

**United States Bankruptcy Court
Western District of Washington at Tacoma**

In re Wildwood Crest, LLC
Debtor

Case No. 16-44155

Single Asset Real Estate Case under Chapter 11

WILDWOOD CREST, LLC'S DISCLOSURE STATEMENT
DATED MARCH 15, 2017

I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the single asset real estate Chapter 11 case of Wildwood Crest, LLC (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the Plan of Reorganization (the "Plan") filed by the Debtor on March 15, 2017. The proposed distributions under the Plan are discussed at pages 5 to 9 of this Disclosure Statement. ***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.***

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 approve this Disclosure Statement and set a date to confirm the Plan will take place at a date and time separately noted, in Courtroom H, at the Union Station, 1717 Pacific Avenue, Tacoma, WA 98402.

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

If you are entitled to vote to accept or reject the plan, you will be given an opportunity to vote. See section IV.A. below for a discussion of voting eligibility requirements. Your ballot must be received by 7 days prior to the date that will be set by the Court for confirmation of the Plan.

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's counsel at least 7 days prior to the hearing.

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

If you want additional information about the Plan, you should contact Larry B. Feinstein, 520 Pike Street, Suite 2250, Seattle, WA 98101, Phone: 206-223-9595, Fax: 206-386-5355, and Email: feinstein1947@gmail.com.

C. Disclaimer

The Court has 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.

II. BACKGROUND

A. Description and History of the Debtor's Business

The Debtor is a limited liability company. Since 2011, Wildwood Crest, LLC has owned the eight condominiums located at 131 Barnacle Street, Ocean Shores, WA, which have been used as short term vacation rentals. Each of the eight units is 432 square feet, featuring one bedroom, one bath, and an open floor plan.

B. Insiders of the Debtor and Management of the Debtor Before and During the Bankruptcy

Laurie Kazimir is the principal of Wildwood Crest, LLC. She and her husband, Christian Kazimir, are the sole members of the LLC. She is the managing member and individual authorized to represent the LLC within these bankruptcy proceedings.

After the effective date of the order confirming the Plan, the director, officer, and voting trustee of the Debtor, any affiliate of the Debtor participating in a joint Plan with the Debtor, or successor of the Debtor under the Plan (collectively the "Post Confirmation Managers") will be Laurie Kazimir and Christian Kazimir. Compensation shall not be effected by this Plan.

C. Events Leading to Chapter 11 Filing

Wildwood Crest, LLC, spent several years developing the Wildwood Crest Bungalows, an eight-unit condominium complex designed as short term vacation rentals. Construction was completed in 2013, and the properties received their Certificate of Occupancy; however, in 2014, the City of Ocean Shores recorded an encumbrance on the property limiting their sale as individual personal residences, because they do not meet the City's minimum square footage requirements. They are currently zoned as commercial properties and are being used consistent therewith as short term vacation rentals.

Following completion of construction, the Debtor refinanced their high interest construction loan by entering into a new loan with Fairfield Financial Services, funded by the individual note holders named on Schedule D, herein. A Notice of Default was issued on May 4, 2016, and the lenders commenced non-judicial foreclosure proceedings. The Debtor disputed the amount due under the notes, and there were significant disruptions in their servicing. The Debtor tried to resolve the issues with their lenders throughout the summer of 2016. After twice postponing the sale, the Debtor filed the instant Chapter 11 when no other options were available to it to stop a hasty trustee's sale. The Debtor believes that the property can and should be sold on the open market where it can reach the widest potential audience and where it can fetch the highest price.

D. Significant Events During the Bankruptcy Case

This case has been pending for approximately six months. It was filed on October 5, 2016. A Meeting of Creditors was held on November 2, 2016. The United States Trustee did not receive a sufficient number of creditors willing to serve on a committee of unsecured creditors, so none was appointed. An order granting Larry Feinstein's Application to be employed as attorney for the Debtor was entered on December 2, 2016. Motions for Relief from Stay were filed on behalf of ROKAB Investments, LLC, et. al., and the Staples Family Living Trust, et. al., which were heard February 16, 2017. The hearing was continued until April 6, 2017, to allow the Debtor an opportunity to file a Plan and to address cash collateral issues pursuant to the Assignment of Rents held by the above lenders. As a result of the original hearing, this case was determined to be a Single Asset Real Estate Case.

E. Projected Recovery of Avoidable Transfers

The Debtor does not intend to pursue preference, fraudulent conveyance, or other avoidance actions.

