Palmetto Bank.

The Debtor initially intended to the Develop the property to house warehouse and office space for a related entity Catastrophe Services, Inc. ("CSI") as well as third party tenants in other buildings. CSI was located in the 11,200 square foot building located at 1977 LeGrand. The second completed structure is located at 1971 LeGrand, which consists of 11,800 square feet of leasable space. The Debtor's goal for the property has always been to divide the property into separate taxable units and sell the four addresses as individual parcels.

First Palmetto Bank (“First Palmetto”) provided financing to the Debtor since the acquisition of the Property and through various construction loans, which were eventually consolidated into a first priority mortgage loan in the principal amount of \$1,370,000. Difficulties arose in the Debtor’s relationship with First Palmetto when the Debtor was unable to make debt service due to the failure of CSI and the loss of rental income 1977 LeGrand. Debtor’s payment default cause First Palmetto to exercise setoff rights against the Debtor’s account pre-petition. On or about February 7, 2017, First Palmetto obtained the appointment of a Receiver over Debtor’s property. First Palmetto filed foreclosure proceedings, which were stayed by the filing of this Chapter 11 case.

III. POST-PETITION ACTIVITY AND OPERATIONS

Bankruptcy Filing and Meeting of Creditors

The Debtor filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code on April 4, 2017 (the “Petition Date”). Since that time, the Debtor has operated as a debtor in possession pursuant to 11 U.S.C. §§1107(a) and 1108 of the Bankruptcy Code. A first meeting of creditors was conducted upon the Debtor’s chapter 11 filing on May 8, 2017.

Initial Motions and Pleadings

On April 5, 2017, the Debtor filed a Motion for Interim and Final Orders (A) Authorizing Debtor’s Use of Cash Collateral, and (B) Granting Replacement Liens. Debtor was provided cash collateral authority on an interim basis on April 20, 2017. The motion was granted on a final basis following the hearing held on May 25, 2016.

Also on April 5, 2017, the Debtor filed a Motion for Continuation of Utility Service and Approval of Adequate Assurance of Payment to Utility Company Under Section 366(b), seeking to establish the terms and conditions upon which utility service would continue for the Property. The motion was granted on a final basis following the hearing held on April 20, 2017.

Employment of Professionals

The Debtor filed an application to appoint McCarthy, Reynolds, & Penn, LLC, effective as of the Petition Date, as the Debtor’s bankruptcy counsel on April 17, 2017. This application was granted by order entered on May 1, 2017.

The Debtor filed an application to appoint AgentOwned Realty Co., Charleston Group, Inc. as its Real Estate Advisor and broker for marketing the Property for lease and/or sale. This application was granted by order entered on May 4, 2017.

Post-Petition Operations of the Debtor

Post-petition, the Debtor manages its assets and operates its business as a debtor in possession pursuant to 11 U.S.C. §§ 1107 and 1108. Fred McCutcheon has managed the Debtor without compensation both pre- and post-petition. Fred McCutcheon is an insider, having the sole interest in the Debtor. McCutcheon maintains daily contact with the Property. As required by the United States Trustee and the Federal Rules of Bankruptcy Procedure, the Debtor is filing monthly operating reports detailing its post-petition operations, and the Debtor's monthly operating reports are incorporated herein by reference. While 1977 LeGrand is vacant, the income from operations is minimal such that the ending cash balance in its DIP Account on May 31, 2017 was \$10,732.60. The Debtor's monthly reports have been filed with the Court and are available on the Bankruptcy Court's electronic database (Pacer) located at its web page (www.scb.uscourts.gov/webpacer/webpacer.htm) or by request to Debtor's counsel at hpenn@mccarthy-lawfirm.com.

IV. PROPERTY OF THE DEBTOR

Primary Assets

As of the Petition Date, the Debtor's assets consist primarily of a commercial office/warehouse facility with four separate addresses, two of which have been fully completed, in Northeast Richland County, South Carolina (the "Property").¹ The property identified as 1971 LeGrand consists of 11,800 square feet of office and warehouse space, which is fully occupied. The property identified as 1977 LeGrand consists of 11,200 square feet of office and warehouse space, which is vacant. The Property has a current value, based on the Debtor's opinion and comparable listings, with fair market value for the Property "as is" with leases enforced in the amount of \$1,850,000, which may rise upon reaching stabilized occupancy. The real estate upon which the Property is located has four parcels, which can be subdivided and sold.

¹ The real property also has the possibility of being subdivided into four separate parcels and these additional lots sold separately from the Property. One of these parcels contains thereon a billboard.

Additionally, as of the Petition Date the Debtor had cash/accounts of approximately \$905.49, as well as \$3,094.00 in rents that were turned over to the Debtor by the Receiver upon filing of the Petition. The Debtor is funding its post-petition operations through the court-approved Cash Collateral Budget and replacement liens are being granted to First Palmetto to the extent of Debtor's use of Cash Collateral.

Bankruptcy and Other Causes of Action

The Debtor is still reviewing the nature and merits of any causes of action pursuant to 11 U.S.C. §§ 547, 548, 549, and 550 ("Chapter 5 Causes of Action"), including a review of the transactions described in more detail in the Debtor's Statement of Financial Affairs ("SoFA") filed by the Debtor as part of its Bankruptcy Schedules (Docket Item # 1 in this Case, beginning on page 20 of 35). For a detailed listing that describes the primary transactions that could give rise to Chapter 5 Causes of Action, please refer to the Disclosure Statement's **Exhibit A**, including any amendments or addenda thereto, which is hereby specifically incorporated in the Plan by reference.

The Debtor specifically reserves all of its rights related to any and all Chapter 5 Causes of Action that are determined to exist, specifically including, but not limited to, the Debtor's rights to file suit on potential Chapter 5 Causes of Action.

Based upon the funds that were distributed to Mr. McCutcheon within the 1 year preference period for insiders, there may be \$4,714.90. Based upon the other financial pressures upon Mr. McCutcheon, stemming from the failure of CSI, it is believed that such funds are uncollectable.

