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The following constitutes the order of the court.  
Signed May 8, 2014

William J. Lafferty, III  
U.S. Bankruptcy Judge

Attorneys for Debtors

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
(OAKLAND DIVISION)

10	<b>In re</b>	)	<b>Case No. 11-73169 WJL 11</b>
		)	<b>Case No. 12-49353 WJL 11</b>
11	<b>Johnny Lusnong Lingbanan</b>	)	
	<b>Victoria Mendoza Lingbanan</b>	)	<b>Chapter 11</b>
12	<b>dba Harmony Home Care</b>	)	
	<b>dba Camino Ramon Home for Seniors</b>	)	<b><u>Disclosure Statement Hearing</u></b>
13	<b>dba J&amp;V Home for Seniors 1 &amp; 2</b>	)	
	<b>dba Ramona Home Care</b>	)	<b>Date:</b> March 26, 2014
14		)	<b>Time:</b> 10:30 am
		)	<b>Dept.</b> Courtroom: 220
15	<b>SSN: XXXX-XX-1739</b>	)	United States Bankruptcy Court
	<b>SSN: XXXX-XX-5976</b>	)	1300 Clay Street
16		)	Oakland, CA 94612
17	<b>Substantively Consolidated with</b>	)	
		)	<b>Judge:</b> Honorable William J. Lafferty III
18	<b>JVTCM Care, LLC</b>	)	
	<b>dba Harmony Home Care</b>	)	<b><u>Plan Confirmation Hearing</u></b>
19		)	<b>See Plan for Voting and Objecting</b>
		)	<b>Procedures</b>
20		)	<b>Date:</b> April 30, 2014
21		)	<b>Time:</b> 10:30 am
		)	<b>Dept.</b> Courtroom: 220
22		)	United States Bankruptcy Court
		)	1300 Clay Street
23		)	Oakland, CA 94612

**ORDER CONFIRMING PLAN**

1 On April 30, 2014 at 10:30 a.m., before the above-captioned Court, the Court held a  
2 hearing on final approval of the above-captioned Debtors' disclosure statement and confirmation  
3 of the above-captioned Debtors' plan of reorganization (the "confirmation hearing"). Present for  
4 the Debtors were Johnny Lusnong Lingbanan, Victoria Mendoza Lingbanan, and counsel,  
5 Matthew D. Metzger of the firm Belvedere Legal, PC. Also present were: 1) James M. Gilbert of  
6 the firm Steckbauer, Weinhart, LLP, counsel for secured creditor Contra Costa County Treasurer  
7 and Tax Collector and Sonoma County Treasurer and Tax Collector; and 2) Judith A. Whitehouse  
8 of the firm Schwabe, Williamson & Wyatt, PC, counsel for secured creditor Sterling Bank, a/k/a/  
9 Sterling Savings Bank, successor in interest to Sonoma National Bank, n/k/a Argent Bank in  
10 California. Additional parties in interest – general unsecured creditors Mrs. Lucita Vallejo and  
11 Mr. Emiliano Vallejo – were present in the courtroom but did not enter a formal appearance.

12 After presentation by Debtors' counsel, the Court determined that confirmation of the  
13 Debtors' plan was appropriate for the reasons stated on the record, as the Debtors have proven by  
14 a preponderance of the evidence that the Debtors' plan of reorganization meets all the  
15 requirements of 11 U.S.C. § 1129 et seq..

16 Accordingly, the plan under chapter 11 of the Bankruptcy Code filed by Johnny Lusnong  
17 Lingbanan, Victoria Mendoza Lingbanan, and JVTTCM Care, LLC, Debtors and Debtors in  
18 Possession (the "DIP") or a summary thereof, having been transmitted to creditors and equity  
19 security holders; and

20 It having been determined after hearing on notice that the requirements for confirmation  
21 set forth in 11 U.S.C. § 1129 et seq. have been satisfied;

22 IT IS ORDERED that:

23 The plan filed by the DIP on March 26, 2014, as ECF/Docket No. 339 (the "Plan"), is  
24 confirmed subject to the amendments providing for the treatment of certain of the Classes of  
25 creditors as described below. Incorporated into the confirmed plan are the following amendments:

- 26 1. The Stipulation to Compromise Controversy with Contra Costa County Tax Collector  
27 and Negotiated Disposition of Claim Treatment in Debtors' Amended Plan of

- 1 Reorganization and related Order approving said stipulation. See ECF/ Docket Nos.  
2 354, 363, respectively;
- 3 2. The Stipulation to Compromise Controversy with Sonoma County Treasurer and Tax  
4 Collector and Negotiated Disposition of Claim Treatment in Debtors' Amended Plan of  
5 Reorganization and related Order approving said stipulation. See ECF/ Docket Nos.  
6 355, 358, respectively;
- 7 3. The Stipulation to Compromise Controversy with Toyota Motor Corporation and  
8 Negotiated Disposition of Claim Treatment in Debtors' Amended Plan of  
9 Reorganization and related Order approving said stipulation. See ECF/ Docket Nos.  
10 356, 357, respectively; and
- 11 4. The Order Regarding Position of Secured Creditor, Toyota Motor Credit Corporation,  
12 Under Chapter 11 Proceeding. See ECF/Docket No. 148.

13 In the event that payments under said stipulations complete prior to the completion of the  
14 60 month commitment period, any additional disposable income (as defined in 11 U.S.C. §  
15 1325(b)(2)) that becomes available shall be allocated in the waterfall order specified on page 7 of  
16 the Plan.

17 \* \* END OF ORDER \* \*

18 APPROVED AS TO FORM.

19 DATED: May 6, 2014

20 **BELVEDERE LEGAL, PC**

21  
22 By  /s/ Matthew D. Metzger

23 MATTHEW D. METZGER  
24 Attorneys for Debtors and Debtors-in Possession,  
25 Johnny Lusnong Lingbanan, Victoria Mendoza  
26 Lingbanan, JVTCM Care, LLC  
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DATED: May 6, 2014

**STECKBAUER WEINHART, LLP**

By /s/ James M. Gilbert, Esq.  
James M. Gilbert  
Attorneys for Secured Creditors Contra Costa  
County Treasurer and Tax Collector, Sonoma  
County Treasurer and Tax Collector

DATED: May 6, 2014

**SCHWABE, WILLIAMSON & WYATT, PC**

By /s/ Judith A. Whitehouse, Esq.  
Judith A. Whitehouse  
Attorneys for Sterling Bank, a/k/a Sterling Savings  
Bank, Successor in Interest to Sonoma National Bank,  
n/k/a Argent Bank in California

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COURT SERVICE LIST

Johnny Lusnong Lingbanan  
Vicky Mendoza Lingbanan  
1066 Oakpoint Drive  
Pittsburg, CA 94565

United States Bankruptcy Court  
Northern District of California

In re:

Case No. 11-73169 WJL 11  
Case No. 12-49353 WJL 11

Chapter 11

Johnny Lusnong Lingbanan  
Victoria Mendoza Lingbanan  
    dba Harmony Home Care  
    dba Camino Ramon Home for Seniors  
    dba J&V Home for Seniors 1 & 2  
    dba Ramona Home Care

SSN: XXXX-XX-1739

SSN: XXXX-XX-5976

*Substantively Consolidated with*

JVTCM Care, LLC  
    dba Harmony Home Care

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[PROPOSED] COMBINED PLAN OF REORGANIZATION  
AND [TENTATIVELY APPROVED] DISCLOSURE STATEMENT  
(March 26, 2014)

**INTRODUCTION**

This is the Combined Chapter 11 Plan of Reorganization and Disclosure Statement (the Plan) for the above-captioned Debtors and Debtors in Possession (collectively the "Debtor"). The Plan identifies each known creditor by name and describes how each claim will be treated if the Plan is confirmed.

Part 1 contains the treatment of creditors with secured claims; Part 2 contains the treatment of general unsecured creditors: fifteen (15) % of their allowed claims) in monthly payments over 60 months. Taxes and other priority claims would be paid in full, as shown in Part 3.

Most creditors (those in impaired classes) are entitled to vote on confirmation of the Plan. Completed ballots must be received by Debtor's counsel, and objections to confirmation must

be filed and served, no later than **APRIL 23, 2014**. The court will hold a hearing on confirmation of the Plan on **APRIL 30, 2014** at **10:30 a.m.**

Attached to the Plan are exhibits containing financial information that may help you decide how to vote and whether to object to confirmation. Exhibit 1 includes background information regarding Debtor and the events that led to the filing of the bankruptcy petition and describes significant events that have occurred during this Chapter 11 case. Exhibit 2 contains an analysis of how much creditors would likely receive in a Chapter 7 liquidation. Exhibit 3 shows Debtor's monthly income and expenses. Exhibit 4 describes how much Debtor is required to pay on the effective date of the plan. Exhibit 5 shows Debtor's monthly income and expenses related to each investment property. Exhibit 6 provides expense detail analysis for each investment property. Exhibit 7 provides greater detail related to the feasibility of the proposed procedure to resolve the Debtor's outstanding objection the proof of claim filed by Lucita Vallejo. Exhibit 8 describes the valuation methodology used to calculate the Estate's interest in a performing junior note interest held by the Debtor. Exhibit 9 provides a detailed summary of the Debtors' gross monthly income and expenses from the petition dates through the present as a basis for projecting the Debtor's anticipated future monthly net income. Exhibit 10 discloses an additional risk factor - referral fees paid to receive new patients - and proposed source from which the Debtor will pay the referral fees.

Whether the Plan is confirmed is subject to complex legal rules that cannot be fully described here. You are strongly encouraged to read the Plan carefully and to consult an attorney to help you determine how to vote and whether to object to confirmation of the Plan.