F. Claims Objections

Except to the extent that a claim is already allowed pursuant to a final non-appealable order, the Debtor reserves the right to object to claims. Therefore, even if your claim is allowed for voting purposes, you may not be entitled to a distribution if an objection to your claim is later upheld. The procedures for resolving disputed claims are set forth in Article V of the Plan.

G. Current and Historical Financial Conditions

On Schedule A/B, the Debtor estimated the value of its primary asset, the commercial real estate located at 131 Barnacle Street, Ocean Shores, WA, to be \$960,000.00. The other assets of the Debtor are comprised of a bank account (holding less than \$6,000 at the time of filing) and the furnishings for the eight condos (estimated at \$120,000).

III. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. What is the Purpose of the Plan of Reorganization?

As required by the Code, the Plan places claims and equity interests in various classes and describes the treatment each class will receive. The Plan also states whether each class of claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will be limited to the amount provided by the Plan.

B. Unclassified Claims

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Plan Proponent has *not* placed the following claims in any class:

1. *Administrative Expenses*

Administrative expenses are costs or expenses of administering the Debtor's chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the effective date of the Plan, unless a particular claimant agrees to a different treatment.

The following chart lists the Debtor's estimated administrative expenses, and their proposed treatment under the Plan:

<u>Type</u>	<u>Estimated Amount Owed</u>	<u>Proposed Treatment</u>
Expenses Arising in the Ordinary Course of Business After the Petition Date		Paid in full on the effective date of the Plan, or according to terms of obligation if later
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date		Paid in full on the effective date of the Plan, or according to terms of obligation if later

Professional Fees, as approved by the Court.	\$7,500.00 est.	Paid in full on the effective date of the Plan, or according to separate written agreement, or according to court order if such fees have not been approved by the Court on the effective date of the Plan
Clerk's Office Fees		Paid in full on the effective date of the Plan
Other administrative expenses		Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	\$325.00	Paid in full on the effective date of the Plan
TOTAL	\$7,825.00 est.	

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.

Grays Harbor County Treasurer filed a secured claim herein for \$38,145.44, consisting of property taxes owed on the eight parcels that compose the Wildwood Crest Bungalows. This claim is described more fully below as a secured claim.

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. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim.

The property is secured as follows:

Class One: Mortgage Claims	Security Interest and Collateral	Amount of Claim
Alan and Karel Bland	5% of Loan on Units 1, 3, 5, 7, & 8	\$29,244.04
Dean Enell	20% of Loan on Units 2, 4, & 6	\$60,727.43
Equity Trust Co.	20% of Loan on Units 2, 4, & 6	\$60,727.43
Glenn Parker	3.57% of Loan on Units 1, 3, 5, 7, & 8	\$18,031.82
ROKAB Investments, LLC	80.95% of Loan on Units 1, 3, 5, 7, & 8 20% of Loan on Units 2, 4, & 6	\$419,428.55
Staples Family Living Trust	52% of Loan on Units 2, 4, & 6	\$174,138.08
Thielsen Capital Mgmt Co.	2.38% of Loan on Units 1, 3, 5, 7, & 8	\$12,021.22
Tim Sawabe	7% of Loan on Units 1, 3, 5, 7, & 8	\$35,941.66
Class One: Total Amount of Secured Mortgage Claims		\$810,260.23
Class Two: Grays Harbor County Secured Tax Claim		\$38,145.44

The above-named Class One Creditors shall have an opportunity to select from the following options. Creditors accepting the Plan shall each be allowed to cast a vote for their preferred option on the Ballot accepting the Plan. Creditors may also cast a ballot for rejecting the Plan as well. If, after balloting, Class One votes in favor of accepting the Plan overall but disagrees as to which Option, that option receiving the greatest number of votes shall be approved (where in each individual creditor receives one vote, rather than determining based on the amount of their claim).

Option A:

The Debtor will market and sell Wildwood Crest Bungalows. The Debtor shall have 12 months during which time to consummate said sale(s), which may be extended upon the written approval of at least 50% of the proportional share owners listed above. No payments, other than the proceeds of sale, will be made to the lender during this 12-month period unless and until the properties are sold.

The Debtor has valued the properties at \$960,000 on the date of filing; however, in selecting this option, Creditors agree that the fair market value of the property shall be determined to be the highest and best offer received by the Debtor in selling the property. Creditors' claims shall be reduced to their proportional share of the fair market value, and no deficiency shall be created by a sale to a bona fide purchaser even if a sale should net less than the full amount of the claims stated above. Creditors further agree to release Laurie Kazimir and Christian Kazimir from their personal guarantee of the notes.

