

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

In re:)	Bankruptcy Case Number 3:18-00065
)	
APM, LLC,)	Chapter 11
)	
<i>Debtor.</i>)	Judge Marian S. Harrison

**DISCLOSURE STATEMENT IN SUPPORT OF THE
DEBTOR'S PLAN OF REORGANIZATION**

IMPORTANT DATES

Date by which objections to Confirmation of the Plan must be filed and served: **August 27, 2018**

Hearing on Confirmation of the Plan: **September 4, 2018**, in Courtroom 3 of the U.S. Bankruptcy Court located at 701 Broadway, Nashville, Tennessee 37203.

THIS DISCLOSURE STATEMENT IN SUPPORT OF THE DEBTOR'S PLAN OF REORGANIZATION (THE "DISCLOSURE STATEMENT") SUMMARIZES CERTAIN PROVISIONS OF THE DEBTOR'S PLAN OF REORGANIZATION (THE "PLAN"), WHICH IS ATTACHED AS EXHIBIT A. CAPITALIZED TERMS USED HEREIN BUT NOT DEFINED HEREIN SHALL HAVE THE MEANINGS SET FORTH IN THE PLAN.

THE DEBTOR'S SOLE MEMBER HAS REVIEWED THE INFORMATION PROVIDED IN THIS DISCLOSURE STATEMENT AND HAS USED HIS BEST EFFORTS TO ENSURE THE ACCURACY THEREOF. HOWEVER, THE INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED.

NO PARTY IS AUTHORIZED TO PROVIDE TO ANY OTHER PARTY ANY INFORMATION CONCERNING THE PLAN OTHER THAN THE CONTENTS OF THIS DISCLOSURE STATEMENT. THE DEBTOR HAS NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTOR, THE ESTATE, OR ANY ASSET OF THE ESTATE OTHER THAN THOSE SET FORTH IN THIS DISCLOSURE STATEMENT. HOLDERS OF CLAIMS SHOULD NOT RELY ON ANY INFORMATION, REPRESENTATIONS OR INDUCEMENTS MADE TO OBTAIN YOUR ACCEPTANCE OF THE PLAN THAT ARE OTHER THAN, OR INCONSISTENT WITH, THE INFORMATION CONTAINED HEREIN AND IN THE PLAN.

SUMMARY

I. BACKGROUND

On January 4, 2018 (the “Petition Date”), APM, LLC (the “Debtor”) filed a chapter 11 petition in the United States Bankruptcy Court for the Middle District of Tennessee, Nashville Division (the “Bankruptcy Court”). This Disclosure Statement is prepared in support of the Debtor’s Plan, which is attached as Exhibit A.

The Debtor is a Tennessee limited liability company. Its sole member is Abdi A. Musse.

II. ESTATE ASSETS

The Debtor’s chief asset is its real property located at 3820 Anderson Road, Nashville, Tennessee, which is being operated as a car wash (the “Nashville Carwash”). The Debtor’s other asset is its real property located at 734 Cumberland Street, Lebanon, Tennessee (the “Lebanon Carwash”). The Nashville Carwash is operating and generates some income, but it is in need of significant repairs to its equipment to generate the kind of income that it should. The Lebanon Carwash has been closed and inoperable for years. Cash flow shortfalls have prevented the Debtor from attempting to rehabilitate and re-open the Lebanon Carwash. The Debtor values the Nashville Carwash at \$576,264 and the Lebanon Carwash at \$224,300, for a total of \$800,564.

III. ESTATE LIABILITIES

No bar dates for filing proofs of claim in this case have been set. The Debtor has filed schedules reflecting estate liabilities of 1) Priority Tax Claim in the base amount of \$4,589.89 and 2) secured creditor claims amounting to \$565,762, although the Debtor believes that \$35,534 of this scheduled secured debt should be disallowed as an excessive, unwarranted assertion by a creditor of pre-petition attorney’s fees.

Mr. Musse is paying Estate attorney’s fees and administration expenses from his personal funds, and the Debtor doesn’t otherwise anticipate any new Estate debt other than routine operating costs for the Nashville Carwash, which are being more than covered by regular operating earnings.

IV. PLAN OVERVIEW

A) Purpose of Plan. The purpose of this Plan is to provide for the reorganization of the Debtor’s affairs. As further explained in this Disclosure Statement, the Plan will provide creditors with a complete payment of their respective claims, which is equal to the distribution that they would receive through liquidation under chapter 7 of the Bankruptcy Code.