If the Plan is confirmed, the payments promised in the Plan constitute new contractual obligations that replace the Debtor's pre-confirmation debts. Creditors may not seize their collateral or enforce their pre-confirmation debts so long as Debtor performs all obligations under the Plan. If Debtor defaults in performing Plan obligations, any creditor can file a motion to have the case dismissed or converted to a Chapter 7 liquidation, or enforce their non-bankruptcy rights. Debtor

Individual Chapter 11  
Combined Plan & Disclosure Statement  
July 30, 2012

will be discharged from all pre-confirmation debts (with certain exceptions) if Debtor makes all Plan payments. Enforcement of the Plan, discharge of the Debtor, and creditors' remedies if Debtor defaults are described in detail in Parts 5 and 6 of the Plan.

The Plan represents the joint consolidation of two (2) bankruptcy estates - Case No. 11-73169 (the individual Lingbanan bankruptcy estate) and Case No. 12-43953 (the JVTTCM Care, LLC bankruptcy estate). The Debtor owns the entity "JVTTCM Care, LLC" dba Harmony Home Care. "JVTTCM Care, LLC" dba Harmony Home Care is the name of the long term home care business that the Debtor owns and operates on the real property commonly known as 1621 Third Avenue Walnut Creek, CA 94597, which real property is owned by the Debtor individually. On February 19, 2014, the Court granted the Debtor's motion to substantively consolidate Case No. 11-73169 and Case No. 12-43953. For further reference, See ECF/Doc No. 314. **The effect of the Plan, if confirmed, is to consolidate the two estates into one, single bankruptcy estate for reorganization purposes.**

**PART 1: TREATMENT OF SECURED CREDITORS**

**Property to be Surrendered.**

Class	Name of Creditor	Description of Collateral
1(a)(1)	Wyndham Vacation Rentals, Inc. 10750 W. Charleston Blvd. Las Vegas, NV 89135	\$14,259.00 claim related to timeshare interest with Wyndham Vacation Rentals. Debtor surrenders any and all interest in timeshare "property".

Debtor will surrender the above collateral on the Effective Date of the Plan. The confirmation order will constitute an order for relief from stay. Any secured claim is satisfied in full through surrender of the collateral. Any deficiency claim is a general unsecured claim treated in Part 2. Creditors in these classes shall retain their interest in the collateral. **These secured claims are not impaired and are not entitled to vote on confirmation of the Plan.**

**Creditors' Rights Remain Unchanged.**

Class	Name of Creditor	Description of Collateral
1(b)(1)	Bayview Loan Servicing, LLC	1066 Oakpoint Drive Pittsburg, CA 94565  Mortgage modified with lender consent and Court approved. See ECF/Docket No. 155. New amount: \$2,334.96 (inclusive of property taxes and insurance)
1(b)(2)	JP Morgan Chase Bank, N.A, servicer for Bank of America, N.A. (Claim 16-1)	931 Camino Ramon, Danville, CA 94526  Monthly Payment: \$3,499.92
1(b)(3)	IndyMac Mortgage Services/ One West Bank, FSB (Claim 1-1)	2160 Ramona Drive Pleasant Hill, CA 94523  Monthly Payment: \$1,191.92

These creditors' legal, equitable, and contractual rights remain unchanged with respect to the above collateral. The confirmation order will constitute an order for relief from stay. Creditors in these classes shall retain their interest in the collateral until paid in full. **These secured claims are not impaired and are not entitled to vote on confirmation of the Plan.**



will provide for full payment of all pre-confirmation arrears in 12 equal monthly payments, due the 1<sup>st</sup> day of the month, starting on the first of the month that follows the Effective Date on the above secured claims.

For Class 1(c)(3), the Debtor hereby incorporates all terms of the Stipulation to Compromise Controversy, ECF/Doc. No. 318. In summary, the loan is reinstated and the Secured Creditor's legal, equitable and contractual rights remain unimpaired except as otherwise agreed herein. The Debtor continues to make monthly payments of approximately \$3,535.35, subject to change pursuant to the provisions of the underlying note. Additionally, Debtor shall repay the \$30,000.00 fees and costs cap figure within 14 years, in 167 monthly payments of \$178.57 and one payment of \$178.81 for a total of 168 payments, at 0.00% interest. No later than 30 days after the Effective Date of the Plan, Debtor shall provide to the Secured Creditor tax returns for Johnny Lusnong Lingbanan and Victoria Mendoza Lingbanan and separately for Johnny Lusnong Lingbanan and Victoria Mendoza Lingbanan dba J & V Home for Seniors 1 & 2 for 2010, 2011 and 2012. For 2013 and successive years until the amount specified in Class 1 (c)(3) is paid in full, Debtor shall deliver to Secured Creditor copies of its federal income tax return, yearend financial statements including balance sheet, income statement and cash flow statement for the fiscal year just ended, no later than 14 days after Secured Creditor provides the DIP with a written request for said documentation.

Creditors in these classes may not repossess or dispose of their collateral so long as Debtor is not in material default under the Plan (defined in Part 6(c)). The Court's Guidelines for Valuing and Avoiding Liens in Individual Chapter 11 Cases and Chapter 13 Cases will apply. **These secured claims are impaired and are entitled to vote on confirmation of the Plan.**

Payments to claimants in these classes may continue past the date Debtor obtains a discharge. The claimants' rights against its collateral shall not be affected by the entry of discharge, but shall continue to be governed by the terms of this Plan.

To the extent arrears are determined to be other than as shown above, appropriate adjustments will be made in the number of payments. Creditors in these classes shall retain their interest in the collateral until paid in full.

Creditors in these classes may not repossess or dispose of

their collateral so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **These secured claims are impaired and entitled to vote on confirmation of the Plan.**

**Allocation of Additional Disposable Income After Payments to Class 1 (c) (2) Creditor Complete in 12 Months**

Twelve (12) months from the Effective Date, the monthly payment of \$3,695.47 to the Class 1 (c) (2) creditor will complete. Thus, after 12 months, the Debtor reasonably estimates that there will be additional disposable income available to the estate in the amount of \$3,695.47.

After 12 months, the Debtor will immediately allocate an additional \$695.47 to supplement current monthly expenses as indicated on Exhibit 3 (\$400 more on gas/transportation and \$294.57 on food.)

All additional funds - estimated at \$3,000 - monthly will be allocated in the following waterfall order:

- 1) To any additional amounts required by Class 1 (c) (2) creditor (if applicable) to ensure that all pre-petition tax arrears are paid at the end of 12 months from the effective date;
- 2) To any additional amounts required by Class 1 (c) (1) creditor (if applicable) to ensure that all pre-petition tax arrears are paid at the end of 60 months from the effective date;
- 3) to any new patient agency referral fees (in the event that effective date cash available is exhausted) - as an ordinary and necessary business expense to ensure that the properties are fully occupied and continue to generate all possible revenue;
- 4) to plan payments - to ensure that all payments proposed in the plan are made on time and in the amounts specified; and
- 5) to a separate cash reserve deposit account.

At the end of the commitment period, the Debtor agrees to distribute all funds in the cash reserve deposit account to general unsecured creditors pro-rata. Issuance of a discharge order will be contingent upon allocation of funds as indicated.

**Debtor to Strip Lien to Value of Collateral and Pay Over Time.**

Class	Name of Creditor	Collateral	Value	Interest Rate	Monthly Payment
1(d)(1)	Wells Fargo Bank, N.A.	1621 Third Avenue Walnut Creek, CA 94597	\$1,700,000.00	7.098% Amortized over 30 years	\$11,422.25
1(d)(2)	Toyota Motor Credit Corporation (Claim 6-1)  Toyota Motor Credit Corporation PO Box 8026 Cedar Rapids, Iowa 52408-8026	2005 Lexus RX 330	\$12,946.27	5.00% Amortized over 5 years	\$244.31
1(d)(3)	JP Morgan Chase Bank, N.A, servicer for Bank of America, N.A.	931 Camino Ramon, Danville, CA 94526	\$100,000.00	0.00% over 277 months	\$361.00

Regarding Claim 1(d)(1), the associated stipulation regarding claim treatment and corresponding order are incorporated herein into the plan. See ECF/Docket Nos.168,176. Secured creditor in class 1(d)(1) shall release the lien and reconvey the collateral as soon as payments made under the stipulation are complete.

Regarding Claim 1(d)(2), the associated stipulation

regarding claim treatment and corresponding order are incorporated herein into the plan. See ECF/Docket Nos.111,148. Secured creditor in class 1(d)(2) shall release the lien and re-convey the collateral as soon as payments made under the stipulation are complete.

Regarding Claim 1(d)(3), the associated stipulation regarding claim treatment and corresponding order are incorporated herein into the plan. See ECF/Docket Nos.228,230. Secured creditor in class 1(d)(3) shall release the lien and re-convey the collateral as soon as payments made under the stipulation are complete.