V. SUMMARY OF PROPOSED PLAN

Unless otherwise ordered by the Court, the Claims Bar Date shall be **August 7, 2017 for all creditors except governmental units** and shall be **October 2, 2017 for a governmental unit** as such dates were set forth in the Court's Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines issued on the Petition Date in this Case. Unless specifically ordered otherwise by the Court, only Claims scheduled by the Debtor without any contingent, unliquidated, or disputed notations and those Claims filed on or before the Claims Bar Date shall constitute Claims asserted against the Debtor in this Case. Any Claims filed after the Claims Bar Date shall be automatically disallowed unless the claimant successfully obtains an order of the

Court allowing their late-filed proof of claim. Any claim for United States Trustee fees is not subject to any deadline for administrative claims. **The Debtor specifically reserves its right to object to any scheduled or asserted claims prior to the closing of the bankruptcy case.**

The Debtor's ultimate goals are as follows: (i) stabilize occupancy of a majority of the space in the Property, through obtaining a replacement anchor tenant; (ii) resolve unsecured claims and provide for interest payments on secured claims through subdivision and sale of the three parcels; (iii) in the alternative, resolve claims by refinancing, through interim short-term financing to allow immediate payment of all unsecured and secured claims, or long-term financing from a commercial lender after stabilization of occupancy of the Property; and (iv) if unsuccessful in each of the foregoing after a one-year period from the date of Plan Confirmation, to liquidate the Property in a court-approved sale.

In its pre-petition activities, the Debtor received significant interest from third parties regarding sale of the billboard, 1977 LeGrand, and 1971 LeGrand. The Plan provides for the subdivision of these lots to allow for the sale of these parcels. The first sale is projected to occur within 120 days of Plan approval. The proceeds of the sale of the first parcel to sell will be applied as follows: First Palmetto will be paid not less than 80% of net proceeds with the remaining 20% of net proceeds being carved-out for Classes 2, 4, 5, 6, 7, and 8. If a sale is obtained for the entirety of the Property, First Palmetto will be paid the full amount of its Allowed Claim. Prior to the first of these sales, the Debtor will continue to utilize Cash Collateral to fund the operating expenses and quarterly UST fees.

In the event of sale, the Debtor will file a motion seeking approval of the terms of the sale consistent with Section 363 of the Code, and will use AgentOwned, its approved independent broker to maximize exposure and marketing over the months preceding the sale to ensure the best penetration of the market and highest likelihood that the sale will result in sufficient net proceeds to satisfy the greatest amount of Allowed Claims of the Classes below. At the sale, First Palmetto will be entitled to credit bid the amount of its Allowed Claim.

The AgentOwned, as the broker, will continue to seek buyers for the subdivided lots as well as proposals for lease of the Property. The Debtor will also seek commercial tenants for the Property. The Debtor will seek any leases that will not affect the viability of commercial tenant use or sale of parcels. These leases will provide income to help with the ongoing maintenance and costs of the Property.

Plan Classifications

Class 1. First Palmetto Bank (“First Palmetto”). Secured, Impaired.

The Debtor has scheduled a claim for First Palmetto in the amount of \$1,356,158.49 as of the Petition Date. First Palmetto has filed a Proof of Claim (“POC 1”) in the amount of \$1,534,168.35. First Palmetto asserts that it is secured by a perfected first priority mortgage in the Debtor’s real property holdings, as well as a pre-petition security interest in the accounts, deposit accounts, commercial tort claims, fixtures, equipment, instruments, inventory, investment property, chattel paper, letter of credit rights, supporting obligations, intangibles, and proceeds (the “Cash Collateral”) of the Debtor.

AgentOwned, who has been employed as the Debtor’s Real Estate Advisor, will continue to focus on locating tenants or purchasers consistent with Debtor’s concept for commercial warehouse/office use. From the sales of any subdivided lots, First Palmetto will be paid not less than 80% of net proceeds with the remaining 20% of net proceeds being carved-out for Classes 2, 4, 5, 6, 7, and 8. If a sale is obtained for the entirety of the Property, First Palmetto will be paid the full amount of its Allowed Claim.

On the one year anniversary of the Effective Date of the Debtor’s Plan, if all such efforts to lease or sell have been unsuccessful, Debtor agrees and First Palmetto will consent to the Debtor filing a motion under Section 363 to sell the property, to obtain an Order establishing Bidding Procedures, and to have the Court establish a 90 day sale term. First Palmetto will be allowed to credit bid the payoff balance due as of the final bid due date on its Allowed Claim.

In the unlikely event the Court does not enter an order approving a buyer at the 363 sale, Debtor agrees and First Palmetto consents that the stay shall be lifted without any further court order to allow First Palmetto to continue with its foreclosure filed in Richland County Court of Common Pleas, C/A No. 2016-CP-40-3029 (“Foreclosure Case”). In furtherance of this provision, Debtor and First Palmetto will enter into a consent decree of foreclosure containing customary terms and conditions to allow for the sale of the property in the Foreclosure Case if the Court does not approve a 363 sale.

The Debtor contemplates that prior to the sale of any subdivided lots First Palmetto will remain protected by the equity cushion existing at the Property which ranges between \$493,842 and \$315,832, based upon the Debtor’s estimation of value. From and after the any sale of the

subdivided parcels, monthly adequate protection payments will be made at a rate of 6.5% interest to the extent that First Palmetto is under-secured. The Debtor anticipates that payment in full of First Palmetto's Allowed Claim will be made from the refinance or 363 sale proceeds as described above. Prior thereto, First Palmetto will retain the liens and security interests securing its Allowed Claim, except to the extent required to sell the subdivided lots free and clear of liens.

Other than as provided for in the sale of any subdivided lots, all payments of principal and interest are deferred until the latter of (a) sale of the Property or (b) the refinancing of the Property.

In proposing the above lease and sales process, Debtor intends to resolve all claims which First Palmetto has against it and any claims it has against First Palmetto. Therefore, upon the Effective Date, the Debtor will be deemed released by First Palmetto of any and all claims against the Debtor except for fulfillment of Debtor's obligations under the Plan, and First Palmetto its officers, directors, employees, and any affiliated parties will be deemed released of all claims by the Debtor against First Palmetto except for fulfillment of any obligations under the Plan.

Class 2. Administrative Claims of the U.S. Trustee and Estate Professionals. Administrative Priority, Unimpaired. This class consists of quarterly fees of the United States Trustee and any unpaid administrative claims of professionals. United States Trustee fees for the Debtor will be paid by the Debtor in full upon the due date and any amounts remaining due for quarterly fees must be paid prior to the closing of the case. The quarterly fees due to the United States Trustee under 28 U.S.C. § 1930 are not deemed subject to any bar date applicable to administrative claims, and shall be paid quarterly.