B) Summary of Plan Treatment

Claim Type	Treatment
Administrative Claims	<p>Subject to the provisions of 11 U.S.C. §§ 330 and 331, each holder of an Administrative Claim that has been allowed by the Court prior to the confirmation of the Plan will be paid the allowed amount of its claim in full on the Effective Date of the Plan or as otherwise agreed to by the parties. Any Administrative Claims allowed after the confirmation of the Plan shall be paid in full upon the later of: (i) the Effective Date of the Plan, (ii) 30 days after allowance by the Court, or (iii) as otherwise agreed to by the parties. Any Administrative Claim, other than claims allowed under 11 U.S.C. § 330 or 28 U.S.C. § 1930, for which a motion to approve such claim is not filed by the Administrative Claims Bar Date, shall be disallowed. In no event shall the Debtor be required to pay an Administrative Claim not allowed by the Bankruptcy Court.</p>
Priority Tax Claims	<p>The sole priority tax claims consists of pre-petition Davidson County, Tennessee, real property tax on the Nashville Carwash in the base amount of \$4,589.89 with monthly interest at the rate of 1.5% accruing on the first of each month beginning March 1, 2018.</p> <p>The plan provides for full payment of this Priority Tax Claim.</p>
Class 1 claim	<p>This is the allowed claim of Ameris Bank to the extent secured by a valid, enforceable, perfected, unavoidable lien on the Nashville Carwash. The claim is for an estimated \$310,762.</p> <p>The plan provides for full payment of the Class 1 claim, less \$35,534 in claimed pre-petition attorney's fees, which are disallowed under the Plan.</p>
Class 2 claim	<p>This is the allowed claim of the United States Small Business Administration (“SBA”) to the extent secured by a valid, enforceable, perfected, unavoidable lien on the Nashville Carwash. The claim is for an estimated \$167,000.</p> <p>The plan provides for full payment of the Class 2 Claim.</p>

Class 3 claim	<p>This is the allowed claim of the Wilson Bank & Trust (“WB&T”) to the extent secured by a valid, enforceable, perfected, unavoidable lien on the Lebanon Carwash. The claim is for an estimated \$88,000.</p> <p>The plan provides for full payment of the Class 3 Claim</p>
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D) Post-Confirmation and Post-Closing Plan Consummation Activities. Upon confirmation of the Plan, the Debtor shall make the first payments due under the Plan and shall move to close the case pursuant to 11 U.S.C. § 350. The Debtor shall contribute her personal resources, including her income and assets, to make all of the payments to secured and unsecured creditors under the Plan, in a total present value of not less than between \$596,719.93 and \$599,619.19, depending upon the election of General Unsecured Creditors.

V) RECOMMENDATION

The Debtor recommends that all creditors vote in favor of the Plan. Although in an ideal setting, the Debtor believes that liquidation under Chapter 7 of the Bankruptcy Code may yield comparable returns to the creditors, the uncertainties of forced liquidation sales make this far from a certainty. The Plan provides for a much more stable liquidation of a portion of the Debtors assets in a manner that will ensure complete repayment of all allowed claims.

VI) CONFIRMATION OF THE PLAN

A) Requirements for Confirmation. In order to achieve confirmation of the Plan, at least one impaired class of creditors must accept the Plan. In order for a class of claims to accept the Plan, of the ballots received for a particular class, at least two-thirds in amount and more than one-half in number must accept the Plan. If less than all the classes but at least one class accepts the Plan, the Plan may be confirmed under the provisions of 11 U.S.C. § 1129(b), despite rejection of the Plan by one or more classes.

The Debtor believes that the Plan satisfies the requisites of 11 U.S.C. § 1129(b) and that the Plan is confirmable even if all classes do not vote to accept the Plan.

B) The Confirmation Hearing. The Bankruptcy Court has scheduled a hearing to consider confirmation of the Plan to be held on **September 4, 2018, at 9:00 a.m.**, in Courtroom 3 of the U.S. Bankruptcy Court located at 701 Broadway, Nashville, Tennessee 37203. The Confirmation Hearing may be adjourned from time to time, with notice of such adjournment provided to those attending the originally scheduled hearing date.

C) Objections to Confirmation. Any responses or objections to confirmation of the Plan must be in writing, filed with the Clerk of the Bankruptcy Court, and served on the

Debtor and the United States Trustee so as to be received no later than **August 27, 2018**.

- D) Feasibility of the Plan and the Best Interests Test. In addition to reviewing the voting results, at the hearing on confirmation of the Plan, the Bankruptcy Court will determine whether the Plan satisfies the requirements of 11 U.S.C. § 1129. If the requirements of 11 U.S.C. § 1129, the Bankruptcy Court will enter an order confirming the Plan. The Debtor believes that the Plan satisfies all of the requirements of 11 U.S.C. § 1129.

Two of the more significant requirements for Plan confirmation are that the Plan must be feasible and that the Plan must satisfy the “Best Interests of Creditors” test. To be feasible, the proponent of the Plan must demonstrate that confirmation of the Plan is not likely to be followed by the need for further restructuring under chapter 11. The simple manner of implementation of the plan suggests that the Debtor should be able to make all of the payments required under the Plan. Under controlled sale situations, the Debtor's equity in the Estate assets should be more than adequate to satisfy the Plan's requirements.