**Debtor to Strip Off Lien.**

Class	Name of Creditor	Collateral	Amount Due
1(e)(1)	Citibank (South Dakota) N.A. c/o Hunt & Henriques 151 Bernal Rd. #8, San Jose, CA 95119	Abstract of Judgment Issued against all Debtor's property in Contra Costa County - Case No. L10-01496  DOC-2011-084585-00  See ECF/Doc. No.301	\$2,608.93
1(e)(2)	Capital One Bank, N.A.  c/o Bleier & Cox LLP 16130 Ventura Blvd, Suite 620 Encino, CA 91436	Abstract of Judgment Issued against all Debtor's property in Contra Costa County - Case No. L10-12307  DOC-2011-0186852-00  See ECF/Doc. No.302	\$16,662.96
1(e)(4)	Citibank (South Dakota) NA v Lingbanan  c/o Hunt & Henriques 151 Bernal Rd. #8, San Jose, CA 95119	Abstract of Judgment Issued against all Debtor's property in Contra Costa County - Case No. L09-077274  DOC-2010-0114753-00  See ECF/Doc. No.300	\$4,194.17

1(e) (5)	California Financial and Investments c/o Keith Reuben, 1271 Fifth Ave., Belmont, CA 94402	Junior Lien on real property commonly known as 3427-3443 Moorland Avenue, Santa Rosa, CA 95407  Sonoma County Recorder No: DOC-2008107725  See ECF/Doc. No.303	\$21,313.00
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Prior to confirmation, Debtor will obtain an order(s) or stipulation(s) fixing the secured amount of the above creditors' claims at zero. Debtor will pay nothing to those creditors as secured claims. Any claim of a creditor whose lien is stripped is a general unsecured claim treated in Part 2. Creditors in these classes shall retain their interest in the collateral consistent with the Court's Guidelines for Valuing and Avoiding Liens in Individual Chapter 11 Cases and Chapter 13 Cases.

Creditors in these classes may not repossess or dispose of their collateral so long as Debtor is not in material default under the Plan (defined in Part 6(c)). The Court's Guidelines for Valuing and Avoiding Liens in Individual Chapter 11 Cases and Chapter 13 Cases will apply. **These secured claims are impaired and are entitled to vote on confirmation of the Plan.**

**PART 2: TREATMENT OF GENERAL UNSECURED CREDITORS**  
**Class 2(a). Small Claims.**

Name of Creditor	Amount of Claim	Amount to be Paid
Citibank (South Dakota) N.A. c/o Hunt & Henriques 151 Bernal Rd. #8, San Jose, CA 95119 Abstract of Judgment Issued against all Debtor's property in Contra Costa County - Case No. L10-01496; (Debtor will avoid judgment lien and treat claim as unsecured) DOC-2011-084585-00 See ECF/Doc No. 301	\$2,608.93	\$391.34

<p>Citibank (South Dakota) NA v Lingbanan Abstract of Judgment Issued against all Debtor's property in Contra Costa County - Case No. L09-077274 DOC-2010-0114753-00</p> <p>Abstract of Judgment Issued against all Debtor's property in Contra Costa County - Case No. L10-12307 (Debtor will avoid judgment lien and treat claim as unsecured)</p> <p>DOC-2011-0186852-00 See ECF/Doc No. 300</p>	<p>\$4,194.17</p>	<p>\$629.13</p>
<p>Capital One USA), N.A. By American InfoSource LP as agent PO Box 71083 Charlotte, NC 28272-1083 (Claim 3-1)</p> <p>Dual claim with abstract judgment lienholder: Capital One USA), N.A.c/o Bleier &amp; Cox LLP 16130 Ventura Blvd, Suite 620 Encino, CA 91436</p> <p>See ECF/Doc. No.302</p>	<p>\$16,662.96</p>	<p>\$2,499.44</p>
<p>California Financial and Investments c/o Keith Reuben, 1271 Fifth Ave., Belmont, CA 94402</p> <p>See ECF/Doc. No.303</p>	<p>\$21,313.00</p>	<p>\$3,196.95</p>

<p>Commercial Trade, Inc. C/O Law Offices of Sandra Kuhn McCormack 5330 Office Center Court Suite #C Bakersfield, CA 93309</p> <p>Commercial Trade, Inc. v. Camino Ramon Home for Seniors, Et al. Fresno County Case No. 10CECL10789</p>	<p>\$3,986.00</p>	<p>\$597.90</p>
<p>Chase Bank, USA, NA v Lingbanan JP Morgan Chase Bank et al. Lingbanan, et al Contra Costa County - Case No. L09-08536</p> <p>JP Morgan Chase Bank, N.A. 1111 Polaris Parkway Columbus, OH 43240</p>	<p>25,254.82</p>	<p>\$3,788.22</p>
<p>Toyota Motor Credit Corporation (Claim 6-1)</p> <p>(Bifurcated Claim - Unsecured portion of claim on auto loan - 2005 Lexus RX 330), Class 1(d) (2)</p> <p>Toyota Motor Credit Corporation PO Box 8026 Cedar Rapids, Iowa 52408-8026</p>	<p>\$2,053.73</p>	<p>\$308.06</p>

<p>Calvary Portfolio Services LLC as assignee of Bank of America/FIA Card Services, N.A. (Claim 4-1)</p> <p>Calvary Portfolio Services, LLC 500 Summit Lake Drive, Suite 400 Valhalla, NY 10595</p>	<p>\$10,577.86</p>	<p>\$1,586.68</p>
<p>FIA Card Services, N.A as successor in interest to Bank of America, N.A. (USA) and MBNA America Bank, N.A. (Claim 7-1)</p> <p>FIA Card Services, N.A as successor in interest to Bank of America, N.A. (USA) and MBNA America Bank, N.A. PO Box 15102 Wilmington, DE 19886-5102</p>	<p>\$8,580.93</p>	<p>\$1,287.14</p>
<p>FIA Card Services, N.A as successor in interest to Bank of America, N.A. (USA) and MBNA America Bank, N.A. (Claim 9-1)</p> <p>FIA Card Services, N.A as successor in interest to Bank of America, N.A. (USA) and MBNA America Bank, N.A. PO Box 15102 Wilmington, DE 19886-5102</p>	<p>\$20,715.82</p>	<p>\$3,107.37</p>

American Express, FSB (Claim 10-1)  Becket and Lee LLP Attorneys/Agent for Creditor PO Box 3001 Malvern, PA 19355- 0701	\$1,388.51	\$208.28
American Express, FSB (Claim 11-1)  Becket and Lee LLP Attorneys/Agent for Creditor PO Box 3001 Malvern, PA 19355- 0701	\$647.90	\$97.19
LVNV Funding, LLC (Claim 13-1)  Resurgent Capital Services PO Box 10587 Greenville, SC 29603- 0587	\$18,085.63	\$2,712.84
Portfolio Recovery Services, LLC, as successor in interest to HSBC Bank Nevada, N.A. (Levitz) by PRA Receivables (Claim 15-1)  Porfolio Recovery Associates, LLC POB 41067 Norfolk, VA 23541	\$1,373.18	\$205.98
JP Morgan Chase Bank, N.A. PO Box 15298 Wilmington, DE 19850	\$236	\$35.40
Eaf LLC 1120 West Lake Suite B Buffalo Grove, IL 60089	\$1,833.00	\$274.95

Investment Retriever 4511 Golden Foothill Pkwy El Dorado Hills, CA 95762	\$25,784.00	\$3,867.60
Wells Fargo Bank, N.A PO Box 29482 Phoenix, AZ 85038.	\$26,130.00	\$3,919.50
Kohls/Capone N56 w 17000 Ridgewood Dr. Menomonee Falls, WI 53051	\$100.00	\$15.00
Main Street Acquisition 2877 Paradise Rd. Unit 30 Las Vegas, NV 89109	\$17,149.00	\$2,572.35
Wells Fargo Bank, N.A PO Box 29482 Phoenix, AZ 85038.	\$16,160.00	\$2,424.00
Portfolio 120 Corporate Blvd, Ste 100 Norfolk, VA 23502	\$1,438.00	\$215.70
Sst/Cigpflco 4315 Pickett Road Saint Joseph, MO 64503	\$1,364.00	\$204.60
Wf/Pcm Cbdru-Pcm PO Box 3117 Winston Salem, NC 27102	\$3,518.00	\$527.70
Department of the Treasury - Internal Revenue Service (Claim 2-4) (general unsecured portion)	\$5,135.49	\$770.32
Wyndham Vacation Rentals, Inc. 10750 W. Charleston Blvd. Las Vegas, NV 89135	\$14,259.00	\$2,138.85

<p>Emiliano Vallejo (Claim 19-1), (Claim 25-1), (Claim 27-1), (Claim 28-1), (Claim 30-1).</p> <p>Claim 28-1 is treated via agreement with Claimant as the final amendment superseding all prior claim numbers.</p> <p>4815 Clayton Rd. Apt. #203 Concord, CA 94520</p> <p>Also represented by lawsuit Vallejo et al. v. Lingbanan, et al, Contra Costa County Superior Court Case No. CIVMSC12-00194</p>	<p>\$2,000.00 Per Court's March 12, 2014 order</p>	<p>\$300.00</p>
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This class includes any creditor whose allowed claim is \$27,000.00 or less, and any creditor in Class 2(b) whose allowed claim is larger than \$27,000.00 but agrees to reduce its claim to \$27,000.00. Each creditor will receive on the Effective Date of the Plan a single payment equal to fifteen (15) % of its allowed claim.

