
UNITED STATES BANKRUPTCY COURT
Western District of Wisconsin

In re:

LAURITSEN FIREWOOD & RENTAL, INC.,
Debtor

Case no. 17-11785

DEBTOR DISCLOSURE STATEMENT DATED APRIL 20, 2018

LAURITSEN FIREWOOD & RENTAL, INC., hereinafter referred to as "Debtor", makes the following Disclosure Statement in connection with the solicitation of votes on the proposed Debtor Plan of Reorganization dated April 20, 2018. ***The Debtor urges creditors to vote in favor of the Plan.***

This Disclosure Statement provides information relative to the Plan. However, it does not add to or modify the plan terms in any way. Accordingly, the terms of the Plan shall control in the event there is a discrepancy or inconsistency between this Disclosure Statement and the Plan. For these reasons ***creditors are encouraged to read the Plan in full before voting.*** Questions concerning the Plan should be addressed to Joshua D. Christianson, Debtor Counsel, P.O. Box 222, Eau Claire, WI 54702-0222 (phone 715.832.1800; email lawfirm@cf.legal).

PART ONE: Confirmation of the Plan

1.1 Confirmation Process. Under the Bankruptcy Code, a Chapter 11 case is designed to permit a Debtor to restructure debt and continue operations. A Chapter 11 case begins with the filing of a Petition for Relief and ends, for most purposes, with the confirmation of a Plan of Reorganization. The confirmation process has three basic steps: (1) approval by the Court of a Disclosure Statement, (2) voting by creditors, and (3) confirmation by the Court.

If you receive this Disclosure Statement with a ballot, the Court has approved this Disclosure Statement. *Such approval does not constitute a determination on the merits of the Plan.* The Court can only confirm a proposed Plan if it is accepted by the requisite votes of impaired creditors or if it meets the "cram-down" standards under 11 U.S.C. § 1129(b). After voting has concluded the Court will hold a confirmation hearing. At that hearing the Court will determine whether the Plan meets the confirmation standards under 11 U.S.C. § 1129. If the Court confirms the Plan the Debtor's obligation for pre-confirmation debts will be limited to the terms and provisions of the Plan.

1.2 Voting on the Plan. If you receive this Disclosure Statement with a Ballot, you will find instructions for completing and returning the Ballot on the Ballot. A creditor may submit a separate Ballot for each numbered class within which the creditor's claim falls (if necessary, make photocopies of the Ballot form). Classes 1 & 2 are non-voting.

A class of creditors accepts the Plan if, of those creditors in the class voting, (a) at least two-thirds in dollar amount and, (b) except in the case of interest holders, more than one-half in number of each member of the class holding an allowed claim vote in favor of the Plan. In the event a creditor's claim is listed as disputed or is subject to a pending objection, the creditor must obtain temporary allowance from the Court to participate in balloting on the plan.

PART TWO: History

2.1 Pre-Petition. The Debtor is a Wisconsin corporation. The current shareholders are: Derek Lauritsen (95%), and Andrew Lauritsen (5%). The Debtor operates pursuant to Articles of Incorporation and registered with the Department of Financial Institutions November 12, 1990.

The Debtor is and has been a farmer, logger and wood products supplier. Corn and soybeans are the Debtor's primary cash crop, and the Debtor also engages in raising beef cattle. The logging operation harvests standing forests in Polk County and the counties surrounding it. Larger, straighter wood is cut for lumber. Other larger wood is cut for firewood, which is sold to intermediaries or directly to consumers for heat. Other wood is chipped or ground, and primarily sold to power plants for electricity generation.

Prior to incorporating, the business previously operated as a sole proprietorship. The corporation previously engaged in equipment rental, such as event tents. However, the rental portion of its business has not been active in many years. In 2016, wood products accounted for approximately 60% of the Debtor's revenue, with farm products accounting for approximately 40% of the Debtor's revenue.

In recent years, the Debtor's business was active; however, two factors caused difficulty: First, two years of mild summers and winters immediately preceeding this filing led to a decrease in demand for Debtor's wood products, which are primarily used for heating and electricity production. Second, lower commodity prices for Debtor's grain and beef products resulted in temporarily reduced revenue. The result was that the company could no longer make payments as they became due.

As consumers of electricity run air conditioners less, demand for power decreases and power plants use and buy less fuel. Debtor's wood products such as chips and grindings are used as fuel in power plants. Debtor's wood products that are used for heating are similarly in less demand during warmer winters.

2.2 Post-Petition. On May 17, 2017, Debtor filed for relief under Chapter 11 of the Bankruptcy Code. The first order of business was to steady the ship. Because of the Debtor's reduced cash flow, this process took a lengthy period of time. Harvest and a colder winter have resulted in greater cash flow, allowing this reorganization to proceed.

All the while the Debtor continued to operate and retain at least 7 employees on its payroll in the small rural community of Cushing, Wisconsin. Now, finally, the Debtor is in a position to make projections regarding its financial future and to propose its Chapter 11 plan.