The Debtor currently estimates post-petition professional fees in the aggregate amount of approximately \$15,000, which is inclusive of any retainer currently being held by such professionals. Post-petition professional fees incurred through the date of confirmation will only be paid upon Court approval. The Debtor also reserves the right to review and approve payment of all professional fees. Unless otherwise ordered by the Court, and subject to the foregoing, post-petition professional fees incurred through the date of confirmation will be paid in full. Post-confirmation, professional fees, if any, will be paid monthly in the ordinary course.

Class 3. Other Post-petition Operating Costs. Administrative Priority,

Unimpaired. This class consists of the Debtor's other post-petition operating expenses as shown in the Cash Collateral Budget.

Post-petition operating expenses shall be paid in full and will continue to be paid in the ordinary course of business. Such post-petition ordinary course expenses include, but are not limited to, the costs of closing attorneys, recording fees, and other ordinary closing costs associated with the Debtor's sale of properties.

All of the Debtor's other post-petition operating expenses will be paid in full in the ordinary course of business.

Class 4. Internal Revenue Service ("IRS"). Priority, Unimpaired. The Debtor believes and asserts that it is current with any and all income and payroll taxes with the IRS. However, to any extent it is determined that the Debtor owes additional pre-petition taxes to the IRS, then such taxes will be paid in full upon the Effective Date of the Plan or such later date as they come due. Post-petition, any and all IRS taxes shall be kept current and paid in full from the Debtor's operating account.

Class 5. South Carolina Department of Revenue ("SCDOR"). Priority, Unimpaired. The Debtor believes and asserts that it is current with any and all other excise, unemployment, income, and payroll taxes owed to SCDOR. However, to any extent it is determined that the Debtor owes pre-petition taxes to SCDOR, then such taxes will be paid in full upon the Effective Date of the Plan or such later date as they come due. Post-petition, any and all taxes owed to SCDOR shall be kept current and paid in full from the Debtor's operating account.

Class 6. Richland County, South Carolina ("Richland County Tax Office"). Priority, Unimpaired. The Debtor believes and asserts that all ad valorem property taxes that became due to Richland County pre-petition were paid prior to the Petition Date. To the extent it is determined that any pre-petition ad valorem taxes went unpaid, such property taxes will be paid in full within ninety (90) days after the Effective Date of the Plan. Upon entry of an Order Confirming Plan, the Debtor will continue to pay ad valorem taxes that become due post-petition as they become due in the ordinary course.

Class 7. General Unsecured Tenant Claims ("Tenants"). Unsecured,

Impaired. This Class includes the Debtor's Tenants who are creditors by virtue of the lease deposits that placed with the Debtor, which were not maintained. Debtor proposes to pay such claims by establishing a security escrow account or by offering reduced rent in the final months of a tenant's lease obligation. The members of Class 7 are as follows:

1. 1-800 Water Damage North America, LLC was scheduled by the Debtor in the amount of \$950.00. Debtor proposes to allow this claim as a member of Class 7.
2. Building Air Services was scheduled by the Debtor in the amount of \$800.00. Debtor proposes to allow this claim as a member of Class 7.
3. Glass Pro was scheduled by the Debtor in the amount of \$850.00. Debtor proposes to allow this claim as a member of Class 7.
4. Minos Technology was scheduled by the Debtor in the amount of \$1,600.00. Debtor proposes to allow this scheduled claim to participate in Class 7.
5. Rea Landscaping was scheduled by the Debtor in the amount of \$750.00. Debtor proposes to allow this scheduled claim to participate in Class 7.
6. Robinson-Neal Boxing Academy was scheduled by the Debtor in the amount of \$850.00. Debtor proposes to allow this claim as a member of Class 7.
7. Supreme Bouncers was scheduled by the Debtor in the amount of \$800.00. Debtor proposes to allow this claim in as a member of Class 7.
8. The Lamar Companies were scheduled by the Debtor in the amount of \$8,000.00. Debtor proposes to allow this claim as a member of Class 7.

Any pre-petition Allowed Claims of general Tenants in this Class will be paid in full, without interest, upon the earlier of a sale of the subdivided lots (as outlined above), successful refinancing, the conclusion of the lease.

The post-petition amounts due to general Tenants are not included in this Class. Post-petition amounts due to Tenants will be paid in full as administrative priority claims in the ordinary course of the Debtor's business dealings with its trade creditors as set forth in the classes above.

Class 8. General Unsecured Creditors. Unsecured, Impaired.

This Class consists of any yet unknown creditors that may file a proof of claim prior to the Claims Bar Date shall be **August 7, 2017 for all creditors except governmental units** and shall be **October 2, 2017 for a governmental unit** as such dates were set forth in the Court's

Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines issued on the Petition Date in this Case. The Debtor does not believe that any creditors exist in Class 8. In the event that unknown claims become Allowed Claims, such claims shall be paid from proceeds of any sale or refinance.

Class 9. Sonsvest Holdings, LLC (“Equity Interests”). Equity Holder, Impaired. This Class consists of the Equity Interests in the Debtor. The Equity Interests in the Debtor will remain in place to the extent that all classes are paid in full as described above, or such classes consent to alternative treatment. In the event of a Section 363 sale under the Plan, the Equity Interests will be terminated to the extent that net proceeds are insufficient to satisfy the claims of Class 1 through Class 8, unless such classes consent to alternative treatment.

VI. EXECUTORY CONTRACTS

The Debtor intends to continue its normal operations in the ordinary course post-petition. Therefore, the Debtor shall assume all of the Executory Contracts, which Executory Contracts are shown in Schedule G of the Bankruptcy Schedules for the Debtor. Schedule G is also attached to this Disclosure Statement as **Exhibit B**, and there are not believed to be any cure amounts due as evidenced by the Debtor’s Schedule F filed with the Court. Any and all cure amounts owed for Allowed Claims due to the assumption of Executory Contracts will be treated as Administrative Claims and will be paid in full as set forth in Class 4 hereinabove.

VII. LIQUIDATION AND OTHER ALTERNATIVES TO PLAN CONFIRMATION

There are three (3) possible consequences if the Plan is rejected or if the Bankruptcy Court refuses to confirm the Plan: (a) the Bankruptcy Court could dismiss the Debtor’s Bankruptcy Case; (b) the Bankruptcy Court could consider alternative plans of reorganization or orderly liquidation, or (c) the Bankruptcy Court could convert the Debtor’s Bankruptcy Case to a liquidation case under Chapter 7 of the Bankruptcy Code. These alternatives are described briefly below.