Creditors in this class may not take any collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **Claimants in this class are impaired and are entitled to vote on confirmation of the Plan, unless their claims are paid in full with interest on the Effective Date of the Plan.**

**Class 2 (b) . Other General Unsecured Claims**

Name of Creditor / Payment Address	Amount of Claim	Disputed Y/N	Amount to be Paid	Monthly Payment
<p>FIA Card Services, N.A as successor in interest to Bank of America, N.A. (USA) and MBNA America Bank, N.A. (Claim 8-1)</p> <p>FIA Card Services, N.A as successor in interest to Bank of America, N.A. (USA) and MBNA America Bank, N.A. PO Box 15102 Wilmington, DE 19886-5102</p>	\$33,776.15	N	\$5,091.00	\$84.85
<p>Ritchie and Flora Carlos (Claim 17-1)</p> <p>Jerrymain Carlos 11 Shadelands Court Pittsburg, CA 94565</p>	<p>\$250,000.00</p> <p>ECF/Doc Nos. 315, 316</p>	Y	\$37,681.20	\$628.02
<p>Jerrymain Carlos (Claim 18-1)</p>	<p>\$2,452,348.90</p>	Y	<p>\$0.00</p> <p>ECF/Doc Nos. 315, 316</p>	\$0.00

<p>Wells Fargo Bank, N.A.</p> <p>(unsecured portion of cramdown lien on real property commonly known as 1621 Third Avenue Walnut Creek, CA 94597, class 1(d) (1)</p> <p>Claim: \$2,088,207  -Cramdown: \$1,700,000  -Receiver Rent Credit: \$43,372.03  =\$344,834.98</p>	\$344,834.98	N	\$51,975.60	\$866.26
<p>JP Morgan Chase Bank, N.A, servicer for Bank of America, N.A.</p> <p>(unsecured portion of Class 1(d) (3)</p>	\$42,598.43	N	\$6,420.60	\$107.01
<p>Sterling Bank  Asset Mgmt-Dept. 955  111 N. Wall Stret  Spokane, WA 99201  (Claim 12-1)</p>	\$38,000.00	N	\$5,727.60	\$95.46
<p>Emiliano Vallejo  (Claim 23-1)</p> <p>4815 Clayton Rd. Apt.  #203  Concord, CA 94520</p>	\$37,742.33	Y	\$0.00  ECF/Doc No. 287	\$0.00
<p>Lucita Vallejo  (Claim 22-1)</p> <p>4815 Clayton Rd. Apt.  #203  Concord, CA 94520</p>	\$37,742.33	Y	\$0.00  ECF/Doc No. 287	\$0.00

<p>Lucita Vallejo (Claim 20-1), (Claim 24-1), (Claim 26-1), (Claim 29-1), (Claim 31-1).</p> <p>Claim 29-1 is treated via agreement with Claimant as the final amendment superseding all prior claim numbers.</p> <p>4815 Clayton Rd. Apt. #203 Concord, CA 94520</p> <p>Also represented by lawsuit Vallejo et al. v. Lingbanan, et al, Contra Costa County Superior Court Case No. CIVMSC12-00194</p>	<p>\$26,017.33</p>	<p>Y Debtor objected to claim (ECF/Doc No. 242) See Exhibit 7.</p>	<p>\$0.00</p> <p>If objection overruled: \$3,921.60</p>	<p>\$0.00</p> <p>If objection overruled: \$65.36</p>
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Allowed claims of general unsecured creditors [not treated as small claims or unresolved disputed claims in Class 2(c)] (including allowed claims of creditors whose executory contracts or unexpired leases are being rejected under this Plan) shall be paid as follows:

**Percent Plan.** Creditors will receive **fifteen (15)** percent of their allowed claim in 60 equal monthly installments, due on the 1<sup>st</sup> day of the month that begins after the Effective Date.

Creditors in this class may not take any collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **This class is impaired and is entitled to vote on confirmation of the Plan.** Debtor has indicated above whether a particular claim is disputed.

The claim of Lucita Vallejo - Claim Nos 20-1 et seq. (the "Vallejo claimant")- is the only disputed claim remaining. The Vallejo claimant shall receive a 0% dividend while the Debtor's Third Omnibus Objection to Claim (the "Objection") remains

unresolved. See Objection (ECF/Doc No 242) and Memorandum Decision regarding Objection (ECF/Doc No 293). If the Objection is sustained, Claims 20-1 shall be disallowed. If the Objection is overruled, Claims 20-1 shall receive the same fifteen (15) percent dividend as all other general unsecured creditors. For greater detail on the feasibility of the proposed resolution of the controversy involving the Vallejo claimant, please see Exhibit 7.

**PART 3: TREATMENT OF PRIORITY AND ADMINISTRATIVE CLAIMS**

(a) Professional Fees.

Debtor will pay the following professional fees in full on the Effective Date, or upon approval by the court, whichever is later.

Name and Role of Professional	Estimated Amount
Matthew D. Metzger - Debtors' counsel	\$50,000.00
Jacquelyn Cato - broker who provided court-approved broker's price opinion	\$2,500.00
Ronald Krantz, Krantz Waldau - bookkeeper	\$8,400.00

Professionals may not take collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **Estate professionals are not entitled to vote on confirmation of the Plan.**

(b) Other Administrative Claims. Debtor will pay other allowed claims entitled to priority under section 503(b) in full on the Effective Date; except expenses incurred in the ordinary course of Debtor's business or financial affairs, which shall be paid when normally due and payable (these creditors are not listed below). All fees payable to the United States Trustee as of confirmation will be paid on the Effective Date; post-confirmation fees to the United States Trustee will be paid when due.

Administrative Creditors may not take any collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **Administrative claimants are not entitled to vote on confirmation of the Plan.**

Name of Administrative Creditor	Estimated Amount of Claim

(c) Tax Claims from Case No. 11-73169. Debtor will pay allowed claims entitled to priority under section 507(a)(8) in full over time with interest (at the non-bankruptcy statutory interest rate) in equal amortizing payments in accordance with section 511 of the Bankruptcy Code. **Payments will be made in full on the Effective Date, calculated at the statutory rate of four (4) percent interest from to the petition date through the effective date, estimated at 30 months (mid 2014).** To the extent amounts owed are determined to be other than as shown below, appropriate adjustments will be made in the number of payments.

Priority tax creditors may not take any collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **Priority tax claimants are not entitled to vote on confirmation of the Plan.**

Name of Creditor	Estimated Amount of Claim	Statutory Interest Rate	Payment Amount	Number of Payments
Department of the Treasury - Internal Revenue Service Service Insolvency Group 3 1301 Clay St, M/S 1400S Oakland, CA 94612 (Claim 2-4)  Priority - 11 U.S.C. §507(a)(8)	\$13,980.52	4.0%	\$15,300.91	1
Employment Development Department Bankruptcy Group MIC 92E PO Box 826880 Sacramento, CA 94280-0001  (Claim 21-1) Priority - 11 U.S.C. §507(a)(8)	\$1,350.91	4.0%	\$1,480.36	1

Department of the Treasury - Internal Revenue Service 2525 Capital Street Suite 107, M/S INSOLVENCY Fresno, CA  Claim 1-4 Case No. 12-49353)  Priority - 11 U.S.C. §507(a) (8)	\$3,525.23	4.0%	\$3,717.11	1
Franchise Tax Board Bankruptcy Section MS A340 PO Box 2952 Sacramento, C A95812-2952 (Claim 2-1 Case No. 12-49353) Priority - 11 U.S.C. §507(a) (8)	\$2,417.80	4.0%	\$2,548.16	1
Employment Development Department Bankruptcy Group MIC 92E PO Box 826880 Sacramento, CA 94280-0001 (Claim 3-1 Case No. 12-49353) Priority - 11 U.S.C. §507(a) (8)	\$776.01	4.0%	\$817.85	1

In the above table, the three (3) last claimants -- Case No. 12-49353: Claim 1-4; Claim 2-1; Claim 3-1 - are from Case No. 12-49353, which case is substantively consolidated with Case No. 11-76139. Pursuant to the Debtor's motion for substantive consolidation and Order granting substantive consolidation (ECF Doc Nos. 290, 314), the Debtor also will pay said claims entitled to priority under section 507(a) (8) in full and not as partially general unsecured claims due to the unexempt equity in Case No. 12-49353's estate.

**(d) Other Priority Claims**

Name of Administrative Creditor	Estimated Amount of Claim
Emiliano Vallejo (Claim 19-1)  4815 Clayton Rd. Apt. #203 Concord, CA 94520  Priority - 11 U.S.C. §507(a) (4)	\$2,500.00. Per Court's order at the March 12, 2014 Status Conference on the Debtor's objection to Claim 19-1, enforcing the verbal agreement that Claimant authorized on the February 19, 2014 hearing. See ECF/Doc Nos 304-305.
Lucita Vallejo (Claim 20-1)  4815 Clayton Rd. Apt. #203 Concord, CA 94520  Priority - 11 U.S.C. §507(a) (4)	\$11,725.00 - Debtor objected to claim. Hearing on objection to claim to occur April 28, 2014, at which time, the Court will determine whether, and in what amount, the priority claim is allowed

The Debtor's verbal agreement with Mr. Emiliano Vallejo was enforced by the Court as binding as to Mr. Emiliano Vallejo only, per the Court's March 12, 2014 order. Claimant 19-1 shall receive the treatment as indicated above, payable on the effective date.

The Court has scheduled a hearing on the Debtor's objection to Claim 20-1. At April 28, 2014 hearing, the Court will rule on whether the claim is disallowed, allowed, or allowed in part. For greater detail on the feasibility of the proposed resolution of the controversy involving the Vallejo claimants, please see Exhibit 7.

**PART 4: EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

(a) Executory Contracts/Unexpired Leases Assumed. Debtor assumes the following executory contracts and/or unexpired leases upon confirmation of this Plan and will perform all pre-confirmation and post-confirmation obligations thereunder. Post-confirmation obligations will be paid as they come due. There are no pre-confirmation arrears will be paid. Debtor assumes all unexpired leases.