The Best Interests of Creditors test is also satisfied because the Plan provides for the payment to all creditors in an amount that is may be greater than what such creditors would receive if the Case were liquidated under Chapter 7 of the Bankruptcy Code, primarily because of the uncertainties associated with liquidation sales of assets.

In the event that all requirements of 11 U.S.C. § 1129(a) are met except the requirements that all classes of claims vote in favor of the Plan, the Plan can still be confirmed under the “cram down” provisions of 11 U.S.C. § 1129(b). The Debtor believes that the Plan meets the requirements of 11 U.S.C. § 1129(b) and can be confirmed even if all classes do not vote in favor of the Plan.

- E) Risks Associated With the Plan. Because complete repayment of all but the Class 2 claim is a near certainty upon sale of the real property assets, and the amortization of the remaining Class 2 debt likely will be of a balance less than half of that existing pre-petition, the risks associated with the plan are quite low. Adverse events are not, however, impossible to foresee. If, for example, a marked down-swing in the car wash industry or unexpected competition in the area occurs, cash flow might not be available to meet the amortization requirements for the Class 2 claim. Even in such an unlikely event, the Class 2 claim creditor will continue to be tremendously over-secured by his remaining lien on the Nashville Carwash. Moreover, the Debtor believes that, even if an adverse event occurs, the Debtor will be receive infusions of funds from Mr. Musse so that this sole amortized debt can be properly serviced. Consequently, the Debtor believes that the possibility of an adverse event does not outweigh the expected benefits to all creditors under the Plan, especially since the secured creditors would still be able to proceed against their collateral.

VII) EFFECTS OF CONFIRMATION

The confirmation of the Plan will bind the Debtor, all creditors, and other parties in interest to the provisions of the Plan, regardless of whether such creditors are impaired under the Plan or whether such creditors have voted against confirmation of the Plan.

Except as otherwise provided in the Plan, and after confirmation of the Plan, all property of the Estate will vest in the Debtor on the Effective Date.

Except with respect to the payments and payment schedules provided under the Plan, all Holders of Claims will be permanently enjoined after the Effective Date from: (i) commencing or continuing any action or other proceeding of any kind with respect to such Claims against the Debtor, (ii) the enforcement, attachment, collection, or recovery by any manner or means of any judgment, award, decree, or order against the Debtor, and (iii) creating, perfecting, or enforcing any encumbrance of any kind against the Debtor's property. The injunction shall remain in effect unless or until there has been an order of the Bankruptcy Court determining that there has been a default under the Plan and that the injunction provided hereunder should be lifted.

VIII) MISCELLANEOUS PROVISIONS

- A) Sources of Information and Disclaimer. Except as otherwise expressly indicated, the information contained in this Disclosure Statement has been provided by the Debtor and the Debtor's attorney, based *inter alia* upon the Debtor's schedules and Statement of Affairs, books and records of the Debtor, and certain pleadings, reports, papers and other documents filed in this Case. This Disclosure Statement may not be relied upon for any purpose other than determining how to vote with respect to the Plan. The Bankruptcy Court has approved no representations concerning the Estate or the Plan other than those representations set forth in this Disclosure Statement. Any representations or inducements made to secure a creditor's acceptance or rejection of the Plan, which are not contained in the Disclosure Statement, should not be relied upon in voting to accept or reject the Plan.
- B) Retention of Causes of Action and Jurisdiction. All, property, rights, and causes of action held by the Debtor prior to confirmation shall vest in the Debtor post-confirmation, as successor in interest, regardless of whether such rights or causes of action came into being pre-petition or post-petition. The Bankruptcy Court will also retain jurisdiction over matters related to the Plan to the full extent available by law. The failure to list any specific cause of action as being preserved in the Plan shall not be deemed to bar the future prosecution of such claims on the basis of judicial estoppel, collateral estoppel, res judicata, waiver, or similar legal theory.