Dismissal

Were the Debtor’s Bankruptcy Case dismissed, the Debtor would no longer have the protection of the Bankruptcy Court and the applicable provisions of the Bankruptcy Code.

Dismissal would force a race among creditors to take over and dispose of the Property. Any secured creditors would likely exercise their rights as secured creditors to foreclose and seize the Debtor's assets. Other creditors would quickly move to obtain and/or exercise judgments against the Debtor and its assets. Absent some sort of stay pending any appeal, judgment creditors would race to the courthouses to attempt to liquidate and collect against the Debtor's assets. A dismissal of the Chapter 11 case would likely lead to the ultimate closing and shut down of the Debtor's business operations, which in turn would lead to significantly lower and uneven distributions to the Debtor's creditors.

Confirmation of an Alternative Plan

If the Plan is not confirmed, the Debtor or any other party in interest could attempt to formulate a different plan of reorganization or liquidation. Any plan that does not contemplate the Debtor's continuing operations (i.e., a liquidation or limited operations plan) would likely lead to significantly lower or no payments to many creditors as the Debtor believes its operations create additional value for the Property. If the Debtor's Property were instead foreclosed upon or sold in a distressed sale, it would greatly reduce the amounts that could be realized. The Debtor believes that the Plan described herein enables the creditors and all parties-in-interest to obtain the highest payout and best result under the circumstances. Upon information and belief, the Debtor asserts that under any alternative plan substantially dissimilar to this Plan, the Debtor's key owners/employees might no longer be involved in the sales and lease of the Property, which might lead to a further devaluation of the Debtor's assets.

Chapter 7 Liquidation

If The Debtor were forced to shut down and quickly liquidate its assets under a chapter 7 trustee, the recovery for the unsecured creditors of the Debtor's estate would be significantly diminished. While the appraisal obtained by Antion indicates that the value of the Debtor's estate exceeds all secured and unsecured claims, the premise of that appraisal is a sale after reasonable market exposure. By contrast, a chapter 7 liquidation may be more characteristic of a distressed sale that does not bring full fair market value, decreasing the likelihood of a full return to creditors or any return to equity. The Plan also offers the opportunity of avoiding additional administrative costs and delays that would result from a Chapter 7 liquidation. In addition to lower asset values in a liquidation, a Chapter 7 Trustee would, at a minimum, retain his/her own counsel, who would ordinarily need to devote a substantial amount of time reviewing the status

of Claims and getting up to speed on various matters. Such review would include a substantial amount of time duplicating tasks previously performed by other professionals in the case, thereby increasing both the costs and the time necessary to liquidate the Estate. Statutory fees paid to the Chapter 7 Trustee would even further deplete the Estate.

VIII. FEASIBILITY OF THE PLAN

The Debtor believes and asserts that it has the ability to repay all creditors in full as set forth herein. 11 U.S.C. §1129(a)(11) provides that in order for a plan of reorganization to be confirmed, it must be demonstrated that the plan is not likely to be followed by a liquidation or the need for further reorganization of the debtor. The Debtor's Plan calls for stabilization of the occupancy of the Property or the orderly liquidation of the Debtor's assets over the course of the Plan term. The Debtor believes that it can demonstrate the ability to pay the debts called for in Classes 1-8 of the Plan, therefore the Debtor asserts that the Plan is not likely to be followed by a liquidation or the need for further reorganization of the Debtor.

IX. FURTHER FINANCIAL INFORMATION

The Debtor has filed its Schedules with the Bankruptcy Court as required by the Bankruptcy Code. The Debtor may also supplement and amend its Schedules as may be necessary and appropriate from time to time. The Debtor will file monthly operating reports until the Case is closed. Due to their voluminous nature, neither monthly reports nor the Debtor's Schedules have been included in this Disclosure Statement. However, all of the Debtor's filings may be examined at the Clerk's Office, United States Bankruptcy Court, District of South Carolina, J. Bratton Davis United States Court House, 1100 Laurel Street, Columbia, SC 29202. A copy of the Debtor's filings in this Case can also be obtained on the Bankruptcy Court's electronic database (Pacer) located at its web page (www.scb.uscourts.gov/webpacer/webpacer.htm) or by contacting Debtor's counsel.

Creditors seeking further financial information may contact Debtor's counsel at hpenn@mccarthy-lawfirm.com to request further information regarding the Debtor. The Debtor will make every effort to respond to specific, reasonable requests for any non-privileged, non-confidential information.

X. CERTAIN RISK FACTORS TO BE CONSIDERED

Holders of Claims against and Equity Interests in the Debtor should read and consider carefully the factors set forth below, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference), prior to voting to accept or reject the Plan. These risk factors should not, however, be regarded as constituting the only risks involved in connection with the Plan and its implementation.

A. Risk of Non-Confirmation of Plan

Although the Debtor believes the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court, there can be no assurance that the Bankruptcy Court will reach the same conclusion. If Confirmation of the Plan is denied or revoked, the Plan shall be null and void in all respects. Nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by, against, or Equity Interest in, the Debtor; (2) prejudice in any manner the rights of the Debtor; or (3) constitute an admission, acknowledgment, offer or undertaking by the Debtor in any respect. The Debtor reserves the right to revoke, withdraw, or amend the Plan and Disclosure Statement prior to Confirmation. Moreover, there can be no assurance that modifications to the Plan will not be required in order to obtain Confirmation or that such modifications would not necessitate a re-solicitation of votes. If the Debtor revokes or withdraws the Plan, then the result of this shall be the same as if the Order Confirming Plan had not been entered.

B. Risk of Underperformance

In addition to the risks related to obtaining Confirmation described above, the ultimate recovery under the Plan depends upon the Debtor's ability to continue to perform in its business operations and in the lease of commercial real property. Though the Debtor projects it will perform in accordance with the Feasibility Budget, there is always a risk that the Debtor's business could underperform due to any number of reasons, including, but not limited to, some further unforeseen negative economic change in the real estate industry. The Debtor has done its best to conservatively project the feasibility of the Plan, but such projections represent the Debtor's best prediction and are not a certainty.