The Debtor has been operating in its business for over 25 years, and is confident it will be able to meet its obligations once restructured. However, the Debtor is also engaged in reviewing options to sell some secured assets, such as a Vermeer grinder, and rent equivalent equipment on an as-needed basis. If this arrangement is possible and reliable, the Debtor will reduce its debt load, and monthly amounts necessary for debt service. The Debtor further believes that it would likely pay less in rental fees than it costs to own this equipment.

PART THREE: Summary of Plan Reorganization
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3.1 Goals. The proposed Plan is designed to continue Debtor as a going business and local employer while paying all creditors.

3.2 Implementation. The Plan is keyed to the distribution date, to wit: The later of (a) the date fourteen days after the confirmation date or (b) the first day of the first full month of the first full calendar quarter after the Court enters an Order confirming the Plan.

(A) Restructuring.

(1) Creditor Treatment. The Plan provides for the creation of twelve (12) classes of claims to be paid as provided in Article II of the Plan. General payment provisions are found at Paragraph 3.3 of the Plan. The following additional information is provided regarding creditors in each such class:

(a) Class 1: Administrative Expenses (non-voting): The Debtor anticipates having sufficient funds on hand to make payments to Class 1 claimants on the Distribution Date who request payment in full at that time. Any remaining Class 1 payments shall be paid as agreed between Debtor and any such claimant. Debtor estimates that Class 1 allowed claims total one claim in number, in the aggregate amount of about \$27,000 less \$7,413.67 currently held in trust.

(b) Class 2: Tax Priority Claims (non-voting): Allowed unsecured tax claims entitled to priority. The unsecured tax priority claims shall be paid the

claim amount amortized with monthly payments over the period that begins on the Distribution Date and concludes on the date five years from the date the petition was filed with interest from the Distribution Date as provided under 11 U.S.C. § 511. Debtor estimates that Class 2 allowed claims total two claims in number, in the aggregate amount of about \$6,400.

(c) Class 3: Allowed unsecured tax penalty claims. Allowed unsecured tax penalty claims shall be paid the claim amount, in full, within the time set below for payment of other unsecured creditors. Debtor estimates that Class 3 allowed claims total one claim in number, in the aggregate amount of about \$1,600.

(d) Class 4: Allowed non-tax priority claims will be paid in full in 60 equal monthly payments starting on the distribution date with interest. The debtor believes there are no other priority claims.

(e) Class 5: Allowed secured claims for property taxes will be paid in full in 36 equal monthly payments starting on the distribution date with interest. The debtor believes Polk County is the only claimant in this class, with one claim in the aggregate amount of about \$5,000.

(f) Class 6: Allowed secured claims which are secured by the debtor's real estate will be paid in full in 360 equal monthly payments starting on the distribution date with interest. The debtor believes Hiawatha National Bank is the only claimant in this class, with one claim in the aggregate amount of about \$644,500.

(g) Class 7: All other allowed secured claims will be paid in full in 120 equal monthly payments starting on the distribution date with interest. The debtor believes there are five creditors holding claims in this class, including Agco, TCF, Bank First National, Agstar/Compeer, and Hiawatha National Bank, with claims in the aggregate amount of about \$2,222,000.

(h) Classes 8 & 10: Allowed other creditors' claims are estimated to total approximately \$223,726.33. The Plan provides for these claims to be paid in full in 60 equal monthly payments starting on the distribution date.

(i) Class 9: To avoid administrative costs, general unsecured creditors holding claims of \$250 or less or who elect (by so noting on the Ballot) to reduce their claims to \$250, shall be paid in full within 1 year as "small creditors" separate from other general unsecured creditor claimants. The debtor believes there are no small general unsecured claims.

(j) Class 11: Equity Interests. The current shareholders of the Debtor shall retain their interests, subject to the terms and conditions of this Plan.

(k) Class 12: Claims Which Are Not Allowed Or Otherwise Provided For Herein. No payment will be made on claims that are (a) not otherwise provided for in this Plan, (b) not allowed claims, (c) disputed, or (d) disallowed.

(2) Executory Contracts. All pre-petition executory contracts which are not expressly rejected or disaffirmed before the distribution date shall be deemed assumed and affirmed if the Debtor is not in default as to any such contract at that time or any time thereafter. Debtor specifically will assume a lease with TCF Equipment Finance, Inc. Debtor rejects leases with Batavia Leasing Company and Compeer Financial, but will negotiate with each for the continued use of the leased equipment. If the Debtor is unable to negotiate for continued use of the leased equipment, it will be surrendered.

(3) Claim Amounts; Commencement. Creditors' claim amounts shall be determined as defined in the Plan. Payment periods and interest accrual shall commence on the distribution date.

(B) Operation. The Debtor shall remain in possession and control of the business without the requirement of further Order of the Court. The Debtor shall continue to operate pursuant to [the Member Control Agreement dated January 1, 2011]. The Court shall retain jurisdiction as provided in the Plan.

(C) Disclosure of Officers & Directors. Debtor officer Derek Lauritsen will manage debtor after confirmation. Officer Andrew Lauritsen will also be employed, but not in an active management role.

3.3 Effect on Creditors. The confirmation of a Plan (a) discharges the Debtor from debt, and (b) vests the estate in the Debtor free and clear of liens and claims except those explicitly provided for in the Plan. Accordingly, a creditor's rights vis-a-vis the Debtor will be limited to the terms and provisions of the Plan.