Dated July 3, 2018

Respectfully submitted,

s/ Robert D. MacPherson
Robert D. MacPherson, BPR #022516
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Lebanon, Tennessee 37087
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Attorney for the Debtor

CERTIFICATE OF SERVICE

I hereby certify that, on the 3rd day of July, 2018, service of a copy hereof was made upon Filing Users through the Electronic Filing System. Additionally, on the 3rd day of July, 2018, service of a copy hereof will be made by United States first-class mail upon the following creditors:

AMERIS BANK
C/O SIMPSON UCHITEL & WILSON
3490 PIEDMONT RD NE
STE 1100
ATLANTA GA 30305

METROPOLITAN TRUSTEE
REAL PROPERTY TAX DEPT
PO BOX 305012
NASHVILLE TN 37230

UNITED STATES SMALL BUSINESS
ADMIN
14925 KINGSFORT RD
FORT WORTH TX 76155

WILSON BANK & TRUST
623 WEST MAIN STREET
LEBANON, TENNESSEE 37087

s/ Robert D. MacPherson

Exhibit A

THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN OF REORGANIZATION. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THE BANKRUPTCY COURT HAS APPROVED A DISCLOSURE STATEMENT, WHICH HAS NOT YET OCCURRED.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

In re:)	Bankruptcy Case Number 3:18-00065
)	
APM, LLC,)	Chapter 11
)	
Debtor.)	Judge Marian S. Harrison

DEBTOR'S PLAN OF REORGANIZATION

APM, LLC, Debtor-in-Possession in the above-captioned case, proposes the following Plan of Reorganization (the "Plan") pursuant to 11 U.S.C. §§ 1121 and 1123.

A disclosure statement providing more detailed information regarding this Plan and the rights of creditors has been circulated with this Plan. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. (If you do not have an attorney, you may wish to consult one).**

I. **DEFINITIONS.** Unless the context requires otherwise, the following terms shall have the following meanings when used in capitalized form herein and the definitions and rules of construction set forth in 11 U.S.C. §§ 101 and 102 shall apply when terms defined or construed in the Code are used in this Plan:

- A) "Administrative Claim" means a claim entitled to priority under 11 U.S.C. § 507(a) (1), including a claim allowed under 11 U.S.C. § 503(b).
- B) "Administrative Claims Bar Date" means the date set forth in the Confirmation Order by which each holder of an Administrative Claim, other than the United States Trustee or any professional employed by the Debtor pursuant to order of the Bankruptcy Court, must file an application for allowance of such claim.
- C) "Ameris Bank" refers to the partially secured, partially unsecured creditor Ameris Bank
- D) "Bankruptcy Code" means title 11 of the United States Code (11 U.S.C. §§ 101-1532), and any amendments thereto, in effect or retroactively effective on the Petition Date.

- E) “Bankruptcy Court” means the United States Bankruptcy Court for the Middle District of Tennessee, Nashville Division.
- F) “Case” means Case No. 3:18-00065 styled as *In re APM, LLC, Debtor*, filed in the Bankruptcy Court.
- G) “Confirmation Order” means the order of the Bankruptcy Court confirming the Plan pursuant to 11 U.S.C. § 1129.
- H) “Confirmation Hearing” means the final hearing on confirmation of the Plan.
- I) “the Debtor” means APM, LLC, a Tennessee limited liability company
- J) “Disclosure Statement” means the Disclosure Statement in Support of Debtor’s Plan of Reorganization dated July 3, 2018, as amended, supplemented, or modified from time to time, describing the Plan, which was prepared and distributed in accordance with the Bankruptcy Code.
- K) “Disputed Claim” means any claim to which the Debtor has filed an objection on or before 30 days after the Effective Date: (i) for which a proof of claim has been filed or (ii) which was listed as disputed, unliquidated, or contingent in the Debtor’s schedules of creditors.
- L) “Disputed Claims Reserve” means the reserve held by the Debtor with respect to Disputed Claims.
- M) “Effective Date” means the 14th day following entry by the Bankruptcy Court of the Confirmation Order, unless such order is stayed pending appeal prior to the 14th day. If the Confirmation Order is stayed pending appeal, the Effective Date of the Plan shall be the 14th day after any such stay is either dissolved, vacated, or otherwise expires.
- N) “the Extracted Lot” means an approximate 0.25-acre lot on the northern third of the property that the Debtor intends to sever from the Nashville Carwash property and sell as unimproved commercial real estate.
- O) “Estate” means the bankruptcy estate of the Debtor and all assets and liabilities of such estate.
- P) “Holder” means a Person who has timely filed a proof of claim in the Case or a Person who has not filed a timely proof of claim but was listed in the Debtor’s schedules as holding a claim that is liquidated, non-contingent, and undisputed.
- Q) “Lebanon Carwash” means the real property located at 734 N. Cumberland St., Lebanon, Tennessee, 37087
- R) “Mr. Musse” means Mr. Abdi A. Musse, the sole member of the Debtor.