XI. TAX CONSEQUENCES

Subject to the limitations noted below, the following discussion is a summary of certain U.S. federal income tax consequences expected to result from the implementation of the Plan relevant to holders of Claims entitled to vote with respect to adoption of the Plan. This discussion is based on the Internal Revenue Code of 1986, as amended (the “Revenue Code”), in effect on the date of this Disclosure Statement, on U.S. Treasury Regulations in effect (or in certain cases, proposed) on the date of this Disclosure Statement, and on judicial and administrative interpretations thereof available on or before such date. All of the foregoing is subject to change, which change could apply retroactively and could affect the tax consequences described below. There can be no assurance that the Internal Revenue Service (the “IRS”) will not take a contrary view with respect to one or more of the issues discussed below, and no ruling from the IRS or opinion of counsel has been sought with respect to any issues that may arise under the Plan.

The following summary is for general information only and does not purport to address all of the U.S. federal income tax consequences that may be applicable, including to any particular Claim holder or Equity Interest. The tax treatment of a holder of a Claim or a Claim of Interest will vary depending upon such holder’s particular situation. The following discussion does not address state, local or foreign tax considerations that may be applicable to the Debtor or to a holder of a Claim or an Equity Interest. This summary does not address tax considerations applicable to holders that may be subject to special tax rules.

No statement in this Disclosure Statement should be construed as legal or tax advice. The Debtor and its professionals do not assume any responsibility or liability for tax consequences that the holder of a Claim or an Equity Interest may incur as a result of the treatment afforded a Claim or Equity Interest under the Plan.

EACH HOLDER OF A CLAIM OR AN INTEREST IS URGED TO CONSULT ITS OWN TAX ADVISOR WITH RESPECT TO THE PLAN, INCLUDING ANY APPLICABLE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS OF CLAIMS OR EQUITY INTERESTS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS OF CLAIMS OR EQUITY INTERESTS FOR THE PURPOSE OF

AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE REVENUE CODE; (B) SUCH DISCUSSION IS BEING USED IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE DEBTOR; AND (C) HOLDERS OF CLAIMS OR EQUITY INTERESTS SHOULD SEEK ADVICE OF AN INDEPENDENT TAX ADVISOR BASED ON THEIR PARTICULAR CIRCUMSTANCES.

A. Federal Tax Consequences to the Debtor

The Debtor, as a single member Limited Liability Company is a pass through entity with Fred McCutcheon for tax purposes. Such taxes shall continue to be paid by Fred McCutcheon.

The Debtor is a manager-managed limited liability company

Subject to certain limitations, any losses reported on previous tax returns were passed through to Mr. McCutcheon. These losses and any refunds or tax benefits attributable thereto are personal to Mr. McCutcheon, and are not available to creditors as an asset of the Debtor.

B. Federal Tax Consequences to Holders of Claims or Equity Interests

The federal income tax consequences of the implementation of the Plan to the holders of Allowed Claims or Equity Interests will depend on, among other things, the consideration to be received by the Claim holder, whether the Claim or Interest holder reports income on the accrual or cash method, whether the Claim or Interest holder receives distributions under the Plan in more than one taxable year, and whether the Claim holder has previously taken any bad debt deduction or a worthless security deduction with respect to its Claim.

In general, a holder of an Allowed Claim should recognize gain or loss equal to the amount realized under the Plan in respect of its Claim less the holder's tax basis in the Claim. Any gain or loss recognized may be long-term or short-term capital gain or loss or ordinary income or loss, depending upon the nature of the Allowed Claim and the holder, the length of time the holder held the Claim and whether the Claim was acquired at a market discount. If the holder realizes a capital loss, the holder's deduction of the loss may be subject to limitation. The holder's tax basis for any property received under the Plan generally will equal the amount realized. The holder's amount realized should equal the sum of the Cash and the fair market value of any other property received by the holder under the Plan, less the amount (if any) treated as interest, as discussed below.

Because certain holders of Allowed Claims may receive Cash distributions after the Effective Date, the imputed interest provisions of the Code may apply and cause a portion of the

subsequent distributions to be treated as interest. Additionally, because holders may receive distributions with respect to an Allowed Claim in a taxable year or years following the year of the initial distribution, any loss and a portion of any gain realized by the holder may be deferred. All holders of Allowed Claims are urged to consult their tax advisors regarding the possible application of (or ability to elect out of) the “installment method” of reporting with respect to their Claims.

Holders of Allowed Claims will recognize ordinary income to the extent that they receive Cash or property that is allocable to accrued but unpaid interest that the holder has not yet included in its income. If an Allowed Claim includes interest, and if the holder receives less than the amount of the Allowed Claim pursuant to the Plan, the holder must allocate the Plan consideration between principal and interest. Holders of Allowed Claims should consult their own tax advisors in this regard. If the Plan consideration allocable to interest with respect to an Allowed Claim is less than the amount that the holder has previously included as interest income, the previously included but unpaid interest may be deducted, generally as a loss.

A holder who receives in respect of a Claim or an Interest an amount less than the holder’s tax basis in the Claim or Interest may be entitled in the year of receipt (or in an earlier or later year) to a bad debt deduction in some amount under Section 166(a) of the Code, a loss under Section 165(a), or a worthless securities deduction under Section 165(g) of the Code. The rules governing the character, timing and amount of bad debt, loss, and worthless securities deductions place considerable emphasis on the facts and circumstances of the holder, the obligor and the instrument with respect to which a deduction is claimed. Holders of Claims or Interests, therefore, are urged to consult their tax advisors with respect to their ability to take such a deduction.

C. Backup Withholding Tax and Information Reporting Requirements

U.S. federal backup withholding tax and information reporting requirements generally apply to certain payments to certain non-corporate Claim holders. Information reporting generally will apply to payments under the Plan, other than payments to an exempt recipient. The Debtor may be required to withhold backup withholding tax from any payments made under the Plan, other than payments to an exempt recipient, if such Claim holder fails to furnish its correct taxpayer identification number or otherwise fails to comply with, or establish an exemption from, such

backup withholding tax requirements.

THE ABOVE SUMMARY HAS BEEN PROVIDED FOR INFORMATIONAL PURPOSES ONLY. THIS DISCLOSURE STATEMENT IS NOT INTENDED, AND SHOULD NOT BE CONSTRUED, AS LEGAL OR TAX ADVICE TO ANY CREDITOR OR EQUITY INTEREST HOLDER. ALL HOLDERS OF CLAIMS OR INTERESTS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE IMPLEMENTATION OF THE PLAN.

XIII. CONCLUSION

The Creditors, parties in interest, and readers of this Disclosure Statement are directed to the Plan of Reorganization for specific treatment of their particular claims against the Debtor.

The Debtor reserves all of its rights to amend this Disclosure Statement as necessary, pursuant to the terms of the Bankruptcy Code and rules of the Court, specifically including rights to file any amendments necessary to address new financial information and analyses as well as to address any other relevant information that may be discovered.