Creditors are advised to consult with their tax advisors with respect to the federal, state and local tax consequences of the Plan. Keeping in mind that Debtor is not a tax advisor, it appears that confirmation of the plan is unlikely to have a material Federal tax consequence to a hypothetical investor typical of the holder of any particular class of claims. Whether the effectuation of the plan will have such consequences will depend upon that investor's own tax situation, the investor's basis in the claim, and the timing and amount realized upon any liquidation of the claim (either by Debtor payment or subsequent sale).

3.4 Tax Consequences To Debtor. The Debtor is unaware of any material Federal tax consequences arising from the proposed Reorganization that will positively or negatively affect the Debtor.

PART FOUR: Prospects & Alternatives

4.1 Prospects. The Debtor believes that confirmation of the Plan is not likely to be followed by liquidation or further financial re-organization. This belief is based upon a determination that the Debtor will meet obligations under the Plan while retaining a sufficient amount of cash to carry on operations. This determination, in turn, is based upon the past performance and current condition of the Debtor operation and marketplace, as well as projections regarding the Debtor operation

and marketplace. See Paragraph 5.2 of this Disclosure Statement. It is possible, but the Debtor believes unlikely, that future Debtor or marketplace performance will vary from projected performance to the extent that further reorganization will be required.

Should Debtor's President, Derek Lauritsen, be unable to manage the Debtor, whether due to death, disability or otherwise, the remaining officer Andrew Lauritsen may manage the Debtor. However, in such a circumstance there is a substantial possibility of liquidation.

4.2 Alternatives. If the Plan is not confirmed, the most likely alternative is a dismissal or liquidation. In a liquidation, Debtor non-exempt assets would likely be applied to pay, in order, (1) allowed secured claims, (2) costs of liquidation and professional fees incurred by the Debtor during the re-organization proceeding, (3) priority claims, including certain tax obligations of the Debtor which arose before the bankruptcy began, if any, and (4) allowed unsecured claims. Debtor believes that the proposed Plan provides for payments equal to or greater than any payment which can be expected in a liquidation.

The Debtor has no present intention to submit an alternative Plan of Re-organization in the event that the Court does not confirm the proposed Plan. The Debtor knows of no other party-in-interest which is planning to submit an alternative Plan.

PART FIVE: Financial and Other Information
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5.1 No Other Representations; Terms of Plan Controlling; Modification or Amendment of Disclosure Statement and Plan. No representations concerning the Debtor, particularly as to the Debtor's future business operations, the value of the Debtor's property or the value of any Debtor obligation to pay under the Plan, are authorized by the Debtor other than those set forth in this Statement or other documents filed with the Court.

This Disclosure Statement, subject to Court approval, and the Plan, as provided in 11 U.S.C. § 1127, may be modified before the confirmation hearing. Subject to Court approval, the Plan may be amended after confirmation to reflect subsequent agreements made or information obtained.

5.2 Financial Data. The Debtor filed a Schedule of Assets and Liabilities with the Court shortly after this bankruptcy case began. In addition, the Debtor has filed income and expense statements for each month of operation since the bankruptcy petition was filed. These statements are available for inspection at the Court.

The following additional information is attached to assist you in further analyzing the current financial condition of the Debtor: (A) Debtor's Income Statement for 2016; (B) Debtor's Balance Sheet as of February 28, 2018; (C)

Debtor's cash flow projections; (D) Debtor's Liquidation Analysis; and (E) the status of Debtor's professional fees.

The information contained herein has not been subject to a certified audit. The accuracy of information in this Disclosure Statement is dependent upon Debtor's accounting records. Debtor is unable to warrant or represent that the information contained herein is without any inaccuracy, although great effort has been made to be accurate. Counsel for the Debtor has no actual knowledge of any inaccuracies in the information in this Disclosure Statement; however, Debtor Counsel has not verified this information.

5.3 Default & Notice. Paragraphs 5.3 & 5.4 of the Plan contain provisions defining default, permitting the Debtor to cure defaults and provide for the method of giving notice under the Plan. Creditors are not required to seek relief from the Court after the Plan is confirmed; however, creditors may only pursue the judicial remedies outlined in the Plan after timely notice has been given to Debtor and Debtor has been given thirty days to cure any default (and the Debtor may cure any default until the later of when judgment is entered in a state court or the law otherwise provides).

5.4 Definitions. Where terms have been defined in the Plan, those definitions apply in this Statement.

Dated April 20, 2018.

LAURITSEN FIREWOOD & RENTAL, INC.

