

**IN THE UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
CORPUS CHRISTI DIVISION**

**IN RE:**

**A. J. & M.C. RAMOS PARTNERS, LTD.**

**CASE No. 15-20467  
(Chapter 11)**

**DEBTOR**

**DEBTOR'S AMENDED DISCLOSURE STATEMENT FOR REORGANIZATION PLAN**

**INTRODUCTION**

This is the disclosure statement (the "Amended Disclosure Statement") in the small business chapter 11 case of A.J. & M.C. Ramos Partners, Ltd. This Disclosure Statement contains information about the Debtor and describes the Plan (the "Amended Plan") filed by A.J. & M.C. Ramos Partners, LTD. on October 16, 2017. A full copy of the Plan is attached to this Disclosure Statement as Exhibit A. ***Your rights may be affected. You should read the Plan and this Disclosure Statement carefully and discuss them with your attorney. If you do not have an attorney, you may wish to consult one.***

The proposed distributions under the Plan are discussed at pages 3-4 of this Disclosure Statement. General unsecured creditors are classified in Class 3, and will receive a distribution of 100% of their allowed claims, to be distributed as follows semi-annual payments over a period of 4 years.

**A. Purpose of This Document**

This Disclosure Statement describes:

- ! The Debtor and significant events during the bankruptcy case,
- ! How the Plan proposes to treat claims or equity interests of the type you hold (*i.e.*, what you will receive on your claim or equity interest if the plan is confirmed),
- ! Who can vote on or object to the Plan,
- ! What factors the Bankruptcy Court (the "Court") will consider when deciding whether to confirm the Plan,
- ! Why [the Proponent] believes the Plan is feasible, and how the treatment of your claim or equity interest under the Plan compares to what you would receive on your claim or equity interest in liquidation, and
- !The effect of confirmation of the Plan.

Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

**B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing**

The Court has not yet confirmed the Plan described in this Disclosure Statement. This

section describes the procedures pursuant to which the Plan will or will not be confirmed.

*1. Time and Place of the Hearing to Finally Approve This Disclosure Statement and Confirm the Plan*

The hearing at which the Court will determine whether to [finally approve this Disclosure Statement and] confirm the Plan will take place on \_\_\_\_\_, at \_\_\_\_\_, in Bankruptcy Courtroom at the United States Courthouse, 1133 N. Shoreline Blvd, Corpus Christi, Tx.

*2. Deadline For Voting to Accept or Reject the Plan*

If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and return the ballot in the enclosed envelope to Allan Potter, P.O. Box 3159, Corpus Christi, Tx. 78463. See section IV.A. below for a discussion of voting eligibility requirements.

Your ballot must be received by \_\_\_\_\_, 2017 or it will not be counted.

*3. Deadline For Objecting to the [Adequacy of Disclosure and] Confirmation of the Plan*

Objections to this Disclosure Statement or to the confirmation of the Plan must be filed with the Court and served upon the Debtor, c/o Alvaro Ramos, 6081 Ocean Dr., Corpus Christi, TX 78412 and his attorney, Allan Potter (P.O. Box 3159, Corpus Christi, TX 78463 by \_\_\_\_\_, 2017.

*4. Identity of Person to Contact for More Information*

If you want additional information about the Plan, you should contact Alvaro Ramos, 6018 Ocean Dr, Corpus Christi, TX 78412 or by telephone 361-855-5382..

**C. Disclaimer**

*The Court has [conditionally] approved this Disclosure Statement as containing adequate information to enable parties affected by the Plan to make an informed judgment about its terms. The Court has not yet determined whether the Plan meets the legal requirements for confirmation, and the fact that the Court has approved this Disclosure Statement does not constitute an endorsement of the Plan by the Court, or a recommendation that it be accepted. [The Court's approval of this Disclosure Statement is subject to final approval at the hearing on confirmation of the Plan. Objections to the adequacy of this Disclosure Statement may be filed until \_\_\_\_\_.*

**II. BACKGROUND**

**A. Description and History of the Debtor's Business**

The Debtor is a partnership. Since approximately 1983, the Debtor has been in the business of managing properties.

**B. Insiders of the Debtor**

Insiders are Alvaro Ramos, Maria C. Ramos(84%), Alvaro J. Ramos, Jr.(4%), Harold K. Ramos (6%), AJR MDCR Management (2%), Katria Ramos-McCave (4%). They shall retain their equity interest upon confirmation.