RESPECTFULLY SUBMITTED on this the 5th day of July 2017, at Columbia, South Carolina.

MCCARTHY, REYNOLDS, & PENN LAW FIRM, LLC

By: /s/W. Harrison Penn
G. William McCarthy, Jr., I.D.#2762
Daniel J. Reynolds, Jr., I.D.#9232
W. Harrison Penn, I.D.#11164
Attorneys for the Debtor
1517 Laurel Street
P.O. Box 11332
Columbia, SC 29201-1332
(803) 771-8836
(803) 765-6960 (fax)
hpenn@mccarthy-lawfirm.com

EXHIBIT A
(SoFA Part 2, and Part 13)

Fill in this information to identify the case:

Debtor name Sonsvest, LLC

United States Bankruptcy Court for the: DISTRICT OF SOUTH CAROLINA

Case number (if known) _____

Check if this is an amended filing

Official Form 207

Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy

04/16

The debtor must answer every question. If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known).

Part 1: Income

1. Gross revenue from business

None.

Identify the beginning and ending dates of the debtor's fiscal year, which may be a calendar year

Sources of revenue
Check all that apply

Gross revenue
(before deductions and exclusions)

From the beginning of the fiscal year to filing date:
From 1/01/2017 to Filing Date

Operating a business
 Other _____

\$7,546.00

For prior year:
From 1/01/2016 to 12/31/2016

Operating a business
 Other _____

\$117,967.50

For year before that:
From 1/01/2015 to 12/31/2015

Operating a business
 Other _____

\$245,098.00

2. Non-business revenue

Include revenue regardless of whether that revenue is taxable. *Non-business income* may include interest, dividends, money collected from lawsuits, and royalties. List each source and the gross revenue for each separately. Do not include revenue listed in line 1.

None.

Description of sources of revenue

Gross revenue from each source
(before deductions and exclusions)

Part 2: List Certain Transfers Made Before Filing for Bankruptcy

3. Certain payments or transfers to creditors within 90 days before filing this case

List payments or transfers--including expense reimbursements--to any creditor, other than regular employee compensation, within 90 days before filing this case unless the aggregate value of all property transferred to that creditor is less than \$6,425. (This amount may be adjusted on 4/01/19 and every 3 years after that with respect to cases filed on or after the date of adjustment.)

None.

Creditor's Name and Address

Dates

Total amount of value

Reasons for payment or transfer
Check all that apply

4. Payments or other transfers of property made within 1 year before filing this case that benefited any insider

List payments or transfers, including expense reimbursements, made within 1 year before filing this case on debts owed to an insider or guaranteed

Debtor **Sonsvest, LLC**

or cosigned by an insider unless the aggregate value of all property transferred to or for the benefit of the insider is less than \$6,425. (This amount may be adjusted on 4/01/19 and every 3 years after that with respect to cases filed on or after the date of adjustment.) Do not include any payments listed in line 3. *Insiders* include officers, directors, and anyone in control of a corporate debtor and their relatives; general partners of a partnership debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(31).

None.

Insider's name and address Relationship to debtor	Dates	Total amount of value	Reasons for payment or transfer
4.1. See Exhibit SOFA-4 attached.		\$0.00	

5. Repossessions, foreclosures, and returns

List all property of the debtor that was obtained by a creditor within 1 year before filing this case, including property repossessed by a creditor, sold at a foreclosure sale, transferred by a deed in lieu of foreclosure, or returned to the seller. Do not include property listed in line 6.

None

Creditor's name and address	Describe of the Property	Date	Value of property
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6. Setoffs

List any creditor, including a bank or financial institution, that within 90 days before filing this case set off or otherwise took anything from an account of the debtor without permission or refused to make a payment at the debtor's direction from an account of the debtor because the debtor owed a debt.

None

Creditor's name and address	Description of the action creditor took	Date action was taken	Amount
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Part 3: Legal Actions or Assignments

7. Legal actions, administrative proceedings, court actions, executions, attachments, or governmental audits

List the legal actions, proceedings, investigations, arbitrations, mediations, and audits by federal or state agencies in which the debtor was involved in any capacity—within 1 year before filing this case.

None.

Case title Case number	Nature of case	Court or agency's name and address	Status of case
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8. Assignments and receivership

List any property in the hands of an assignee for the benefit of creditors during the 120 days before filing this case and any property in the hands of a receiver, custodian, or other court-appointed officer within 1 year before filing this case.

None

Custodian's name and Address	Describe the property	Value
First Palmetto Bank PO Box 861 Camden, SC 29021	Commercial/Warehousing and office space (8 units), located at 1971, 1973, 1975 and 1977 Legrand Road, Columbia, SC TMS #17107-03-02	\$1,850,000.00

Case title	Court name and address
1st Pal Bank vs. Sonsvest Holding, et al	Court of Common Pleas, Fifth Circuit
Case number	1701 Main Street
2016-CP-40-3029	Columbia, SC 29201
Date of order or assignment	
2/07/2017	

Part 4: Certain Gifts and Charitable Contributions

9. List all gifts or charitable contributions the debtor gave to a recipient within 2 years before filing this case unless the aggregate value of the gifts to that recipient is less than \$1,000

Debtor **Sonsvest, LLC**

None

Recipient's name and address	Description of the gifts or contributions	Dates given	Value
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Part 5: Certain Losses

10. All losses from fire, theft, or other casualty within 1 year before filing this case.

None

Description of the property lost and how the loss occurred	Amount of payments received for the loss	Dates of loss	Value of property lost
	If you have received payments to cover the loss, for example, from insurance, government compensation, or tort liability, list the total received. List unpaid claims on Official Form 106A/B (Schedule A/B: Assets – Real and Personal Property).		

Part 6: Certain Payments or Transfers

11. Payments related to bankruptcy

List any payments of money or other transfers of property made by the debtor or person acting on behalf of the debtor within 1 year before the filing of this case to another person or entity, including attorneys, that the debtor consulted about debt consolidation or restructuring, seeking bankruptcy relief, or filing a bankruptcy case.

None.

Who was paid or who received the transfer? Address	If not money, describe any property transferred	Dates	Total amount or value
11.1. Bernstein & Bernstein 5418-B Rivers Avenue Charleston, SC 29406-6165		6/30/2016 - \$3,395.10 7/31/2016 - \$3,445.10	\$6,840.20

Email or website address

Who made the payment, if not debtor?