Name of Counter-Party	Description of Contract/Lease	Estimated Total Cure Amount	Amount Due	Due Date
	<b>Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597</b>			
Seija Tanaka	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$2,000.00	26 <sup>th</sup>
Genevieve Gold	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$3,000.00	20 <sup>th</sup>
Gilbert Costa	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$2,500.00	30 <sup>th</sup>
Efrin Mayfield	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$2,000.00	15 <sup>th</sup>
Maria Otoniel Dona	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$3,000.00	19 <sup>th</sup>
Norman Gardner	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$4,500.00	18 <sup>th</sup>

Ruth York	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$2,500.00	9 <sup>th</sup>
Elaine Speir	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$2,700.00	5 <sup>th</sup>
Carolyn Goforth	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$2,100.00	20 <sup>th</sup>
Dorothy Piotrowicz	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$1,650.00	12 <sup>th</sup>
Dana Stewart	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$3,500.00	15 <sup>th</sup>
Lorraine Peetz	Harmony Home Care 1621 Third Avenue Walnut Creek, CA 94597	n.a.	\$5,000.00	9 <sup>th</sup>
	<b>Camino Ramon Home for the Seniors 931 Camino Ramon Danville, CA 94526</b>			

Rosemary Johnson	Tenant Camino Ramon Home for the Seniors 931 Camino Ramon Danville, CA 94526	n.a.	\$2,500.00	3 <sup>rd</sup>
Loreto Raquiza	Tenant Camino Ramon Home for the Seniors 931 Camino Ramon Danville, CA 94526	n.a.	\$1,050.00	4 <sup>th</sup>
John Morris	Tenant Camino Ramon Home for the Seniors 931 Camino Ramon Danville, CA 94526	n.a.	\$2,500.00	29 <sup>th</sup>
Gilbert Gemoya	Tenant Camino Ramon Home for the Seniors 931 Camino Ramon Danville, CA 94526	n.a.	\$1,400.00	2 <sup>nd</sup>
Rosemary Jennings	Tenant Camino Ramon Home for the Seniors 931 Camino Ramon Danville, CA 94526	n.a.	\$3,000.00	1 <sup>st</sup>
Lorraine Malstrom	Tenant Camino Ramon Home for the Seniors 931 Camino Ramon Danville, CA 94526	n.a.	\$3,000.00	1 <sup>st</sup>
	<b>Ramona Care Home 2160 Ramona Drive Pleasant Hill, CA 94523</b>			

Henry Lennstrom	Tenant Ramona Care Home 2160 Ramona Drive Pleasant Hill, CA 94523	n.a.	\$2,300.00	1 <sup>st</sup>
Levy Alexander	Tenant Ramona Care Home 2160 Ramona Drive Pleasant Hill, CA 94523	n.a.	\$1,500.00	1 <sup>st</sup>
Karl Zimank	Tenant Ramona Care Home 2160 Ramona Drive Pleasant Hill, CA 94523	n.a.	\$1,600.00	28 <sup>th</sup>
Gail Larsen	Tenant Ramona Care Home 2160 Ramona Drive Pleasant Hill, CA 94523	n.a.	\$1,086.00	2 <sup>nd</sup>
Miguel Hernandez	Tenant Ramona Care Home 2160 Ramona Drive Pleasant Hill, CA 94523	n.a.	\$2,100.00	29 <sup>th</sup>
Dorothy Attenzo	Tenant Ramona Care Home 2160 Ramona Drive Pleasant Hill, CA 94523	n.a.	\$1,800.00	4 <sup>th</sup>
	<b>J&amp;V Home for Seniors 1 &amp; 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107</b>			

Zoria Payzoni	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$1,675.00	1 <sup>st</sup>
Norma-Jean Randolph	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$1,400.00	10 <sup>th</sup>
Alexander Popoff	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$1,600.00	28 <sup>th</sup>
Judith Maclaird	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$1,500.00	19 <sup>th</sup>
Hazel Jens	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$1,305.00	1 <sup>st</sup>
Barbara Christensen	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$2,316.00	1 <sup>st</sup>

Dolores Wilson	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$1,500.00	1 <sup>st</sup>
William Moore	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$1,316.00	4 <sup>th</sup>
Catherine Cohee	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$1,500.00	1st
Catrina Chase	Tenant J&V Home for Seniors 1 & 2 3427-3423 Moorland Ave, Santa Rosa, CA 954107	n.a.	\$2,700.00	1 <sup>st</sup>

(c) Executory contracts and unexpired leases not specifically assumed or rejected above will be deemed assumed.

**PART 5: DISCHARGE AND OTHER EFFECTS OF CONFIRMATION**

(a) Discharge. Debtor shall not receive a discharge of debts until Debtor makes all payments due under the Plan or the court grants a hardship discharge.

(b) Vesting of Property. On the Effective Date, all property of the estate and interests of the Debtor will vest in the reorganized Debtor pursuant to § 1141(b) of the Bankruptcy Code free and clear of all claims and interests except as provided in this Plan, subject to revesting upon conversion to Chapter 7 as provided in Part 6(f) below.

(c) Plan Creates New Obligations. Except as provided in Part 6(d) and (e), the obligations to creditors that Debtor

undertakes in the confirmed Plan replace those obligations to creditors that existed prior to the Effective Date of the Plan. Debtor's obligations under the confirmed Plan constitute binding contractual promises that, if not satisfied through performance of the Plan, create a basis for an action for breach of contract under California law. To the extent a creditor retains a lien under the Plan, that creditor retains all rights provided by such lien under applicable non-Bankruptcy law.

**PART 6: REMEDIES IF DEBTOR DEFAULTS IN PERFORMING THE PLAN**

(a) Creditor Action Restrained. The confirmed Plan is binding on every creditor whose claims are provided for in the Plan. Therefore, even though the automatic stay terminates on the Effective Date with respect to secured claims, no creditor may take any action to enforce either the pre-confirmation obligation or the obligation due under the Plan, so long as Debtor is not in material default under the Plan, except as provided in Part 6(e) below.

(b) Obligations to Each Class Separate. Debtor's obligations under the Plan are separate with respect to each class of creditors. Default in performance of an obligation due to members of one class shall not by itself constitute a default with respect to members of other classes. For purposes of this Part 6, the holders of all administrative claims shall be considered to be a single class, the holders of all priority claims shall be considered to be a single class, and each non-debtor party to an assumed executory contract or lease shall be considered to be a separate class.

(c) Material Default Defined. If Debtor fails to make any payment, or to perform any other obligation required under the Plan, for more than 10 days after the time specified in the Plan for such payment or other performance, any member of a class affected by the default may serve upon Debtor and Debtor's attorney (if any) a written notice of Debtor's default. If Debtor fails within 30 days after the date of service of the notice of default either: (i) to cure the default; (ii) to obtain from the court an extension of time to cure the default; or (iii) to obtain from the court a determination that no default occurred, then Debtor is in Material Default under the Plan to all the members of the affected class.

(d) Remedies Upon Material Default. Upon Material Default, any member of a class affected by the default: (i) may file and serve a motion to dismiss the case or to convert the case to

Chapter 7; or (ii) without further order of the court has relief from stay to the extent necessary, and may pursue its lawful remedies to enforce and collect Debtor's pre-confirmation obligations.

(e) Claims not Affected by Plan. Upon confirmation of the Plan, and subject to Part 5(c), any creditor whose claims are left unimpaired under the Plan may, notwithstanding paragraphs (a), (b), (c), and (d) above, immediately exercise all of its contractual, legal, and equitable rights, except rights based on default of the type that need not be cured under section 1124(2) (A) and (D).

(f) Effect of Conversion to Chapter 7. If the case is at any time converted to one under Chapter 7, property of the Debtor shall vest in the Chapter 7 bankruptcy estate to the same extent provided for in section 348(f) of the Bankruptcy Code upon the conversion of a case from Chapter 13 to Chapter 7.

(g) Retention of Jurisdiction. The bankruptcy court may exercise jurisdiction over proceedings concerning: (i) whether Debtor is in Material Default of any Plan obligation; (ii) whether the time for performing any Plan obligation should be extended; (iii) adversary proceedings and contested matters pending as of the Effective Date or specifically contemplated in this Plan to be filed in this court (see Part 7(f)); (iv) whether the case should be dismissed or converted to one under Chapter 7; (v) any objections to claims; (vi) compromises of controversies under Fed. R. Bankr. Pro. 9019; (vii) compensation of professionals; and (viii) other questions regarding the interpretation and enforcement of the Plan.

#### **PART 7: GENERAL PROVISIONS**

(a) Effective Date of Plan. The Effective Date of the Plan is the fifteenth day following the date of the entry of the order of confirmation, if no notice of appeal from that order has been filed. If a notice of appeal has been filed, Debtor may waive the finality requirement and put the Plan into effect, unless the order confirming the Plan has been stayed. If a stay of the confirmation order has been issued, the Effective Date will be the first day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

(b) Disputed Claim Reserve. Debtor will create a reserve for disputed claims. Each time Debtor makes a distribution to the

holders of allowed claims, Debtor will place into a reserve the amount that would have been distributed to the holders of disputed claims if such claims had been allowed in the full amount claimed. If a disputed claim becomes an allowed claim, Debtor shall immediately distribute to the claimant from the reserve an amount equal to all distributions due to date under the plan calculated using the amount of the allowed claim. Any funds no longer needed in reserve shall be returned to Debtor.

(c) Cramdown. Pursuant to section 1129(b) of the Bankruptcy Code, Debtor reserves the right to seek confirmation of the Plan despite the rejection of the Plan by one or more classes of creditors.

(d) Severability. If any provision in the Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of the Plan.

(e) Governing Law. Except to the extent a federal rule of decision or procedure applies, the laws of the State of California govern the Plan.

(f) Lawsuits.