____/s/_____
Joshua D. Christianson,
Attorney for debtor with authority to
sign on debtor's behalf

Attorney for Debtor
Christianson & Freund, LLC
920 So. Farwell St., Ste. 1800
P.O. Box 222
Eau Claire, WI 54702-0222
715.832.1800

LAURITSEN FIREWOOD & RENTAL INC

INCOME AND EXPENSE REPORT JULY 1ST 2016 TO JUNE 30TH 2017

Income \$1,262,699.39

312 Wood sales \$555,869.14

318 Custom work income \$56,302.04

302 Raised cow sales \$78,645.62

316 Hay sales \$18,337.37

301 Distillers sales \$14,435.00

455 DNR wildlife damage \$8,774.44

222 Loan from stockholder \$50,000.00

320 Patronage dividend \$93.47

306 Wolf damage reimbursement \$3,638.92

295 Equipment sold \$5,002.12

112 Note receivable \$70,000.00

314 Grain sales \$335,430.09

292 Returned goods refund (parts) \$2,520.18

144 Machinery sold \$20,760.00

325 Dog sales \$778.22

206 Note receivable \$30,000.00

#6829 revolving credit line \$10,614.78

Money moved between accounts \$1,498.00

Expenses \$1,197,863.85

407 Parts purchased \$57,964.27

105 Bank fees/expenses \$3,042.75

417 Office supply/expense \$3,749.99

406 Supplies purchased \$9,355.97

442 Employee benefits \$457.09

404 Misc labor expense \$10,535.78

444 Food for employees \$731.29

422 Vet/medicine expenses \$1,127.40

415 Fuel purchased \$110,195.83

412 Feed purchased \$25,772.15

419 Repairs/maintenance \$55,886.02

416 Utilities \$6,724.58

321 Lodging for employees \$135.00

213 Farm note payment \$18,000.00

402 Labor wages \$131,447.31

207 On deck loan payment \$38,424.13

410 Crop land rent \$42,760.04

461 Health insurance \$3,191.57

431 Insurance \$56,653.69

424 Truck/auto expense \$46,206.81

436 Trucking/hauling expense \$25,850.81

434 Fertilizer/chemical expense \$49,280.72

446 Legal/accounting fees \$9,436.86

448 Advertizing and dues \$5,848.82

230 Loan payments \$117,930.02

408 Interest on loan expense \$36,200.03

405 Waterman sanitation \$632.00

418 Machine hire/custom work expense \$6,880.00

421 Wood purchased \$44,899.99

145 Machinery not for sale payments \$217,257.10

219 Loan payment \$5,900.00

206 Loan payment \$47.85

102 Cash \$2,000.00

450 Custom combining \$809.00

428 Real estate taxes \$13,911.88

203 Federal withholding \$631.45

468 Federal income taxes \$2,337.50

Repayment of loan from Derek \$35,648.15

COMPARATIVE BALANCE SHEET
For Period Ended: February 2018

ASSETS	Current Month	Prior Month	Petition Date (1)
Current Assets:			
Cash (should equal Page 2, line 5)	29612.30	3753.79	3262.18
Accounts Receivable (from Page 9)	55748.32	151877.13	29014.16
Receivable from Officers, Employees, Affiliates	0	0	0
Inventory	0	0	0
Other Current Assets (List):			
	359400.00	359400.00	358500.00
Total Current Assets	<u>\$444760.62</u>	<u>\$507533.34</u>	<u>\$390776.34</u>
Fixed Assets:			
Land	644500.00	644500.00	644500.00
Building	33339.00	33339.00	33339.00
Equipment, Furniture and Fixtures	17000.00	17000.00	17000.00
Total Fixed Assets	<u>694839.00</u>	<u>\$694839.00</u>	<u>\$694839.00</u>
Less: Accumulated Depreciation	()	()	()
Net Fixed Assets	<u>\$694839.00</u>	<u>\$694839.00</u>	<u>\$694839.00</u>
Other Assets (List):			
machine/vehicle	381000.00	381000.00	381000.00
Logging/ag equip	4492850.00	4492850.00	4492850.00
TOTAL ASSETS	<u>\$6013499.62</u>	<u>\$6016212.34</u>	<u>\$5954465.34</u>
LIABILITIES			
Post-petition Accounts Payable (from Page 9)			
Post-petition Accrued Professional Fees (from Page 9)			
Post-petition Taxes Payable			
Post-petition Loans Payable			
Other Post-petition Payable(List):			
Total Post Petition Liabilities	\$ -	\$ -	\$ -
Pre Petition Liabilities:			
Secured Debt	3255885.19	3255885.19	3255885.19
Priority Debt	29165.51	29165.51	29165.51
Unsecured Debt	184486.33	184486.33	184486.33
Total Pre Petition Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>\$469537.03</u>	<u>\$469537.03</u>	<u>\$3469537.03</u>
OWNERS' EQUITY			
Owner's/Stockholder's Equity			
Retained Earnings - Prepetition			
Retained Earnings - Post-petition			
TOTAL OWNERS' EQUITY	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL LIABILITIES AND EQUITY	<u>\$3469537.03</u>	<u>\$3469537.03</u>	<u>\$3469537.03</u>

(1) Petition date values are taken from the Debtor's balance sheet as of the petition date or are the values listed on the Debtor's schedules.