11.2.		9/01/16 - \$4,300.00 2/20/17 - \$5,676.20 3/01/17 - \$7,500.00 3/10/2017 - \$7,500.00 \$15,000 of the above was paid as a bankruptcy retainer.	\$24,976.20
	McCarthy, Reynolds, & Penn, LLC 1517 Laurel Street Columbia, SC 29201		

Email or website address

Who made the payment, if not debtor?
Catastrophe Services, Inc.

Debtor **Sonsvest, LLC**

Case number (if known)

12. Self-settled trusts of which the debtor is a beneficiary

List any payments or transfers of property made by the debtor or a person acting on behalf of the debtor within 10 years before the filing of this case to a self-settled trust or similar device. Do not include transfers already listed on this statement.

None.

Name of trust or device	Describe any property transferred	Dates transfers were made	Total amount or value
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13. Transfers not already listed on this statement

List any transfers of money or other property by sale, trade, or any other means made by the debtor or a person acting on behalf of the debtor within 2 years before the filing of this case to another person, other than property transferred in the ordinary course of business or financial affairs. Include both outright transfers and transfers made as security. Do not include gifts or transfers previously listed on this statement.

None.

Who received transfer? Address	Description of property transferred or payments received or debts paid in exchange	Date transfer was made	Total amount or value
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Part 7: Previous Locations

14. Previous addresses

List all previous addresses used by the debtor within 3 years before filing this case and the dates the addresses were used.

Does not apply

Address	Dates of occupancy From-To
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Part 8: Health Care Bankruptcies

15. Health Care bankruptcies

Is the debtor primarily engaged in offering services and facilities for:
- diagnosing or treating injury, deformity, or disease, or
- providing any surgical, psychiatric, drug treatment, or obstetric care?

- No. Go to Part 9.
- Yes. Fill in the information below.

Facility name and address	Nature of the business operation, including type of services the debtor provides	If debtor provides meals and housing, number of patients in debtor's care
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Part 9: Personally Identifiable Information

16. Does the debtor collect and retain personally identifiable information of customers?

- No.
- Yes. State the nature of the information collected and retained.

Pre-screening, future tenants

Does the debtor have a privacy policy about that information?

- No
- Yes

17. Within 6 years before filing this case, have any employees of the debtor been participants in any ERISA, 401(k), 403(b), or other pension or profit-sharing plan made available by the debtor as an employee benefit?

- No. Go to Part 10.
- Yes. Does the debtor serve as plan administrator?

Part 10: Certain Financial Accounts, Safe Deposit Boxes, and Storage Units

Debtor **Sonsvest, LLC**

18. Closed financial accounts

Within 1 year before filing this case, were any financial accounts or instruments held in the debtor's name, or for the debtor's benefit, closed, sold, moved, or transferred? Include checking, savings, money market, or other financial accounts; certificates of deposit; and shares in banks, credit unions, brokerage houses, cooperatives, associations, and other financial institutions.

None

Financial Institution name and Address	Last 4 digits of account number	Type of account or instrument	Date account was closed, sold, moved, or transferred	Last balance before closing or transfer
18.1. First Palmetto Bank PO Box 861 Camden, SC 29021	XXXX-5680	<input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Money Market <input type="checkbox"/> Brokerage <input type="checkbox"/> Other__	Closed 2/2016 Balance seized by Bank	\$14,000.00

19. Safe deposit boxes

List any safe deposit box or other depository for securities, cash, or other valuables the debtor now has or did have within 1 year before filing this case.

None

Depository institution name and address	Names of anyone with access to it Address	Description of the contents	Do you still have it?
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20. Off-premises storage

List any property kept in storage units or warehouses within 1 year before filing this case. Do not include facilities that are in a part of a building in which the debtor does business.

None

Facility name and address	Names of anyone with access to it	Description of the contents	Do you still have it?
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Part 11: Property the Debtor Holds or Controls That the Debtor Does Not Own

21. Property held for another

List any property that the debtor holds or controls that another entity owns. Include any property borrowed from, being stored for, or held in trust. Do not list leased or rented property.

None

Part 12: Details About Environment Information

For the purpose of Part 12, the following definitions apply:

Environmental law means any statute or governmental regulation that concerns pollution, contamination, or hazardous material, regardless of the medium affected (air, land, water, or any other medium).

Site means any location, facility, or property, including disposal sites, that the debtor now owns, operates, or utilizes or that the debtor formerly owned, operated, or utilized.

Hazardous material means anything that an environmental law defines as hazardous or toxic, or describes as a pollutant, contaminant, or a similarly harmful substance.

Report all notices, releases, and proceedings known, regardless of when they occurred.

22. Has the debtor been a party in any judicial or administrative proceeding under any environmental law? Include settlements and orders.

Debtor **Sonvest, LLC**

Case number (if known) _____

- No.
- Yes. Provide details below.

Case title Case number	Court or agency name and address	Nature of the case	Status of case
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23. Has any governmental unit otherwise notified the debtor that the debtor may be liable or potentially liable under or in violation of an environmental law?

- No.
- Yes. Provide details below.

Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
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24. Has the debtor notified any governmental unit of any release of hazardous material?

- No.
- Yes. Provide details below.

Site name and address	Governmental unit name and address	Environmental law, if known	Date of notice
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Part 13: Details About the Debtor's Business or Connections to Any Business

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

- None

Business name address	Describe the nature of the business	Employer Identification number <small>Do not include Social Security number or ITIN.</small>	Dates business existed
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26. Books, records, and financial statements

26a. List all accountants and bookkeepers who maintained the debtor's books and records within 2 years before filing this case.

- None

Name and address	Date of service From-To
26a.1. Betsy T. Godshall, CPA Godshall & Colgate, LLC 1620 Willingham Drive Columbia, SC 29206	2012-2016
26a.2. Kimberly Jacobs, Bookkeeper	2012-2015

26b. List all firms or individuals who have audited, compiled, or reviewed debtor's books of account and records or prepared a financial statement within 2 years before filing this case.

- None

Name and address	Date of service From-To
26b.1. Betsy T. Godshall, CPA Godshall & Colgate, LLC 1620 Willingham Drive Columbia, SC 29206	2012-2015

26c. List all firms or individuals who were in possession of the debtor's books of account and records when this case is filed.

Debtor **Sonsvest, LLC**

None

Name and address

If any books of account and records are unavailable, explain why

26c.1. **Betsy T. Godshall, CPA**

26d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom the debtor issued a financial statement within 2 years before filing this case.