Sale of the properties are subject to the secured tax claim as well as any other liens and encumbrances on the property. The secured tax claim would be paid from the proceeds of the sale of the real property.

Should the property remain unsold after 12 months, Debtor shall tender to the lenders a deed in lieu of foreclosure. The deed would be subject to the Grays Harbor County property tax lien, to be paid by the lenders following their own sale of the property at auction. Creditors agree to accept the property in as is condition, including the furnishings owned by Wildwood Crest, LLC. Should the auction result in a sale for less than the purported value, the value of the claim against the Debtor shall be reduced to the sale price, and no deficiency will be created from said sale. Upon tendering the deed in lieu of foreclosure, Laurie Kazimir and Christian Kazimir will be released from their personal guaranties of the notes.

Option B:

The Debtor will tender deeds in lieu of foreclosure to the above lenders upon confirmation of the Plan of Reorganization. The deeds remain subject to the tax liens on the properties, to be paid from the auction of the units. Creditors agree to accept the units in "as is" condition, furnished, and in satisfaction of their outstanding claims against the Debtor in full. Laurie Kazimir and Christian Kazimir will be released from their personal guaranties.

Option C:

The Debtors retain possession of the properties. The total balance owed to the above lenders (in their proportional shares) will be fixed at \$810,260, amortized at 3.25% fixed interest over 30 years. The loan shall mature 20 years following the effective date of the Plan (est. May 15, 2037), with a balloon payment of any outstanding balance at that time. Payments will be due on the 15th day of the month, beginning on the first full month following confirmation of the plan (est. May 15, 2017). Creditor will treat the obligation as

current as of the date of confirmation.

The base payment amount is \$3,526; however, there will be no “pre-payment” penalty, such that the Debtor may make double or triple payments during the summer months without incurring a default or other penalty over the leaner, winter months if it unable to make the full payment. Thus, any payment made in excess of \$3,526 in a month is not an additional principal payment, but shall be considered an advance payment during any one calendar year, such that the Debtor shall not be in default under this Plan so long as the annual total payments are equal to \$42,312 as calculated on a yearly basis. If full payments are not made in any month(s) during the year, the Creditor is responsible for notifying Debtor of the balance owed through the end of the calendar year, by November 30th of each calendar year, and the Debtor may cure any deficiency of the annual payment total prior to December 31st of the same calendar year without incurring a default. If the Creditor fails to send an annual notice by November 30th with the balance owed through the end of the calendar year, the Debtor may not be declared in default without first allowing the Debtor 30 days in which to cure said default by making a payment equal to the balance owed as of December 31st of the previous calendar year.

Payments made in excess of \$42,312 in any calendar year will be credited towards the annual total for the next calendar year.

Class Two: Grays Harbor County

Payment of the existing tax lien will be made in full either through a sale of the property (private party or by public auction), or by payments over time. If Class One votes in favor of modifying the Debtor’s obligations and the Debtor retains possession, the Debtor shall make equal monthly payments of \$773 per month, as calculated at 4% interest. Payments will be made on or before the 15th day of the month, beginning the first full month after Confirmation (est. May 2017), with the last payment due on or about October 15, 2022.

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.

There are no claims under §§ 507(a)(1), (4), (5), (6), and (a)(7) of the Code so entitled to priority treatment.

3. *Class 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.

The following chart identifies the Plan's proposed treatment of Classes 3 and 4, which contain general unsecured claims against the Debtor:

Class #	Description	Impairment	Treatment
3	General Unsecured Class	Impaired	The Debtor listed no other unsecured claims in its schedules and no proofs of claim have been filed herein as of the date of this document. Accordingly, the Debtor reserves the right to amend this document up until the time of the hearing on Confirmation of the Plan of Reorganization. As there are no general unsecured creditors, no distribution shall be made.

4. *Class] 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's proposed treatment of the class[es] of equity interest holders:

Class #	Description	Impairment	Treatment
4	Equity interest holders	Unimpaired	Laurie Kazimir and Christian Kazimir shall remain the sole and managing member of the LLC.

D. Means of Implementing the Plan

1. *Source of Payments*

Payments and distributions under the Plan will be funded by the sale of the real properties located at 131 Barnacle Street, Ocean Shores, WA, if Class One selects Options A or B. If it selects, Option C, the Plan shall be funded through the short term vacation rental of its condominium units.

2. *Post-confirmation Management*

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

Name	Affiliations	Insider (yes or no)?	Position	Compensation
Laurie Kazimir	N/A	Yes	Managing Member	Reserved.