FmHA 431-2 (Rev. 7-94)						USDA-Farmers Home Administration						NAME Derek Lauritsen				Telephone#- Soc. Sec.#-													
FARM & HOME PLAN												Applicants DOB- Co-App DOB-				Ages of Sons- Ages of Daug.-													
																Others-													
												DATE OF BALANCE SHEET 12/11/2017								ACRES OWNED TOTAL CROP				462 221					
PERIOD COVERED BY PLAN: From Jan 1 2018 Thru Dec 31 2018																													
A. BALANCE SHEET																													
CURRENT FARM ASSETS																		\$VALUE				CURRENT FARM LIABILITIES				\$AMOUNT			
cash on hand		checking	\$8,650	savings	\$0	\$8,650				Farm Accounts and Notes Payable (include principle and interest)																			
other investments:		time cert	\$0	other	\$0	\$0				Creditor	Due Date	Int Rate	Payment																
accounts and notes to be received						\$0				hiawatha crop									\$27,098										
CROPS AND FEED				Units	Price per unit					line of credit									\$384,592										
hay rounds			800	\$40.00	\$32,000				misc bills									\$47,500											
big squares			650	\$45.00	\$29,250				DAHLMAN seed (part of bankrupcy)									\$0											
small squares hay&straw			0	\$5.00	\$0				fuel Skogland									\$41,926											
straw			0	\$35.00	\$0				rent									\$0											
HMC			3,500	\$3.00	\$10,500													\$0											
dry corn			2,800	\$3.00	\$8,400													\$0											
LIVESTOCK TO BE SOLD																			\$0										
		No.	Unit Weight	Price per unit														\$0											
fats		0	1,150	\$1.85	\$0				CCC Loan									\$0											
bulls		1	1,300	\$0.90	\$1,170				Current Portion of Principle Due on:																				
culls		3	1,400	\$0.55	\$2,310				Intermediate Liabilities									\$0											
		120	1		\$0				Long Term Liabilities									\$0											
GROWING CROPS				Acres	Cost/Acre					Accrued Interest On:																			
chips/grindings (tons)			1,800	\$33.00	\$59,400				Intermediate Liabilities									\$0											
soybeans			0	\$400.00					Long Term Liabilities									\$0											
standing hay			0	\$125.00					Accrued Taxes on:																				
corn silage (tons)			1,350	\$30.00	\$40,500				Real Estate, Personnal Property and Assessments									\$0											
SUPPLIES AND PREPAID EXPENSES						\$30,000				Income and Social Security Tax									\$0										
LEASES						\$0				Accrued Rent/Lease Payments									\$0										
prevent plant						\$0				Other Judgements, Liens, etc.									\$0										
TOTAL CURRENT FARM ASSETS												\$222,180				TOTAL CURRENT FARM LIABILITIES												\$501,116	
INTERMEDIATE FARM ASSETS																		INTERMEDIATE FARM LIABILITIES(portion due beyond 12 months)											
Accounts and Notes to be Received beyond 12 months																		Creditor	Due Date	Int Rate	Payment								
Breeding Livestock		No.	Price Per Unit														\$0												
pairs		75	\$1,800	\$135,000				Compeer Financial									\$367,382												
bred cows		13	\$1,300	\$16,900				Hiawatha elevator									\$11,200												
bulls		5	\$1,500	\$7,500				Batavia lease payoffs									\$222,000												
replacements		23	\$1,050	\$24,150				Hiawatha Logging equip									\$309,000												
Logging Equipment				\$1,418,400				Agco									\$186,213												
stumpage		0	\$0	\$18,400													\$0												
Machinery, Equipment and vehicle and misc				\$1,218,780																									
wood on hand				\$92,300				Hiawatha Guarantee									\$302,500												
		Face Amount	\$0	\$0				TCF									\$36,000												
accounts recievable				\$42,500																									
TOTAL INTERMEDIATE ASSETS												\$2,973,930				TOTAL INTERMEDIATE LIABILITIES												\$1,434,295	
LONG TERM FARM ASSETS																		LONG TERM FARM LIABILITIES(portion due beyond twelve months)											
Acres		Date Boui	RE Tax	Cost					Creditor	Due Date	Int Rate	Payment																	
222				\$770,000				Hiawatha land									\$181,870												
240		Sep-14		\$1,250,000				Hiawatha swanson farm									\$645,000												
				\$0				Craig Swanson (Hiawatha)									\$245,000												
				\$0				0																					
CO-OP Stock				\$0													\$0												
Equity In Partnership/Corp/Joint Operation/COOP				\$0													\$0												
TOTAL LONG TERM ASSETS												\$2,020,000				TOTAL LONG TERM LIABILITIES												\$1,071,870	
TOTAL FARM ASSETS												\$5,216,110				TOTAL FARM LIABILITIES												\$3,007,281	

A. BALANCE SHEET (continued)						
Non-Farm Assets	\$VALUE	NONFARM LIABILITIES			\$AMOUNT	
Household Goods	\$20,000	Non Farm Accounts and Notes Payable				
Car, Truck	\$0	Creditor	due date	interest rate	payment	
Recreational Vehicles	\$0				\$0	
Cash Value Life Insurance	\$0				\$0	
Stocks, Bonds	\$0				\$0	
Non Farm Business	\$0				\$0	
Other	\$0				\$0	
	\$0				\$0	
Non-Farm RE	\$0				\$0	
TOTAL NONFARM ASSETS	\$20,000	TOTAL NON FARM LIABILITIES			\$0	
TOTAL FARM ASSETS	\$5,216,110	TOTAL FARM LIABILITIES			\$3,007,281	
TOTAL ASSETS	\$5,236,110	TOTAL LIABILITIES			\$3,007,281	
		NET WORTH			\$2,228,829	
		NET WORTH/TOTAL ASSETS			42.57%	

The above information is furnished for the purpose of securing and maintaining credit and is certified to be correct and accurate. The undersigned authorizes the fsa to make all inquires deemed necessary to verify the accuracy of the information contained above to determine my credit-worthiness and to answer questions about their credit experience with me. I agree to notify FSA promptly to any material changes to the above. I recognize that making any false statements on this Farm & Home Plan or any other loan document may constitute a violation of criminal law.