None

Name and address

26d.1. **First Palmetto Bank
PO Box 861
Camden, SC 29021**

27. Inventories

Have any inventories of the debtor's property been taken within 2 years before filing this case?

- No
- Yes. Give the details about the two most recent inventories.

Name of the person who supervised the taking of the inventory

Date of inventory

The dollar amount and basis (cost, market, or other basis) of each inventory

28. List the debtor's officers, directors, managing members, general partners, members in control, controlling shareholders, or other people in control of the debtor at the time of the filing of this case.

29. Within 1 year before the filing of this case, did the debtor have officers, directors, managing members, general partners, members in control of the debtor, or shareholders in control of the debtor who no longer hold these positions?

- No
- Yes. Identify below.

30. Payments, distributions, or withdrawals credited or given to insiders

Within 1 year before filing this case, did the debtor provide an insider with value in any form, including salary, other compensation, draws, bonuses, loans, credits on loans, stock redemptions, and options exercised?

- No
- Yes. Identify below.

Name and address of recipient

Amount of money or description and value of property

Dates

Reason for providing the value

31. Within 6 years before filing this case, has the debtor been a member of any consolidated group for tax purposes?

- No
- Yes. Identify below.

Name of the parent corporation

Employer Identification number of the parent corporation

32. Within 6 years before filing this case, has the debtor as an employer been responsible for contributing to a pension fund?

- No
- Yes. Identify below.

Name of the parent corporation

Employer Identification number of the parent corporation

Debtor Sonsvest, LLC

Case number (if known) _____

Part 14: Signature and Declaration

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

I have examined the information in this *Statement of Financial Affairs* and any attachments and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 30, 2017

/s/ Fred J. McCutcheon, Sr.
Signature of individual signing on behalf of the debtor

Fred J. McCutcheon, Sr.
Printed name

Position or relationship to debtor Owner

Are additional pages to *Statement of Financial Affairs for Non-Individuals Filing for Bankruptcy (Official Form 207)* attached?

- No
- Yes

EXHIBIT B
(Schedule G – Executory Contracts)

Fill in this information to identify the case:

Debtor name Sonsvest, LLC

United States Bankruptcy Court for the: DISTRICT OF SOUTH CAROLINA

Case number (if known) _____

Check if this is an amended filing

Official Form 206G

Schedule G: Executory Contracts and Unexpired Leases

12/15

Be as complete and accurate as possible. If more space is needed, copy and attach the additional page, number the entries consecutively.

1. Does the debtor have any executory contracts or unexpired leases?

No. Check this box and file this form with the debtor's other schedules. There is nothing else to report on this form.

Yes. Fill in all of the information below even if the contacts of leases are listed on *Schedule A/B: Assets - Real and Personal Property*

(Official Form 206A/B).

2. List all contracts and unexpired leases	State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease
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<p>2.1. State what the contract or lease is for and the nature of the debtor's interest</p> <p style="margin-left: 40px;">State the term remaining</p> <p style="margin-left: 40px;">List the contract number of any government contract</p>	<p>1971 Legrand Road, Unit 6 1 year lease, beginning 10/01/2016, ending 9/30/2017 \$950/monthly</p>	<p>1-800 Water Damage North America, LLC c/o J. Andrew Mengason (Shaun Hicks) 731 Fairfield Court Ann Arbor, MI 48108</p>
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<p>2.2. State what the contract or lease is for and the nature of the debtor's interest</p> <p style="margin-left: 40px;">State the term remaining</p> <p style="margin-left: 40px;">List the contract number of any government contract</p>	<p>1971 Legrand Road, Unit 2 Month-to-Month \$800/monthly</p>	<p>Building Air Services c/o Susan Griffith 6785 114th Avenue Largo, FL 33773</p>
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<p>2.3. State what the contract or lease is for and the nature of the debtor's interest</p> <p style="margin-left: 40px;">State the term remaining</p> <p style="margin-left: 40px;">List the contract number of any government contract</p>	<p>1971 Legrand Road, Unit 4 Month-to-Month \$850/monthly</p>	<p>Dominic Robinson Robinson-Neal Boxing Academy 1971 Legrand Road, Unit 4 Columbia, SC 29223</p>
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<p>2.4. State what the contract or lease is for and the nature of the debtor's interest</p> <p style="margin-left: 40px;">State the term remaining</p> <p style="margin-left: 40px;">List the contract number of any government contract</p>	<p>1971 Legrand Road Unit 3 \$850/monthly</p>	<p>Glass Pro PO Box 1527 Mount Pleasant, SC 29465</p>
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Debtor 1 **Sonsvest, LLC** Case number (if known) _____
 First Name Middle Name Last Name

Additional Page if You Have More Contracts or Leases

2. List all contracts and unexpired leases State the name and mailing address for all other parties with whom the debtor has an executory contract or unexpired lease

2.5. State what the contract or lease is for and the nature of the debtor's interest **1971 Legrand Road, Unit 5 \$750**

State the term remaining **Jerry Rea dba Rea Landscaping 2544 Ashley River Road, Unit H Charleston, SC 29414**

List the contract number of any government contract _____

2.6. State what the contract or lease is for and the nature of the debtor's interest **1971 Legrand Road, Columbia, SC, Units 7/8. Month-to-Month \$1,600/monthly**

State the term remaining **MINOS Technology, LLC c/o Franklin B. Boland 120 Bardwell Way Blythewood, SC 29016**

List the contract number of any government contract _____

2.7. State what the contract or lease is for and the nature of the debtor's interest **1971 Legrand Road, Columbia, SC, Unit 1 2 year lease (commencing 10/10/2015-10/05/2107) \$800/monthly Lease ending 10/5/2017**

State the term remaining **Supreme Bouncers c/o Chris Wells 1971 Legrand Road, Unit 1 Columbia, SC 29223**

List the contract number of any government contract _____

2.8. State what the contract or lease is for and the nature of the debtor's interest **Lease of Billboard on premises that are a portion of the property located in the County of Richland, State of South Carolina, more particularly described as: E/S of I-77 .7miles N/O US Hwy 1; TMS # 17107-03-02 5 year lease (commencement date: 9/14/2013)/\$8,000 annually or 25% of revenue, whichever is greater. Lease ending 9/14/2018**

State the term remaining **The Lamar Companies 1221 Atlas Road Columbia, SC 29209**

List the contract number of any government contract _____