- S) “Nashville Carwash” means the real property located at 3620 Anderson Road, Nashville, Tennessee 37217
- T) “Petition Date” means January 4, 2018.
- U) “the Plan” means the Debtor’s Plan of Reorganization dated July 3, 2018, in its present form, or as it subsequently may be amended, modified or supplemented.
- V) “Priority Tax Claim” means an allowed claim of a governmental unit of the kind specified in 11 U.S.C. § 507(a)(8).
- W) “the SBA” means the United States Small Business Administration
- X) “Secured Claim” means a creditor’s claim secured by a valid, enforceable, perfected, unavoidable security interest in the Debtor’s property.
- Y) “Undeliverable Distribution” means a distribution to a creditor that is returned undeliverable from the address set forth in such creditor’s proof of claim or, if such creditor has notified the Debtor in writing of a new address for such creditor, from such new address.
- Z) “WB&T” means the secured creditor Wilson Bank & Trust

II. UNCLASSIFIED CLAIMS.

- A) **Administrative Claims.** Subject to the provisions of 11 U.S.C. §§ 330 and 331, each holder of an Administrative Claim that has been allowed by the Court prior to the confirmation of the Plan will be paid the allowed amount of its claim in full on the Effective Date of the Plan or as otherwise agreed to by the parties. Any Administrative Claims allowed after the confirmation of the Plan shall be paid in full upon the later of: (i) the Effective Date of the Plan, (ii) 30 days after allowance by the Court, or (iii) as otherwise agreed to by the parties. Any Administrative Claim, other than claims allowed under 11 U.S.C. § 330 or 28 U.S.C. § 1930, for which a motion to approve such claim is not filed by the Administrative Claims Bar Date, shall be disallowed. In no event shall the Debtor be required to pay an Administrative Claim not allowed by the Bankruptcy Court.
- B) **Priority Tax Claims.** The sole priority tax claims consists of pre-petition Davidson County, Tennessee, real property tax on the Nashville Carwash in the base amount of \$4,589.89 with monthly interest at the rate of 1.5% accruing on the first of each month beginning March 1, 2018. This Priority Tax Claim will be paid in at the time of closing of the sale of the Extracted Lot. The estimated total amount of this Priority Tax Claim to be paid under the Plan is \$5,416.07 (assuming one full year of interest accrual).

It is the intent of the Plan to fully satisfy this Priority Tax Claim. Until the sale of

real property assets as provided for below, the Debtor shall on the last day of each month after the Effective Date calculate the extent to which funds in its Debtor-in-Possession account are greater than \$1,000, and, prior to the tenth day of the ensuing month, shall pay these funds toward satisfaction of this Priority Tax Claim. If, prior to such satisfaction, the Debtor shall have closed the sale of the Lebanon Carwash as provided below, the net proceeds from such sale shall first be applied to the full satisfaction of this Priority Tax Claim.

III. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

Summary			
Class	Description	Status	Voting
Class 1	Secured claim (note and deed of trust) of Ameris Bank (approximate claim amount \$275,228)	impaired	entitled to vote
Class 2	Secured claim (note and deed of trust) of the SBA (approximate claim amount \$167,000)	impaired	entitled to vote
Class 3	Secured claim (note and deed of trust) of WB&T (approximate claim amount \$88,000)	impaired	entitled to vote

A) **Class 1 claim: Secured Claim of Ameris Bank (less excessive pre-petition attorney's fees)**

- 1) Classification: Class 1 consists of the allowed claim of Ameris Bank to the extent secured by a valid, enforceable, perfected, unavoidable lien on the Nashville Carwash.
- 2) Treatment: It is the intent of the Plan to fully satisfy the Class 1 claim. The holder of the Class 1 claim shall retain its lien on that portion of the Nashville Carwash property that remains after the extraction of the Extracted Lot. The Extracted Lot will be sold free of the lien of Ameris Bank. The Class 1 Claim shall be allowed as a secured claim, in the principal amount of \$275,228, which represents the claimed balance of the debt including pre-petition interest and late charges, as well as \$5,000 of pre-petition attorneys fees (which are unliquidated and disputed). The remaining \$35,534 in claimed pre-petition attorney's fees are disallowed.

The net proceeds from the sale of the Lebanon Carwash shall be applied first to any unsatisfied portion of the Priority Tax Claim, and the remainder shall be applied to the Class 1 claim. This should reduce the balance of the Class 1 claim to less than \$45,000, for which the lien on the southern two-thirds of the Nashville Carwash will provide more-than-adequate security pending full satisfaction of this claim.

After full satisfaction of the Priority Tax Claim, the Debtor shall on the last day of each month thereafter calculate the extent to which funds in its Debtor-in-Possession account are greater than \$1,000, and, prior to the tenth day of the ensuing month, shall pay these funds toward satisfaction of the Class 1 claim.

The net proceeds from the sale of the Extracted Lot will be applied to the extent necessary to fully satisfy the Class 1 claim.

- 3) Voting: Class 1 is impaired, and the holder of the Class 1 claim is entitled to vote to accept or reject the Plan.