Signature of Applicant/Borrower/Entity Member		Date
x _____ x _____		

CLOSING OF PRESENT YEARS'S BUSINESS AND CHANGE IN NET WORTH			
A1. Enter all cash on hand, farm income, and non-farm income to be received before the period covered by the new plan begins. (ITEMIZE)	INCOME AMOUNT	A2. Enter all debts and expenses that will be paid from the income itemized in A1 before the period covered by the new plan begins. (ITEMIZE)	DEBT & EXPENSE AMOUNT
	\$0		\$0
	\$0		\$0
	\$0		\$0
TOTAL INCOME TO BE RECEIVED	\$0	TOTAL EXPENSES TO BE PAID	\$0

A3. The Total income to be Received minus the Total Expenses to be Paid determines Planned Beginning Cash for Next Years Operation.
ENTER THE AMOUNT OF LINE A3 IN TABLE J, LINE 11, PLANNED COLUMN(beginning cash).

A3. The Total income to be Received minus the Total Expenses to be Paid determines Planned Beginning Cash for Next Years Operation.			
	Beginning of Year	End Of Year	Change in Net Worth
A4. Net Worth (Total Property Owned Minus Total All Debts)	\$2,228,829	\$0	\$2,228,829
A5. Total Land Debt	\$1,071,870	\$0	\$1,071,870
A6. Total Debts Other THAN Land	\$1,935,411	\$0	\$1,935,411

B. RENTAL AND LEASE INFORMATION								
General Description or		Acres					Expiration	
Farm Number	Landlord	Total	Crop	Type of Lease	Crop Share	Cash Rent	Date	
		0	0					
		0	0					
		0	0					
Other items-Descriptions	Owner	Number of Units					Payment	
TOTAL						\$0		

C. IMPROVEMENTS AND KEY PRACTICES-FARM, HOME AND FINANCIAL MANAGEMENT			
Crops; Soil; Financial Management; Maintenance; Repairs; Food Production and Conservation; Health, Home, Environmental, Community and Rural Development Activities; Etc.	Planned Time to Accomplish	Source of Funds	Actual Completion

(To be completed by County Supervisor) An analysis of this operation to be completed by the County Supervisor or Designee During the month of

NOTE: The planned improvements and key practices should be a joint effort planned and agreed upon by both the Operator and The County Supervisor or Designee.

D. CROPS, PASTURE, ETC.-- PRODUCTION, SALES, AND USE														
PLANNED								ACTUAL						
Crops, Pasture, Subsidy Payment, etc.	Acres	Yield Per Acre	Operator's Share					Acres	Yield Per Acre	Operator's Share				
			Units For:				Dollar Sales			Units For:				Dollar Sales
			Farm Use	Hold for Sale	Sale	@				Farm Use	Hold for Sale	Sale	@	
total wood sales	0	0.00	0	0	0	0.00	\$1,142,500	0	0.00	0	0	0	0.00	\$0
hay	0	0.00	0	0	0	0.00	\$0	0	0.00	0	0	0	0.00	\$0
corn sales	50	150.00	0		26,100	3.00	\$22,500	0	0.00	0	0	0	0.00	\$0
beans	685	50.00	0	0	34,250	9.50	\$325,375	0	0.00	0	0	0	0.00	\$0
deer damage	0	0.00	0	0	0	0.00	\$10,000	0	0.00	0	0	0	0.00	\$0
Distillers sales	0	0.00	0	0	0	0.00	\$8,000	0	0.00	0	0	0	0.00	\$0
wolf damage	0	0.00	0	0	0	0.00	\$0	0	0.00	0	0	0	0.00	\$0
	0	0.00	0	0	0	0.00	\$0	0	0.00	0	0	0	0.00	\$0
	0	0.00	0	0	0	0.00	\$0	0	0.00	0	0	0	0.00	\$0
FSA program pmts	0	0.00	0	0	0	0.00	\$500	0	0.00	0	0	0	0.00	\$0
11	0	0.00	0	0	0	0.00	\$0	0	0.00	0	0	0	0.00	\$0
	0	0.00	0	0	0	0.00	\$0	0	0.00	0	0	0	0.00	\$0
	0	0.00	0	0	0	0.00	\$0	0	0.00	0	0	0	0.00	\$0
12. TOTAL (Entered in Table J, Line 1)		735					\$1,508,875	0					\$0	