Debtor believes that causes of action for fraudulent transfers, voidable preferences, or other claims for relief exist against the following parties:

Party	Creditor Y/N	Nature of Claim	Amount of Claim	Will Debtor Prosecute Action? Y/N

(g) Notices. Any notice to the Debtor shall be in writing, and will be deemed to have been given three days after the date sent by first-class mail, postage prepaid and addressed as follows:

<u>Individual Debtors:</u>	<u>JVTCM Care, LLC:</u>
Johnny Lusnong Lingbanan	Harmony Home Care
Victoria Mendoza Lingbanan	1621 Third Avenue
1066 Oakpoint Drive,	Walnut Creek, CA 94596
Pittsburg, CA 94565	

With a copy (not constituting notice) to:

Matthew D. Metzger, Esq.  
Belvedere Legal, PC  
1777 Borel Place, Suite 314  
San Mateo, CA 94402

(h) Post-Confirmation United States Trustee Fees. Following confirmation, Debtor shall continue to pay quarterly fees to the United States Trustee to the extent, and in the amounts, required by 28 U.S.C. § 1930(a)(6). So long as Debtor is required to make these payments, Debtor shall file with the court quarterly reports in the form specified by the United States Trustee for that purpose.

(i) Deadline for § 1111(b) Election. Creditors with an allowed secured claim can make a timely election under section 1111(b) no later than 14 days before the first date set for the hearing on confirmation of the Plan.

Dated: March 26, 2014

\_\_\_\_\_  
/s/  
Johnny Lusnong Lingbanan  
Debtor

\_\_\_\_\_  
/s/  
Victoria Mendoza Lingbanan  
Joint Debtor

JVTCM Care, LLC  
\_\_\_\_\_  
/s/  
Johnny Lusnong Lingbanan  
Managing Member

BELVEDERE LEGAL, P.C.

\_\_\_\_\_  
/s/  
Matthew D. Metzger, Esq.  
Attorneys for Debtors

## Attorney Certification

I, Matthew D. Metzger, am legal counsel for the Debtor(s) in the above-captioned case and hereby certify the following: (i) the foregoing plan is a true and correct copy of the Individual Chapter 11 Combined Plan and Disclosure Statement promulgated by the Northern District of California, San Francisco Division, on July 30, 2012 (the "Standard-Form Plan"); and (ii) except as specified below, there have been no alterations or modifications to any provision of the Standard-Form Plan.

The following provisions of the Standard-Form Plan have been altered or otherwise modified.

- **Introduction (p.2): added:**
  - Added description of Exhibit 6-10
  - Added description regarding joint consolidation of two (2) bankruptcy estates - Case No. 11-73169 (the individual Lingbanan bankruptcy estate) and Case No. 12-43953 (the JVTTCM Care, LLC bankruptcy estate).
- **Debtor to Make Regular Payments and Pay Arrears Over Time (pg.5-6): added:**
  - Modified payment term language for Class 1(c)(1).
  - Modified payment term language for Class 1(c)(2).
  - Modified payment term language for Class 1(c)(3).
- **Allocation of Additional Disposable Income After Payments to Class 1 (c) (2) Creditor Complete in 12 Months (p7)- added**
- **Debtor to Strip Lien to Value of Collateral and Pay Over Time (pg 8-9): added:**
  - Cited to corresponding court order for Class 1(d)(1).
  - Cited to corresponding court order for Class 1(d)(2).
  - Cited to corresponding court order for Class 1(d)(3).
  - Cited to corresponding court order for Class 1(d)(4).
- **Class 2(b) - Other General Unsecured Claims (p. 17)**
  - Added description of outstanding objection regarding Claim 20-1 and made reference to Exhibit 7.
- **PART 3: TREATMENT OF PRIORITY AND ADMINISTRATIVE CLAIMS (p.20)**
  - Added language disclosing the fact that the last claimants

are from Case No. 12-49353: Claim 1-4; Claim 2-1; Claim 3-1, which case is substantively consolidated with Case No. 11-76139. Due to the unexempt equity in the estate of Case No. 12-79352, said claims will be paid in full and not treated partially as general unsecured claims.

- Added section (d) Other Priority Claims:

- **PART 4: EXECUTORY CONTRACTS AND UNEXPIRED LEASES (p.21)**  
-Specified date each month when patients' payments are due.
- **Exhibit 3 Addendum - Additional Risk Factor - Explanation of Change in Gross Income Figure - Added (p. 42)**
- **Exhibit 5 - Investment Property Analysis (pg 45-46):**  
-Added specific language under each table to indicate all the reorganizing activity accomplished by the Debtor to sharply increase the occupancy rate of each facility such all facilities will soon be fully occupied.
- **Exhibit 6- Added Exhibit 6 "Investment Property Analysis - Expense Detail" (pg 47-48) - added to provide greater granularity of disclosure of monthly expenses at each facility.**
- **Exhibit 7- Objection to Claim of Lucita Vallejo - Feasibility Analysis (pg. 49-50)- added to provide greater detail as to why the plan as proposed is feasible regardless of whether the claim of Lucita Vallejo is disallowed, allowed, or allowed in part.**
- **Exhibit 8 - Valuation of Debtor's Interest in Performing Junior Note (p. 51) - added section**
- **Exhibit 9 - Past Monthly Performance as Indicator for Future (p. 52) - added section.**
- **Exhibit 10 - Disclosure of Additional Risk Factor - Referral Agency Fees for New Patients (p. 53) - added section.**

I declare that the foregoing is true and correct. Executed this 26<sup>th</sup> day of March, 2014.

/s/ \_\_\_\_\_  
Matthew D. Metzger, Esq.  
Attorneys for Debtor

## **Exhibit 1 - Events That Led To Bankruptcy**

As is well known, the real estate market nationwide, and in the San Francisco Bay Area has experienced a severe economic downturn. The Debtors and Debtors in Possession, Johnny Lusnong Lingbanan and Victoria Mendoza Lingbanan (collectively the "Debtor") own and operate four (4) long-term residential health care facilities. Pre-petition, the Debtor fell behind on mortgage payments on the real property commonly known as 1621 Third Avenue, Walnut Creek, CA 94597 (the "Walnut Creek" property) and a receiver was appointed. Secured creditor Wells Fargo Bank, N.A. ("Wells Fargo") commenced a judicial foreclosure proceeding and the Debtors attempted in good faith to negotiate with Wells Fargo to avoid the foreclosure. December 19, 2011 was the deadline imposed by Wells Fargo to respond to a work-around arrangement. Both the Debtor and Wells Fargo had proposed private work-out terms but neither side was able to come to an agreement by the December 19, 2011 deadline. Accordingly, the Debtor filed a voluntary petition under Chapter 11 of Title 11 of the United States code on December 19, 2011 (the "Petition Date").

Post-petition, the Debtor negotiated successful claim treatment with Wells Fargo, represented by Class 1(d)(1), which class incorporates the underlying stipulation and order. See ECF/Docket Nos.168,176. Additionally, the parties stipulated that Wells Fargo would keep the balance of rents held pre-petition by the receiver, Mr. Robert Mosier, totaling approximately \$43,372.03. See ECF/Docket No. 104. After a noticed motion and significant briefing, the Court approved the stipulation on September 14, 2012 as in the best interests of the estate. See ECF/Docket No. 145.

The JVTCM Care, LLC, case (Case No. 12-49353 WJL 11) was filed to enjoin a state court lawsuit filed by creditors of both

estates, Emiliano and Lucita Vallejo, alleging wage and hour claims against both the individual Lingbanans and JVTCM Care, LLC. On September 19, 2013, the Court entered an Order Authorizing the Joint Administration of Case No. 11-73169 and Case No. 12-49353. See ECF/Docket No. 203. The instant plan proposes that the effect of the plan, if confirmed, will be to consolidate the two (2) estates into a single, consolidated bankruptcy estate.

The Debtor's estates contain numerous real property assets, interests in operating and real estate entities and other assets with substantial value. All claim treatments are resolved and restructured as described herein. The Debtor operates four (4) long-term home care facilities, wherein turnover is not infrequent, due to the ephemeral and uncertain nature of periods of stay for individuals of advanced age. Accordingly, it is reasonable to estimate a vacancy rate of eight (8) percent for each facility. Over the 24 months that the bankruptcy case is pending, in order to enhance occupancy rates, the Debtors have significantly reorganized, such that every facility is now fully renovated and freshly painted. At present, the facilities are nearly all fully occupied, and the Debtor reasonably anticipates obtaining tenants for the remaining nine (9) open beds within the next 12 months. The Debtor has engaged in significant advertising and networking with local churches, social workers, local hospitals, and senior citizen agencies. The Debtor also has launched a website - [www.harmonyhomecareca.com](http://www.harmonyhomecareca.com) - that has led to an increase in business. For the above reasons, the Debtor respectfully submits that enclosed plan of reorganization will result in a successful reorganization and is in the best interests of the estate.