B) Class 2 claim: Secured Claim of the SBA

- 1) Classification: Class 2 consists of the allowed claim of the SBA to the extent secured by a valid, enforceable, perfected, unavoidable lien on the Nashville Carwash.
- 2) Treatment: It is the intent of the Plan to fully satisfy the Class 2 claim. The holder of the Class 2 claim shall retain its lien on that portion of the Nashville Carwash property that remains after the separation of the Extracted Lot. The Extracted Lot will be sold free of the lien of the SBA. The Class 2 Claim shall be allowed as a secured claim, in its actual principal amount (approximately \$167,000).

The net proceeds from the sale of the Lebanon Carwash shall be applied first to any unsatisfied portion of the Priority Tax Claim, and the remainder shall be applied to the Class 1 claim. Any remaining net proceeds from the sale of the Lebanon Carwash shall be applied to the Class 2 claim.

After the net proceeds from the sale of the Extracted Lot are applied to the extent necessary to fully satisfy the Class 1 claim, the remaining net proceeds from the sale of the Extracted Lot shall be applied to the Class 2 claim. This should leave not more than \$82,000 remaining owing on the Class 2 claim.

The balance remaining on the Class 2 claim shall be re-amortized by the issuance of a new debt instrument and lien document granting the SBA a first-position lien on the remaining Nashville Carwash property providing for monthly amortization of the remainder of the Class 2 claim for a term not less than the term that would be remaining on this claim had the Debtor not filed the petition, and at the same rate of interest.

- 3) Voting: Class 2 is impaired, and the holder of the Class 2 claim is entitled to vote to accept or reject the Plan.

C) Class 3 claim: Secured Claim of WB&T

- 1) Classification: Class 3 consists of the allowed claim of WB&T to the extent secured by a valid, enforceable, perfected, unavoidable lien on the Lebanon Carwash.
- 2) Treatment: It is the intent of the Plan to fully satisfy the Class 3 claim. The holder of the Class 3 claim shall retain its lien on the Lebanon Carwash until full payment of the Class 3 claim. The Class 3 Claim shall be allowed as a secured claim, in its actual principal amount (approximately \$88,000).

The Lebanon Carwash shall be sold, and the proceeds therefrom shall be applied to fully satisfy this Class 3 claim.

- 3) Voting: Class 2 is impaired, and the holder of the Class 2 claim is entitled to vote to accept or reject the Plan.

IV. MEANS FOR FUNDING AND IMPLEMENTATION OF THE PLAN

A) Funding of the Plan. Funding for the plan will be generated by the following:

- 1) Sale of Certain Assets (to generate not less than \$365,000) while satisfying the entire WB&T indebtedness).
 - a) The Debtor proposes to sell the Lebanon Carwash. Although the most recent appraisal of the property suggests a value for property taxation purposes of \$224,300 for this property, the Debtor expects to receive not less than \$350,000 in an arms-length transaction. After payment of the Class 2 claim of WB&T and costs of sale, it is expected that this sale will generate not less than \$235,000.
 - b) The Debtor proposes to sell approximately .25 acres of unneeded land on the northern portion of the Nashville Carwash free of the lien of Ameris Bank. The Debtor has already inquired about the permissibility of separating this northern lot of commercially zoned property from the Nashville Carwash and was informed by Metropolitan Nashville that this would be permissible. Given the scheduled value of \$576,264 of the Nashville Carwash, and given that the lot to be sold represents approximately one-third of the area of the Nashville Carwash property, the Debtor feels it reasonable to assume that the sale of this lot likely will generate not less than one-fourth of the scheduled value of the Nashville Carwash, or \$144,066. After costs of sale, it is expected that this sale will generate not less than \$130,000.
- 2) Continued Operation of the Nashville Carwash.

Mr. Musse has obtained personal funds with which he will contract with a carwash equipment company to refurbish the Nashville Carwash to allow it to reach a reasonable level of earnings. In the first five months since the filing of the

petition, the Debtor has an average cash flow of \$631. The refurbishing of the Nashville Carwash should be complete within 90 days, and it is expected that the Debtor will realize a concomitant increase in its monthly cashflow of not less than \$2,000.

B) Implementation. The specific application of the generated funds will be as set forth in the Section II discussion of the Priority Tax Claim and in the Section III “treatment” section of each class description. As detailed above, the basic approach to implementation of the plan is to liquidate all of the Debtor's assets that are not essential to the operation of the car wash at the Nashville Carwash property. It is expected, but not necessary, that the Lebanon Carwash will be sold first, thereby satisfying the claim of WB&T, any remaining amount owed for the Priority Tax Claim, and a portion of the claims of the other secured creditors. The sale of the lot extracted from the Nashville Carwash property is expected to completely satisfy the balance owed to Ameris Bank, and partially (if not wholly) satisfy the claim of the SBA.