For each insider, list all compensation paid by the Debtor or its affiliates to that person or entity during the two years prior to the commencement of the Debtor's bankruptcy case, as well as compensation paid during the pendency of this chapter 11 case. None

**C. Management of the Debtor Before and During the Bankruptcy**

During the two years prior to the date on which the bankruptcy petition was filed, since the

bankruptcy petition was filed, and will continue under the reorganized entity the officers, directors, managers or other persons in control of the Debtor (collectively the “Managers”) is Alvaro Ramos.

**D. Events Leading to Chapter 11 Filing**

The posting of the property for foreclosure by Frost Bank.

**E. Significant Events During the Bankruptcy Case**

The Debtor’s property located at 3547 S. Alameda, Corpus Christi, Tx. 78412. The sales proceeds were applied the loan of Frost Bank securing the property. Allan Potter was approved as counsel for the Debtor.

**H. Current and Historical Financial Conditions**

The identity and fair market value of the estates assets are listed in Exhibit B. The Debtor’s most recent financial statements [if any] issued before bankruptcy, each of which was filed with the Court, are set forth in Exhibit C.

**III. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS.**

Type	Estimated Amount Owed	Proposed Treatment
Expenses Arising in the Ordinary Course of Business After the Petition Date	none	
The Value of Goods Received in the Ordinary Course of Business Within 90 Days Before the Petition Date	none	
Professional Fees, as approved by the Court.	attached	
Clerk=s Office Fees		Paid in full
Other administrative expenses		attorney fees and miscellaneous unknown
Office of the U.S. Trustee Fees		pending information from the U.S. Trustee
<b>TOTAL</b>		

*2. Priority Tax Claims*

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief. The claim of Nueces County is disputed in part. The following chart lists the Debtors estimated § 507(a)(8) priority tax claims and their proposed treatment under the Plan:

Description (name and type of tax)	Estimated Amount Owed	Date of Assessment	Treatment
Pmt interval Monthly a payment		= 20 <sup>th</sup> of each Month = \$90,933.63	
Begin date		January 1, 2017	
Interest Rate %		= 6% interest rate as required by Texas statute	



**C. Classes of Claims and Equity Interests**

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan:

*1. Classes of Secured Claims*

Allowed Secured Claims are claims secured by property of the Debtor’s bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. The following chart lists all classes containing Debtors secured prepetition claims and their proposed treatment under the Plan:

<b>Class # 2.a</b>	<b>Description</b>	<b>Insider? (Yes or No)</b>	<b>Impairment</b>	<b>Treatment</b>
Secured claim of: Name = Frost Bank Collateral description real estate Total claim = \$66, 693.19	No		Monthly Pmt Pmts Begin	= \$2,160.00 = November 1, 2017 = = =
Secured claim of: Name = American Bank Collateral description- 1621 Brownlee, Corpus Christi Allowed Secured Amount = \$121,000 Total claim = \$121,000	Yes		Monthly Pmt Pmts Begin	= \$1,150 =November 1, 2015

*2. Classes of Priority Unsecured Claims*

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the effective date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept different treatment.

The following chart lists all classes containing claims under §§ 507(a)(1), (4), (5), (6), and (a)(7) of the Code and their proposed treatment under the Plan:

Class #	Description	Impairment	Treatment
	Priority unsecured claim pursuant to Section [insert] Total amt of claims = \$0.00	Impaired	

3. *Class[es] of General Unsecured Claims*

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code. [Insert description of §1122(b) convenience class if applicable.]

The following chart identifies the Plan’s proposed treatment of Class[es] 3, which contain general unsecured claims against the Debtor:

Class #	Description	Impairment	Treatment
[1122(b) Convenience Class]		Impaired	Paid in full in cash on effective date of the Plan or when due under contract or applicable nonbankruptcy law
General Unsecured Class		Monthly Pmt Pmts Begin Estimated percent of claim paid	= \$2954.67 = November 1, 2017 = = 100% = =

4. *Class[es] of Equity Interest Holders*

Equity interest holders are parties who hold an ownership interest (*i.e.*, equity interest) in the Debtor. In a corporation, entities holding preferred or common stock are equity interest holders. In a partnership, equity interest holders include both general and limited partners. In a limited liability company (“LLC”), the equity interest holders are the members. Finally, with respect to an individual who is a debtor, the Debtor is the equity interest holder.

The following chart sets forth the Plan proposed treatment of the class[es] of equity interest holders:

Class # 5	Description	Impairment	Treatment
	Equity interest holders	Impaired, but retain their interest	

D. **Means of Implementing the Plan**

1. *Source of Payments*

Payments and distributions under the Plan will be funded by the following:

Alvaro Ramos will pay from his income and liquidation of property the plan payments.