E. Risk Factors

The proposed Plan has no known risks that are within the Debtor's control. Risks outside the Debtor's control are primarily those associated with the market for commercial real estate.

F. Executory Contracts and Unexpired Leases

The Plan, in Exhibit 5.1, 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. Exhibit 5.1 also lists how the Debtor will cure and compensate the other party to such contract or lease for any such defaults.

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.

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.

Any claim based on the rejection of a contract or lease will be barred if the proof of claim is not timely filed, unless the Court orders otherwise.

G. Tax Consequences of Plan

There are no known tax consequences of this 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 One, Two and Three are impaired and that holders of claims in each of these classes are therefore entitled 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.

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 “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 “cram down” confirmation 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.

The Debtor’s real property is valued at \$960,000, and there are secured creditors in the amount of approximately \$850,000. If this property were to be sold, there is approximately \$110,000 in equity available for the unsecured creditors of the estate. However, no general unsecured creditors have filed a claim in these proceedings.

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.

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. Should Class One elect to accept payments over time, the room rents will be sufficient to service the loans, operating expenses, and management fees.

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. DISCHARGE OF DEBTOR

On the effective date of the Plan, the Debtor shall be discharged from any debt that arose before confirmation of the Plan, subject to the occurrence of the effective date, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor shall not be discharged of any debt (i) imposed by the Plan, (ii) of a kind specified in § 1141(d)(6)(A) if a timely complaint was filed in accordance with Rule 4007(c) of the Federal Rules of Bankruptcy Procedure, or (iii) of a kind specified in § 1141(d)(6)(B). After the effective date of the Plan your claims against the Debtor will be limited to the debts described in clauses (i) through (iii) of the preceding sentence.

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.

C. Final Decree

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.

VI. OTHER PLAN PROVISIONS

1. Debtors reserve the right to seek confirmation of the Plan notwithstanding the rejection of the Plan by one or more classes of creditors, pursuant to 11 U.S.C. §1129(b).
2. All administrative expenses shall be paid on the effective date of the Plan, or as otherwise agreed by the parties without further court order.
3. The Debtors shall act as their own disbursing agents for payments under the Plan.
4. Secured creditors whose loans are restructured under this Plan shall treat said loans as current and treat said obligations as an ongoing amortizing obligation.
5. On the effective date of the Plan, all property of the Debtors' estate will vest in the reorganized Debtors pursuant to 11 U.S.C. §1141(b), free and clear of all claims and interests, except that the liens of secured creditors shall be retained until all required payments to the creditors under the Plan are completed.
6. Unless otherwise specified, the following default provisions apply to all creditors:
 - a. A "default" shall be defined as the debtor's failure to make a payment or otherwise perform in accordance with this Plan of Reorganization. The Debtor shall have a 15-day grace period following the due date specified herein, during which time the Debtor may make a cure payment. If no due date is specified, that date shall be the 15th day of the month.
 - b. In the event of default and following the 15-day grace period, the creditor occasioning said default shall give the Debtors 30 days' Notice of Default and opportunity to cure. If said default is not cured within 30 days from the date of the Notice, the creditor shall be entitled to relief from the stay under this Plan without further court order, and may enforce any state or federal collection rights that may exist, or as otherwise provided in this Plan for default remedies.
7. Creditors nor any third party on their behalf may not take any actions (including, without limitation, lawsuits or other legal actions, levies, attachments, or garnishments) to enforce or collect either pre-confirmation obligations or obligations due under the Plan, so long as the Debtors are not in material default under the Plan and the creditor has not been granted relief from the stay. Provided that the

Debtors do not materially default under the Plan, creditors shall be prohibited from taking any enforcement or collection actions or any kind against the Debtors.

8. In the event a dispute arises as to the interpretation post-confirmation of this Plan or the payment terms therein, the Bankruptcy Court shall retain jurisdiction over the Debtor and the claims administered herein even if the case has been closed administratively, prior to entry of the Order of Discharge.
9. Any notices, requests, and demands required or permitted to be provided under the Plan, in order to be effective, shall be in writing (including, without express or implied limitation, by facsimile transmission and email), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made within actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

Wildwood Crest, LLC
c/o Larry B. Feinstein
520 Pike Street, Suite 2250,
Seattle WA 98101

Phone: (206) 223-9595
Fax: (206) 386-5355
Email: feinstein1947@gmail.com

10. 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 and assigns of such entity.

Respectfully Submitted,

Laurie Kazimir, Member

Laurie Kazimir, Managing Member
Wildwood Crest, LLC

/s/ Larry B. Feinstein

Larry Feinstein, WSBA #6074
Attorney for Debtor