E. LIVESTOCK/DAIRY/POULTRY AND PRODUCTS--PRODUCTION, SALES AND USE														
PLANNED								ACTUAL						
Livestock/Dairy/Poultry and Products Subsidy Payments, etc.	No.	Production Per Animal	Operator's Share					No.	Production Per Animal	Operator's Share				
			Units For:				Dollar Sales			Units For:				Dollar Sales
		Farm Use	Hold for Sale	Sale	@	Farm Use			Hold for Sale	Sale	@			
Milk steers cow sales feeders bulls 6 7 8 9 10 11 0 0 0	0 0 3 60 1 0 0 0 0 0 0 0 0 0	0 0 1 1 1 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 3 60 1 0 0 0 0 0 0 0 0 0	0.00 0.00 900.00 700.00 ##### 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	\$0 \$0 \$2,700 \$42,000 \$1,200 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0		
12. TOTAL (Entered in Table J, Line 2)	64						\$45,900	0						\$0

F. CASH FAMILY LIVING EXPENSES	Other Credit Needed	FSA Credit Needed	Planned Expenses	Actual Expenses	H. CAPITAL AND CARRY-OVER EXPENSES	Other Credit Needed	FSA Credit Needed	Planned Expenses	Actual Expenses
Household Operating	\$0	\$0	\$20,000	\$0	CAPITAL EXPENSES				
Food (including lunches)	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
Clothing and Personal Care	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
Health Care and Insurance	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
House Repair and Sanitation	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
School and Recreation	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
Church and Charitable Cont.	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
Personal Insurance and Taxes	\$0	\$0	\$0	\$0	DEBTS REFINANCED	\$0	\$0	\$0	\$0
Transportation and Auto	\$0	\$0	\$0	\$0	CARRY-OVER EXPENSES	\$0	\$0	\$0	\$0
Furniture and other	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$20,000	\$0	TOTAL	\$0	\$0	\$0	\$0

G. CASH FARM OPERATING EXPENSE	Other Credit Needed	Credit Needed	Planned Expenses	Actual Expenses	I. CREDIT FOR	Other	FSA	Planned	Actual
Labor Hired	\$0	\$0	\$312,000	\$0	Family Living (table F)	\$0	\$0	\$0	\$0
Machinery Repair	\$0	\$0	\$113,000	\$0	Farm Operating (table G)	\$0	\$0	\$0	\$0
Farm Building and Fence Repair	\$0	\$0	\$4,500	\$0	Capital and Carryover (table H)	\$0	\$0	\$0	\$0
Interest	\$0	\$0	\$80,000	\$0	CCC Loans	\$0		\$0	\$0
Rent or Lease	\$0	\$0	\$54,500	\$0	TOTAL	\$0	\$0	\$0	\$0
Feed Purchased	\$0	\$0	\$28,000	\$0	J. SUMMARY OF YEAR'S BUSINESS				
Seeds and Plants Purchased	\$0	\$0	\$62,000	\$0				Planned	Actual
Fertilizer and Lime	\$0	\$0	\$85,000	\$0	1. Crop and wood Income (table D)			\$1,508,875	\$0
Chemicals	\$0	\$0	\$0	\$0	2. Livestock Income (table E)			\$45,900	\$0
Livestock Expense (Vet, Med)	\$0	\$0	\$1,500	\$0	3. Total Custom Work (includes trucking)			\$93,000	\$0
Custom Hire (Machine Work)	\$0	\$0	\$5,000	\$0	4. Total Cash Farm Income 1+2+3			\$1,647,775	\$0
Gasoline, Fuel, Oil	\$0	\$0	\$132,000	\$0	5. Cash Farm Operating Expense (table G)			\$1,211,350	\$0
Taxes	\$0	\$0	\$9,150	\$0	6. Net Cash Farm Income 4-5			\$436,425	\$0
Truck and Auto	\$0	\$0	\$47,000	\$0				\$0	\$0
Insurance(other than personal)	\$0	\$0	\$50,400	\$0	8. Total Net Cash Farm and Non-farm Income 6+7			\$436,425	\$0
Utilities	\$0	\$0	\$7,000	\$0	9. Cash Family Living Expense (table F)			\$20,000	\$0
Supplies Purchased	\$0	\$0	\$10,500	\$0	10. Net Income 8-9			\$416,425	\$0
Marketing	\$0	\$0	\$3,200	\$0	beginning cash			\$3,000	\$3,000
Trucking and Hauling	\$0	\$0	\$28,600	\$0	12. Loans and Other Credit (table I)			\$0	\$0
Stumpage and misc	\$0	\$0	\$95,000	\$0	13. Interest (table G)			\$80,000	\$0
Current Operating Bills	\$0	\$0	\$83,000	\$0	14. Total Available 10+11+12+13			\$499,425	\$3,000
TOTAL	\$0	\$0	\$1,211,350	\$0	15. Capital and Carry-over Expense (table H)			\$0	\$0
Percent of Farm Income w/o Int.			68.66%	#DIV/0!	16. Balance Available 14-15			\$499,425	\$3,000
					17. Gross Cash Income 4+7			\$1,647,775	\$0
					Cash Flow Percent			113.34%	#DIV/0!