2. *Post-confirmation Management*

The Post-Confirmation Managers of the Debtor, and their compensation, shall be as follows:

Name Alvaro Ramos	no compensation			
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F. Executory Contracts and Unexpired Leases B25

The Plan lists all executory contracts and unexpired leases that the Debtor will assume under the Plan. Assumption means that the Debtor has elected to continue to perform the obligations under such contracts and unexpired leases, and to cure defaults of the type that must be cured under the Code, if any. Debtor will cure and compensate the other party to such contract or lease for any such defaults. The only assumed executory lease is with the leasehold interest of A.J. Ramos in the office used for his medical practice.

If you object to the assumption of your unexpired lease or executory contract, the proposed cure of any defaults, or the adequacy of assurance of performance, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan, unless the Court has set an earlier time.

All executory contracts and unexpired leases that are not listed in Exhibit 5.1 will be rejected under the Plan. Consult your adviser or attorney for more specific information about particular contracts or leases. The lease of Alvaro Ramos will be assumed.

If you object to the rejection of your contract or lease, you must file and serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan.

#### **G. Tax Consequences of Plan**

***Creditors and Equity Interest Holders Concerned with How the Plan May Affect Their Tax Liability Should Consult with Their Own Accountants, Attorneys, And/Or Advisors.***

#### **IV. CONFIRMATION REQUIREMENTS AND PROCEDURES**

To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the Code. These include the requirements that: the Plan must be proposed in good faith; at least one impaired class of claims must accept the plan, without counting votes of insiders; the Plan must distribute to each creditor and equity interest holder at least as much as the creditor or equity interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the only requirements listed in § 1129, and they are not the only requirements for confirmation.

##### **A. Who May Vote or Object**

Any party in interest may object to the confirmation of the Plan if the party believes that the requirements for confirmation are not met.

Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A creditor or equity interest holder has a right to vote for or against the Plan only if that creditor or equity interest holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and (2) impaired.

In this case, the Plan Proponent believes that classes are impaired and that holders of claims in each of these classes are therefore entitled to vote to accept or reject the Plan. The Plan Proponent believes that classes are unimpaired and that holders of claims in each of these classes, therefore, do not have the right to vote to accept or reject the Plan.

##### **1. What Is an Allowed Claim or an Allowed Equity Interest?**

Only a creditor or equity interest holder with an allowed claim or an allowed equity interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either (1) the Debtor has scheduled the claim on the Debtor's schedules, unless the claim has been scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim or equity interest, unless an objection has been filed to such proof of claim or equity interest. When a claim or equity interest is not allowed, the creditor or equity interest holder holding the claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure.

***The deadline for filing a proof of claim in this case was 5/11/2016.***

## *2. What Is an Impaired Claim or Impaired Equity Interest?*

As noted above, the holder of an allowed claim or equity interest has the right to vote only if it is in a class that is *impaired* under the Plan. As provided in § 1124 of the Code, a class is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members of that class.

## *3. Who is Not Entitled to Vote*

The holders of the following five types of claims and equity interests are *not* entitled to vote:

- holders of claims and equity interests that have been disallowed by an order of the Court;
- holders of other claims or equity interests that are not “allowed claims” or “allowed equity interests” (as discussed above), unless they have been “allowed” for voting purposes.
- holders of claims or equity interests in unimpaired classes;
- holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the Code; and
- holders of claims or equity interests in classes that do not receive or retain any value under the Plan;
- administrative expenses.

***Even If You Are Not Entitled to Vote on the Plan, You Have a Right to Object to the Confirmation of the Plan and to the Adequacy of the Disclosure Statement.***

## *4. Who Can Vote in More Than One Class*

A creditor whose claim has been allowed in part as a secured claim and in part as an unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a Plan in each capacity, and should cast one ballot for each claim.

### **B. Votes Necessary to Confirm the Plan**

If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one impaired class

of creditors has accepted the Plan without counting the votes of any insiders within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is eligible to be confirmed by a cram down on non-accepting classes, as discussed later in Section [B.2.].

*1. Votes Necessary for a Class to Accept the Plan*

A class of claims accepts the Plan if both of the following occur: (1) the holders of more than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the class, who vote, cast their votes to accept the Plan.

A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

*2. Treatment of Nonaccepting Classes*

Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm the Plan if the nonaccepting classes are treated in the manner prescribed by § 1129(b) of the Code. A plan that binds nonaccepting classes is commonly referred to as a cram down@ plan. The Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of the Code, does not discriminate unfairly, and is fair and equitable toward each impaired class that has not voted to accept the Plan.