**Exhibit 2 - What Creditors Would Receive if the Case Were  
Converted to a Chapter 7**

**Real Property #1: Harmony Home Care - 1621 Third Avenue, Walnut  
Creek, CA 94597**

Fair Market Value	Liens	Cost of Sale	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$1,700,000	1 <sup>st</sup> 1,216,555.18 (Wells Fargo Bank, N.A.)	\$67,500.00 (5%)	\$0 - capital loss	n.a.	\$0.00
	2 <sup>nd</sup> \$910,324.41 (Wells Fargo Bank, N.A.)				
	3 <sup>rd</sup> Est. Tax Arrears \$87,575.85				

**Real Property #2: Camino Ramon Home for the Seniors, 931 Camino Ramon, Danville, CA 94526**

Fair Market Value	Liens	Cost of Sale	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$795,000	1 <sup>st</sup> \$738,417.62 (JP Morgan Chase Bank, N.A.)	\$39,755.00 (5%)	\$0 - capital loss	n.a.	\$0.00
	2 <sup>nd</sup> \$142,598.43 (JP Morgan Chase Bank, N.A.)				
	3 <sup>rd</sup> Est. Tax Arrears (\$3,455.37)				

**Real Property #3: Ramona Care Home, 2160 Ramona Drive, Pleasant Hill, CA 94523**

Fair Market Value	Liens	Cost of Sale	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$540,000	1 <sup>st</sup> \$521,840.10 (One West Bank, FSB)	\$27,500.00 (5%)	\$0 - capital loss	n.a.	\$0.00
	2 <sup>nd</sup> \$2,815.98 (Est. Tax Arrears)				

**Real Property #4: J&V Home for the Seniors 1&2, 3427-3443 Moorland, Avenue, Santa Rosa, CA 95407**

Fair Market Value	Liens	Cost of Sale	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$440,000	1 <sup>st</sup> \$499,039.81	\$25,000.00 (5%)	\$0 - capital loss	n.a.	\$0.00
	2 <sup>nd</sup> \$40,308.41. (Est. tax arrears)				

**Real Property #5: 1066 Oakpoint Drive, Pittsburg, CA 94565**

Fair Market Value	Liens	Cost of Sale	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$390,000	1 <sup>st</sup> \$392,000.00 (Bayview Loan Servicing, LLC)	\$19,500.00 (5%)	\$0 - capital loss	n.a.	\$0.00

**Personal Property:**

Description	Liquidation Value	Secured Claim	Amt of Exemption	Net Proceeds
Cash (see detail on Exhibit 4)	\$178,247.79		(\$22,578.00) CCPS703.140 (b) (5) <sup>1</sup>	<b>\$155,669.79</b>
Performing Junior Note (see detail on Exhibit 8).				<b>\$50,000.00</b>
Lexus RX330	\$11,379.00	\$13,642.55		\$0.00
Lexus ES300	\$901.00		(\$901.00) CCPS703.140 (b) (5)	\$0.00
Retirement Accounts	\$42,650.82		\$42,650.82 11 U.S.C. §522 (b) (c) (3)	\$0.00
Nissan Auto Pick-up Truck	\$3,295.00		(\$3,295.00) C.C.P. § 703.140 (b) (2)	\$0.00
Household Furnishings	\$6,790.00		(\$6,790.00) C.C.P. § 703.140 (b) (3)	\$0.00
Jewelry	\$900.00		(\$900.00) C.C.P. § 703.140 (b) (4)	\$0.00
Equipment -	\$0.00			\$0.00
Other Personal Property	\$1.00		(\$1.00)	\$0.00
<b>TOTAL</b>				<b>\$205,669.79</b>
Net Proceeds of Real Property and Personal Property				<b>\$205,669.79</b>
Recovery from Preferences / Fraudulent Conveyances				
Chapter 7 Administrative Claims				
Chapter 11 Administrative Claims				(\$62,250.91)
Priority Claims				(\$36,275.47)
Chapter 7 Trustee Fees				(\$13,783.49)
Chapter 7 Trustee's Professionals				(\$10,000.00)
NET FUNDS AVAILABLE FOR DISTRIBUTION TO UNSECURED CREDITORS				\$83,359.92
Estimated Amount of Allowed Unsecured Claims				\$598,289.68
Percent Distribution to Unsecured Creditors Under Plan				15%
Percent Distribution to Unsecured Creditors Under Liquidation Analysis				14%

<sup>1</sup> Exempt cash only from DIP accounts in Case No. 11-73169 (the "individual case").

**Exhibit 3 - Monthly Income and Expenses**

<b>Income</b>	Amount
Gross Employment Income	\$5,100.00
Junior Note Income	\$933.33
Positive Cash Flow on Investment Property (Exhibit 5, Line A)	\$8,693.65
<b>A. Total Monthly Income</b>	\$14,726.98
<b>Expenses</b>	Amount
Includes Plan Payments on Secured Claims for Residence and Car	
Payroll Taxes and Related Withholdings	\$2,587.08
Retirement Contributions (401k, IRA, PSP)	\$0.00
Shelter Expenses (rent/mortgage, insurance, taxes, utilities) (Total Arrearages on Principal Residence are \$0.00)	\$2,682.91
Household Expenses (food)	\$400.00
Transportation Expenses (car payments, insurance, fuel)	\$328.00
Personal Expenses (e.g. recreation, clothing, laundry, medical)	\$50.00
Alimony / Child Support	
Other Expenses - Health Insurance Medical Co-Pay	\$40.00
Negative Cash Flow on Investment Property (Exhibit 5, Line B)	
<b>B. Total Monthly Expenses</b>	\$6,034.75
<b>C. Disposable Income</b> (Line A - Line B)	\$8,692.23
<b>Plan Payments</b>	Amount
Plan Payments Not Included in Calculating Disposable Income	
Administrative Claims	
Priority Claims	
General Unsecured Creditors	\$1,781.60
Class 1(c) (1)	\$3,011.66
Class 1(c) (2)	\$3,695.47
Class 1(c) (3)	\$178.57
<b>D. Total Plan Payments</b>	\$8,667.30
<b>E. Plan Feasibility</b> (Line C - Line D) (Not feasible if less than zero)	\$24.93

**Exhibit 3 Addendum - Additional Risk Factor - Explanation of Change in Gross Income Figure**

The Joint-Debtor, Victoria Lingbanan, is a registered nurse ("RN") presently employed at Sutter Delta Medical Center in Antioch, CA ("Sutter"). The Joint-Debtor has been employed as an RN from 1984, through the petition date, up through the present period. The Joint Debtor's present age is 58. Sutter has an early retirement program for senior employees between the ages of 55-62, in order to replace senior employees with younger employees. Thus, the Joint-Debtor is presently qualified for early retirement. Sutter also has encouraged the Joint-Debtor to accept early retirement so that Sutter can replace the Joint Debtor's work schedules with the work schedules of younger nurses at a lower rate of pay. At Sutter's encouragement, the Joint Debtor has elected to accept early retirement to dedicate her time 100% to the success of the long-term care homes owned and operated by the Debtors. The Joint Debtor will not receive any retirement income from Sutter but the Joint Debtor will begin receiving a pension income of approximately \$1,200 monthly starting in 2021 - at the age of 65.

Upon retiring from Sutter, the Joint-Debtor will work full-time at the Debtors' long term care homes as the senior (and only) RN at the Debtors' long term care homes. With an RN full-time on site, the Debtors' long-term care homes also will retain a competitive advantage over competing care homes, where a full-time on-site RN is never a given. This competitive advantage will help each facility reach and/or maintain full occupancy for the entire commitment period.

Said change in employment also will result in a change in income to the estate. In 2013, while fully employed at Sutter, the Joint Debtor received gross wages in the amount of \$96,238.21. Also in 2013, as an employee of the Debtors' care homes, the Joint Debtor received gross wages of \$24,000. As of the Effective Date, the Joint Debtor will work solely at the Debtors' long-term care homes. With the full time employment at the care homes, the Debtors reasonably estimate that the Joint Debtor will receive \$48,000 in gross annual income - or \$4,000 monthly gross income - and still maintain the net profit figures identified in Exhibit 5. Said figure is feasible from the new income that the care homes will generate from the seven (7) additional beds, which, at present, remain to be filled. However, the ability to fund a full time salary of \$48,000 is contingent upon all the care homes being (and remaining) at or near full occupancy.

The "Gross Employment Income" figures identified in Exhibit 3 project the Debtors' combined gross income from two (2)

Individual Chapter 11

Combined Plan & Disclosure Statement

July 30, 2012

(Version: 7/30/12)

-42-

sources: i) the Debtor Johnny Lingbanan's anticipated gross wage income as owner/operator of the care homes, estimated at \$1,100 monthly; and ii) the Joint Debtor Victoria Lingbanan's anticipated gross monthly income of \$4,000 monthly as a full-time RN working on site at the care homes.

In summary, the switch in employment will result in an anticipated drop of approximately \$72,238 in the Joint Debtor's anticipated annual gross income. Additionally, the stability of the income source will change from that of a large corporation (Sutter) to the flux inherent in the Debtors' small business operation running long-term care homes.

Said choice is semi-volitional as the Joint-Debtor is not legally compelled to accept mandatory retirement until the age of 62. Additionally, to ensure plan performance, the Joint Debtor can re-apply to work as an "on-call" RN. Sutter has a program that would enable the Joint Debtor to work as an on-call RN for 72 hours every 2 weeks at a rate of \$58/hr, for a total of \$4,176 every 2 weeks. The Joint-Debtor has applied to the on-call program as a back-up option, to be exercised only in the event that the Joint Debtor cannot realize annual gross income of \$48,000 (or \$4,000 monthly). Thus, the back-up "on-call" option will ensure that Debtors will continue timely performance on all plan obligations, regardless of income fluctuations that are inherent in the operations of a long-term care home business.

**Exhibit 4 - Effective Date Feasibility**

Can the Debtor Make the Effective Day Payments?

	Amount	Amount
A. Projected Total Cash on Hand on Effective Date <sup>2</sup>		\$178,247.79
Payments on Effective Date		
Unclassified Claims		
Administrative Expense Claims	\$60,900.00	
Priority Claims	\$24,550.47	
Small Claims (Class 2(a))	\$37,882.49	
U.S. Trustee Fees	\$0.00	
B. Total Payments on Effective Date		\$123,332.96
<b>C. Net Cash on Effective Date</b> (Line A - Line B) (Not feasible if less than zero)		\$54,914.83

<sup>2</sup> Debtor in Possession Account Balances (as of March 10, 2014)

General Account DIP (x6226)	\$2,753.56
Harmony Payroll Tax DIP (x6259)	\$126.13
Ramona Payroll Tax DIP (x6267)	\$697.68
JVTCM Care LLC DIP (x6531)	\$119,190.65
J&V Home DIP (x6549)	\$31,961.07
Ramona DIP (x0881)	\$27,060.52
Camino Ramon DIP (x1210)	\$26,700.40
Trust account with counsel	\$0.00
Total	\$208,490.01

Property tax installment payments due April 2014 will reduce respective DIP account balances by approximately \$30,242.22, to approximately \$178,247.79.