K. DEBT PAYMENT					
To Whom Owed	Amount Due This Year Principal and Interest	Principal and Interest to be Paid	Date	Source of Funds	Actual Amount Paid
Compeer Agstar		\$96,082	12/31/1997	FARM	\$0
Compeer Agco		\$24,000	12/31/1997	FARM	\$0
Wages/Payroll taxes		\$72,000	12/31/1997	FARM	\$0
Batavia		\$62,965	12/31/1997	FARM	\$0
First National Bank		\$13,908	12/31/1997	FARM	\$0
nationwide		\$50,302	12/31/1997	FARM	\$0
TCF		\$5,591	12/31/1997	FARM	\$0
Hiawatha		\$115,800	12/31/1997	FARM	\$0
		\$0	12/31/1997	FARM	\$0
		\$0	12/31/1997	FARM	\$0
		\$0	12/31/1997	FARM	\$0
		\$0	12/31/1997	FARM	\$0
TOTAL	\$0	\$440,648			\$0

I AGREE TO FOLLOW THIS PLAN AND TO DISCUSS WITH THE COUNTY SUPERVISOR ANY IMPORTANT CHANGES THAT BECOME NECESSARY. THIS IS A PROJECTED PLAN AND DOES NOT RELEASE THE SECURITY INTEREST OF THE GOVERNMENT IN ANY SECURITY REFERRED TO IN THIS PLAN. "I RECOGNIZE THAT MAKING ANY FALSE STATEMENT ON THIS FARM AND HOME PLAN OR ANY OTHER LOAN DOCUMENT MAY CONSTITUTE A VIOLATION OF FEDERAL CRIMINAL LAW"

Signature of Applicant	Date
X _____	_____
Signature of County Supervisor	Date
X _____	_____

Form FmHA 2006-20

(Rev. 12-89)

UNITED STATES DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

CLASSIFICATION OF FARMER PROGRAM BORROWER ACCOUNT

PART I. FmHA SECURITY MARGIN (FSM) AND RATIO CALCULATIONS

A. FSM

Total Value of FmHA Security		
(minus) Total Value of Prior Liens	-	
(equals) FmHA Security Share	=	\$0
(minus) Borrower's Total FmHA Debt	-	
(equals) FmHA Security Margin (FSM) (plus or minus)	=	\$0

B. KEY RATIOS

1 Debt to Asset Ratio

Total All Debts	\$3,007,281	
(divided by) Total Property Owned	\$5,236,110	0.57

2 Return on Assets

Net Cash Farm Income	\$436,425	
(minus) Family Living Expenses	- \$20,000	
(equals) Net Cash Return	= \$416,425	
(divided by) Total Property Owned	\$5,236,110	0.08

3 Current Ratio (Working Capital)

Current Assets	\$222,180	
(divided by) Current Debts	\$501,116	0.44

4 Repayment Ability

Balance Available	\$499,425	
(divided by) Amount Due this Year	\$440,648	1.13

PART II, KEY RATIO POINTS, CLASSIFICATION CODE, ESTIMATED LOSS

BORROWER'S NAME	IDENTIFICATION NO.
0	0

A. KEY RATIO POINTS (For each ratio check the appropriate box. Note that there is a point score above each box.)

	POINTS	2	4	6	8
1 DEBT/ASSET RATIO	< .40		.40 TO .69		.70 TO .99
					1.00 OR >

	POINTS	1	2	3	4
2 RETURN ON ASSETS	.07 OR >		.036 TO .069		.01 TO .035
					ZERO OR <

	POINTS	1	2	3	4
3 CURRENT RATIO (Working Capital)	1.25 OR >		1.16 TO 1.24		1.00 TO 1.15
					1.00 OR <

	POINTS	2	4	6	8	10
4 REPAYMENT ABILITY	1.15 OR >		1.10 TO 1.14		1.05 TO 1.09	
					1.00 TO 1.04	1.00 OR <

B. TOTAL POINTS		C. CLASSIFICATION CODE	
Ratio 1		D. ESTIMATED FmHA LOSS: (Classification Codes 4 and 5 only)	
Ratio 2		Value of FmHA Security x 20% (liquidation costs)	
Ratio 3		(plus) Amount of Negative FSM	
Ratio 4		(equals) Amount of Estimated Loss	
TOTAL	0		
CLASSIFIER (Signature)		TITLE	DATE

#####

TABLE	NAME/ITEM	-	-	-	-	-	-	-

[illegible]

Lauritsen Firewood & Rental, Inc. - Liquidation Analysis

	<u>Amount</u>	<u>Net for Unsecured</u>
Real Estate		
Value	644,500	
Secured Creditors		
Hiawatha National Bank	-2,202,743	
Subtotal		-1,558,243
Other property		
Value	6,036,643	
Secured Creditors	-2,712,850	
Subtotal		3,323,792
Total		3,323,792

Plan Payments To Unsecureds

Tax Priority	100%	plus interest
Other Priority	100%	plus interest
General	100%	

Plan pays as much to creditors as Chapter 7

Lauritsen Firewood & Rental, Inc. – Professional Fees Status

April 18, 2018

	<u>Paid to trust</u>	<u>Current Balance</u>
Christianson & Freund, LLC (bankruptcy counsel)	\$ 10,000.00	\$ 27,267.41