***You should consult your own attorney if a A camdown at cnfirmation will affect your claim or equity interest, as the variations on this general rule are numerous and complex.***

**C. Liquidation Analysis**

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is attached to this Disclosure Statement as Exhibit D.

**D. Feasibility**

The Court must find that confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor, unless such liquidation or reorganization is proposed in the Plan.

*1. Ability to Initially Fund Plan*

The Plan Proponent believes that the Debtor will have enough cash on hand on the effective date of the Plan to pay all the claims and expenses that are entitled to be paid on that date. Liquidation of the real property show yield income to liquidate the debt. Pending sales of real property the A. J. Ramos intends to contribute approximately \$5,200 per month from his office income.

*2. Ability to Make Future Plan Payments And Operate Without Further Reorganization*

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments.



The Plan Proponent has provided projected financial information. Those projections are listed in Exhibit F.

The Plan Proponent's financial projections show that the Debtor will have an aggregate annual average cash flow, after paying operating expenses and post-confirmation taxes, of \$ 62,400.

The Debtor's Plan will be funded by liquidation of real estate and income of the manager of the Debtor (Alvaro Ramos) from his current income.

***You Should Consult with Your Accountant or other Financial Advisor If You Have Any Questions Pertaining to These Projections.***

## **V. EFFECT OF CONFIRMATION OF PLAN**

### **A. NO DISCHARGE OF DEBTOR**

No Discharge. In accordance with § 1141(d)(3) of the Code, the Debtor will not receive any discharge of debt in this bankruptcy case.

### **B. Modification of Plan**

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan.

The Plan Proponent may also seek to modify the Plan at any time after confirmation only if (1) the Plan has not been substantially consummated *and* (2) the Court authorizes the proposed modifications after notice and a hearing.

Once the estate has been fully administered, as provided in Rule 3022 of the Federal Rules of Bankruptcy Procedure, the Plan Proponent, or such other party as the Court shall designate in the Plan Confirmation Order, shall file a motion with the Court to obtain a final decree to close the case. Alternatively, the Court may enter such a final decree on its own motion.

\_\_\_\_\_/s/ A. J. Ramos\_\_\_\_\_  
A. J. Ramos, Proponent of Plan

As to Form:

\_\_\_\_\_/s/Allan Potter\_\_\_\_\_  
Allan Potter  
State Bar of Texas # 16171000  
Attorney for Debtor  
PO Box 3159  
Corpus Christi, TX 78463  
361-888-8203

**EXHIBITS**

Exhibit A Copy of Proposed Plan of Reorganization  
Attached

**Exhibit B** Identity and Value of Material Assets of Debtor

Real Property located at 3547 S. Alameda, Corpus Christi, Tx. 78412 described as Lot 55, Block 815, Pt. Aransas Cliffs, Corpus Christi	\$275,000
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Real Property located on S. Brownlee, Corpus Christi, Texas, also described as Lots 17 - 26, Block 1103, Fitchue Place Addition to the City of Corpus Christi	\$275,000
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Miscellaneous personal property	\$ 2,000
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Exhibit C Prepetition Financial Statements

None

**Exhibit D** – Liquidation Analysis

<i>Plan Proponent's Estimated Liquidation Value of Assets</i>	<i>Percentage of Claims Which Unsecured Creditors Will Receive or Retain under the Plan:</i>
<b>Assets</b>	
a. Cash on hand	\$ 100
c. Building & Land	\$550,000
d. Personal property	\$ 2,000
<b>Total Assets at Liquidation Value</b>	<b>\$552,100</b>
<b>Less:</b>	
Secured creditors= recoveries	\$189,614.12
<b>Less:</b>	
Chapter 7 trustee fees and expenses	
<b>Less:</b>	\$ 25,000
Chapter 11 administrative expenses	
<b>Less:</b>	
Priority claims, excluding administrative expense claims	<b>\$ 90,933.63</b>
<b>[Less:</b>	
Debtor=s claimed exemptions]	
(1) Balance for unsecured claims	\$1,830.56
(2) Total dollar amount of unsecured claims	\$1,830.56
<b>Percentage of Claims Which Unsecured Creditors Would Receive Or Retain in a Chapter 7 Liquidation:</b>	<b>\$1,830.56</b>
Percentage of claims received by creditors	100%

#### Exhibit E - Projected Annual Income

Debtor's income is from the medical practice of A.J. Ramos  
The A. J. Ramos intends to fund the plan in sufficient amount,  
plus any liquidation of property. Without liquidations a monthly  
infusion of approximately \$5,300.