Also as detailed above, excess cash flow that results in a Debtor-in-Possession account balance of greater than \$1,000 each month will be paid in its entirety to satisfy claims in the following order: 1) Priority Tax Claim, 2) Class 1 claim, and 3) Class 2 claim. Inasmuch as the Class 3 claim (WB&T) is the smallest secured claim and is expected to be satisfied in its entirety immediately upon the sale of the Lebanon Carwash, none of this excess monthly cash flow will be directed to this Class 3 claim.

As has been its practice, the Debtor will not pay wages or otherwise incur operating costs other than the routine monthly costs of doing business typical of those reflected in its monthly operating reports. Mr. Musse will remain personally liable for the Debtor's attorney's fees and the costs of rehabilitation of the Nashville Carwash.

V. DISTRIBUTIONS.

A) Timing of Distributions. Distributions of funds generated as described above shall be made within ten calendar days of the Debtor's receiving the funds, or, in the case of payments derived from excess cash flow as described above, by the tenth day of each month, beginning in the first full month following the Effective Date.

B) Method of Distribution. Distributions to Holders of allowed claims shall be made by U.S. Mail, postage pre-paid, sent to the address of the Holder of such claim as indicated on the proof of claim filed by the Holder or, if no proof of claim has been filed, then to the address listed in the matrix filed by the Debtor. If any distribution to a Holder of an allowed claim is an Undeliverable Distribution, all further distributions to such Holder shall be retained by the Debtor unless or until the Debtor is notified in writing of such Holder's then-current address.

C) Undeliverable Distributions. Undeliverable Distributions held by the Debtor pursuant

to this provision shall not be entitled to interest, dividends, or accruals of any kind. Any Holder of a claim whose distributions are held as an Undeliverable Distribution and who fails to provide a demand in writing to the Debtor for turnover of such held funds within 12 months of the date on which the first of such held funds was to be distributed to such creditor, shall be deemed to have waived any and all claims to such distributions so held and shall be permanently enjoined from seeking collection of such amounts or any future amounts on account of its allowed claim from the Debtor. The Debtor shall have no obligation to make any attempt to locate any Holder of an allowed claim.

D) Disputed Claims. In the event that that the Debtor objects to a claim, any distributions that would be payable to the holder of such claim, if such claim were allowed, will be held in a Disputed Claims Reserve pending a determination by the Court as to the allowed amount of the Disputed Claim. In the event that a Disputed Claim is ultimately allowed in whole or in part, the Debtor will distribute to the Holder of such claim a payment equal to the sum of all payments that would have been made to such Holder as of the date the claim was allowed for such allowed claim with actual interest accrued, if any, on said amounts. Thereafter, the Holder will receive regular pro rata payments on each successive distribution date.

VI. RETENTION OF JURISDICTION AND PRESERVATION OF CAUSES OF ACTION

A) Retention of Jurisdiction. Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Case after the Effective Date as is legally permissible, including jurisdiction to:

allow, disallow, determine, liquidate, classify, estimate, or establish the priority or secured or unsecured status of any claim or equity interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of claims, including subordination of claims;

adjudicate any claims by the Debtor against third-parties, and claims against insurance policies and for return of premiums;

grant or deny applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan;

enter such orders necessary to carry out the provisions of the Plan;

resolve any disputes as to the distributions to be made under the Plan;

determine and resolve any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or any other document

created in connection with the Plan, the Disclosure Statement, or the Confirmation Order, including the modification of the Plan; and

enter a final decree concluding the Case.

- B) Preservation of Causes of Action.** All rights and causes of action existing as of the Petition Date and held by the Debtor prior to the entry of the Confirmation Order shall be transferred to the reorganized Debtor, as successor in interest. All rights and causes of action that accrued after the Petition Date and held by the Debtor prior to confirmation of the Plan shall be transferred to the Reorganized Debtor, as successor in interest. The failure to list any specific cause of action as being preserved in the Plan shall not be deemed to bar the future prosecution of such claims on the basis of judicial estoppel, collateral estoppel, res judicata, waiver, or similar legal theory.

VII. MISCELLANEOUS PROVISIONS

- A) Payment of U.S. Trustee Fees. Pursuant to 28 U.S.C. § 1930, the Debtor is responsible for the payment of quarterly fees to the United States Trustee as long as the Case remains pending. The amount due is based on the amount of disbursements made during a calendar quarter. Quarterly fees continue to accrue until the Case is closed by the entry of a Final Decree.
- B) Final Decree / Closing of Case. The Final Bankruptcy Accounting and Motion for Final Decree required by Local Rule 3022-1 shall be filed and noticed by the Debtor upon completion of the sale of the Lebanon Carwash and the Extracted Lot.
- C) Service of Documents. All notices required under the Plan shall be deemed provided on the date that written notice is mailed, postage pre-paid, to the entity entitled to such notice, regardless of the date such notice is received. Any pleading, notice or other document required by the Plan to be served or delivered to the Debtor, unless expressly required to be served or delivered by other means, shall be sent by first class mail, postage prepaid to:

APM, LLC
4027 George Buchanan Drive
LaVergne, Tennessee 37086-3288

with a copy to:

Robert D. MacPherson
MacPherson & Youmans
119 Public Square
Lebanon, Tennessee 37087

- D) Discharge. Upon confirmation of the Plan, all assets of the Estate shall vest in the Debtor in the same manner such assets were vested prior to the Petition Date. The

Case shall be closed pursuant to 11 U.S.C. § 350(a) upon the Debtor's filing of evidence that it has satisfied the Priority Tax Claim, the Class 1 claim and the Class 3 claim, and has applied the remaining net proceeds from the sale of the Lebanon Carwash and the Extracted Lot, if any, to the Class 2 claim. Upon the filing of same, the Debtor shall receive a discharge under 11 U.S.C. § 1141 and shall reopen the Case for the entry of a discharge order pursuant to 11 U.S.C. § 1141(d)(5).

- E) Injunction. The confirmation of the Plan will bind the Debtor, all creditors, and other parties in interest to the provisions of the Plan, regardless of whether such creditors are impaired under the Plan or whether such creditors have voted against confirmation of the Plan.

Except with respect to the payments and payment schedules provided under the Plan, all Holders of claims will be enjoined from: (i) commencing or continuing any action or other proceeding of any kind with respect to such claims against the Debtor, (ii) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree, or order against the Debtor, and (iii) creating, perfecting or enforcing any encumbrance of any kind against the property of the Debtor. The injunction shall remain in effect unless or until there has been an order of the Bankruptcy Court determining that there has been a default under the Plan and that the injunction provided hereunder should be lifted.

- F) Default. In the event that any creditor entitled to receive payments from the Debtor under the Plan asserts that the Debtor has defaulted with respect to such payments, such creditor shall give written notice to the Debtor, by certified mail, identifying the alleged breach with specificity. In the event that the Debtor has not cured the alleged breach within 10 days of the Debtor's receipt of such written notice, the creditor shall file a motion with the Bankruptcy Court, with notice to the Debtor, to reopen the Case and seek a determination that a breach has occurred and that the injunction set forth in the above section of the Plan should be lifted.

- G) Liens. Any liens on property of the Estate held by creditors of the Debtor that are not preserved by the Plan are extinguished upon the entry of the Confirmation Order pursuant to 11 U.S.C. § 1141(c). Upon the request of the Debtor, any holder of a lien extinguished pursuant to this Plan shall cooperate with the Debtor to evidence the extinguishment of such lien in any local, county, state, or national records or database.

- H) Vesting of Property. Except as otherwise specifically provided in the Plan, after confirmation of the Plan, all assets of the Estate will vest in the Debtor on the Effective Date free and clear of any claims, liens, and encumbrances.

- I) Appeals. Unless the Confirmation Order is stayed pending appeal, the Plan may be consummated notwithstanding the pendency of such an appeal, or the timely filing and service of a motion under Federal Rules of Bankruptcy Procedure 7052, 8002(b), 8002(c), 8003, 8013, 9023, or 9024.

- J) Amendment, Modification, or Withdrawal. The Debtor, subject to Court approval,

reserves the right to amend, modify, or withdraw, in whole or in part, the Plan before or after the confirmation of the Plan, but before substantial consummation, consistent with 11 U.S.C. § 1127.

- K) Captions. Headings of Sections and paragraphs are inserted for convenience only and shall not affect the meaning of any Plan provisions.
- L) Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.
- M) Binding Effect. The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

Dated July 3, 2018

Respectfully submitted,

s/ Robert D. MacPherson
Robert D. MacPherson, BPR #022516
MacPherson & Youmans
119 Public Square
Lebanon, Tennessee 37087
Telephone: 615.444.2300
email: rdmacpherson@macyolaw.com
Attorney for the Debtor

CERTIFICATE OF SERVICE

I hereby certify that, on the 3rd day of July, 2018, service of a copy hereof was made upon Filing Users through the Electronic Filing System. Additionally, on the 3rd day of July, 2018, service of a copy hereof will be made by United States first-class mail upon the following creditors:

AMERIS BANK
C/O SIMPSON UCHITEL & WILSON
3490 PIEDMONT RD NE
STE 1100
ATLANTA GA 30305

METROPOLITAN TRUSTEE
REAL PROPERTY TAX DEPT
PO BOX 305012
NASHVILLE TN 37230

UNITED STATES SMALL BUSINESS
ADMIN
14925 KINGSPORT RD
FORT WORTH TX 76155

WILSON BANK & TRUST
623 WEST MAIN STREET
LEBANON, TENNESSEE 37087

s/ Robert D. MacPherson