Individual Chapter 11

Combined Plan & Disclosure Statement

July 30, 2012

(Version: 7/30/12)

-44-

**Exhibit 5 - Investment Property Analysis<sup>3</sup>**

**Properties with Positive Monthly Cash-Flow:**

**Real Property #1 Income: Harmony Home Care - 1621 Third Avenue, Walnut Creek, CA 94597**

Rental Income	Mortgage	Insurance	Property Taxes	Other Expenses	Net Income
\$38,732.00	1 <sup>st</sup> \$11,422.25	\$3,140.00	\$1,960.18	\$19,448.00	\$2,761.57

- Said net income figure does not include monthly payments on pre-petition property tax arrears listed in Class 1(c)(1).
- At present: 15 beds fully occupied, **6 beds remain open** (valued at \$2,500/bed), for total present income of \$29,545.
- Assumption for Exhibit 5: fully rented within 12 months.
- Income calculated at 100% occupancy: \$42,100, with a vacancy factor of 8%, would yield an effective monthly income figure of \$38,732.00
- Debtor has filled two (2) more beds while bankruptcy pending.
- Debtor reasonably anticipate filling the 5 remaining beds within next 12 months, due to following reasons: the 5 open beds are now fully renovated and available; Debtor has engaged in significant advertising and networking with local churches, social works, local hospitals, and senior citizen agencies. Website: www.harmonyhomecareca.com.
- Based on past history, Debtor needs approximately 2 months of marketing to rent a newly opened bed.

**Real Property #2 Income: Camino Ramon Home for the Seniors, 931 Camino Ramon, Danville, CA 94526**

Rental Income	Mortgage	Insurance	Property Taxes	Other Expenses	Net Income
\$11,423.64	1 <sup>st</sup> \$3,499.92	\$358.00	\$570.64	\$4,758.00	\$1,876.08
	2 <sup>nd</sup> : \$361.00				

- Said net income figure does not include monthly payments on pre-petition property tax arrears listed in Class 1(c)(1).
- Building is now fully renovated and presently has **only 1 bed open for rent**. Income calculated at 100% occupancy \$12,417/month, with a vacancy factor of 8%, for an effective

<sup>3</sup> For all investment properties, Debtors reasonably calculate a vacancy of 1 unit month / year, to allow for potential tenant turnover. 1 unit vacancy/ 12 calendar months = .08, or a vacancy rate of 8%.

monthly gross income of \$11,423.64.

- Assumption for Exhibit 5: fully rented within 6 months.
- Debtor has engaged in significant advertising and networking with local churches, social works, local hospitals, and senior citizen agencies. Central Website: (www.harmonyhomecareca.com)

**Real Property #3 Income: Ramona Care Home, 2160 Ramona Drive, Pleasant Hill, CA 94523**

Rental Income	Mortgage	Insurance	Property Taxes	Other Expenses	Net Income
\$10,176.12	1 <sup>st</sup> \$1,191.92	\$358.00	\$437.49	\$4,324.42	\$3,864.29

- Said net income figure does not include monthly payments on pre-petition property tax arrears listed in Class 1(c)(1).
- Building is now fully renovated and **fully rented** at \$10,386/month, with a vacancy factor of 8%, for an effective monthly gross income of \$9,555.12.
- Adjustable Rate Mortgage dropped from \$1,806.37 to \$1,191.92

**Real Property #4 Income: J&V Home for the Seniors 1&2, 3427-3443 Moorland, Avenue, Santa Rosa, CA 95407**

Rental Income	Mortgage	Insurance	Property Taxes	Other Expenses	Net Income
\$14,808.32	1 <sup>st</sup> \$3,535.35	\$279.00	\$1,854.00	\$8,948.26	#191.71

- Said net income figure does not include: 1)monthly payments on pre-petition property tax arrears listed in Class 1(c)(2); or 2) the monthly arrears figure of \$178.57 payable through the plan
- At present: 10 beds fully occupied, **2 beds remain open** (valued at \$1,500/bed). Income calculated at 100% occupancy as \$16,096, with a vacancy factor of 8%, yields an effective monthly income of \$14,808.32.
- Assumption for Exhibit 5: fully rented within 6 months.
- Debtor reasonably anticipate filling the 2 remaining beds within next 12 months, due to following reasons: all painting and renovation work is complete; the 2 open beds are now fully renovated and available; DIP has engaged in significant advertising and networking with local churches, social works, local hospitals, and senior citizen agencies. Website: www.harmonyhomecareca.com.
- Based on past history, DIP needs approximately 2 months of marketing to rent a newly opened bed.

<b>A. Total Positive Cash Flow</b>	<b>\$8,693.65</b>
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**Exhibit 6 - Investment Property Analysis - Expense Detail**

**Properties with Positive Monthly Cash-Flow:**

Real Property #1 Income: Harmony Home Care - 1621 Third Avenue,  
Walnut Creek, CA 94597

Expense Item	Amount
Mortgage	\$11,422.25
Salary	\$13,708
Federal Taxes	\$2,250.00
State Taxes	\$400.00
Grocery/Supplies	\$2,100.00
Building Insurance	\$300.00
Liability Insurance	\$500.00
Workers Comp. Insurance	\$2,340.00
Property Tax	\$1,960.18
Accounting	\$65.00
Bay Alarm	\$510.00
Elevator Maintenance	\$65.00
Property Renovation Work	\$350.00
<b>Total</b>	<b>\$35,970.43</b>

Real Property #3 Income: Camino Ramon Home for the Seniors, 931  
Camino Ramon, Danville, CA 94526

Expense Item	Amount
Mortgage	\$3,449.92
Mortgage - junior	\$361.00
Salary	\$2,688.00
Federal Taxes	\$585.00
State Taxes	\$150.00
Grocery/Supplies	\$1,200.00
Building Insurance	\$145.00
Liability Insurance	\$213.00
Property Tax	\$570.64
Accounting	\$30.00
Yard Maintenance	\$60.00
Gas	\$45.00
<b>Total</b>	<b>\$9,497.56</b>

**Real Property #3 Income: Ramona Care Home, 2160 Ramona Drive,  
Pleasant Hill, CA 94523**

Expense Item	Amount
Mortgage	\$1,191.92
Salary	\$2,950.00
Federal Taxes	\$450.00

Individual Chapter 11  
Combined Plan & Disclosure Statement  
July 30, 2012

(Version: 7/30/12)

State Taxes	\$60.00
Grocery/Supplies	\$750.00
Building Insurance	\$145.00
Liability Insurance	\$213.00
Property Tax	\$437.49
Business State License	\$34.42
Yard Maintenance	\$40.00
Gas	\$40.00
Total	\$6,311.83

**Real Property #4 Income: J&V Home for the Seniors 1&2, 3427-3443 Moorland, Avenue, Santa Rosa, CA 95407**

Expense Item	Amount
Mortgage	\$3,535.35
Salary	\$7,649.44
Grocery/Supplies	\$1,120.00
Building Insurance	\$109.00
Liability Insurance	\$170.00
Property Tax	\$1854.00
Building Maintenance	\$15.00
Yard Maintenance	\$15.00
Gas	\$80.00
Business State License	\$68.82
Total	\$14,616.61

## **Exhibit 7 - Objection to Claim of Lucita Vallejo - Feasibility Analysis-**

### **A. Summary of Factual and Procedural History**

The Debtor objected to any liabilities due and owing to Emiliano Vallejo and Lucita Vallejo - Claim Nos 19-1, 20-1 et seq. (the "Claimants"). Claimants had alleged a pre-petition cause of action in state court based on a wage and hour dispute, *Lucita Vallejo and Emiliano Vallejo, Plaintiffs, v. JVTM Care, LLC, dba Harmony Home Care, Johnny Lingbanan and Victoria Lingbanan dba Ramona Home Care, and DOES 1-10*, Superior Court of California, County of Contra Costa Case No. 12-00194 (filed January 26, 2012) (the "state court lawsuit"). Claimants also filed a post-petition adversary proceeding against the Debtor May 25, 2012 based on allegations relating to the state court lawsuit - *Emiliano Vallejo, Lucita Vallejo, Plaintiffs v. Johnny Lingbanan, Victoria Mendoza Lingbanan, Defendants*, AP Case No. 12-04116, ECF/Doc. No. 1 (the "adversary case"). The adversary case was dismissed January 13, 2013. See AP Case No. 12-04116, ECF/Doc. No. 13.

Claimants, operating *in pro se*, also filed multiple proofs of claim as a proxy for amended court filings. Accordingly, per agreement between Claimants, the Debtor, and the Court, the parties have agreed to accept Claim 28-1 as the final claim amendment superseding all prior claims filed on behalf of Emiliano Vallejo and to accept Claim 29-1 as the final claim amendment superseding all prior claims filed on behalf of Lucita Vallejo.

On December 12, 2013, the Debtor objected to claims 19-1 and 20-1 (the "Claim Objection"). The Court held multiple status conferences on the Claim Objection. At the February 19, 2014 status conference, the parties met and conferred and verbally agreed to a global compromise of the controversy, but Claimants ultimately refused to memorialize the compromise of the controversy. At the March 12, 2014 status conference, the Court enforced the February 19, 2014 verbal agreement as to Emiliano Vallejo but not as to Lucita Vallejo, as Ms. Lucita Vallejo was not present at the February 19, 2014 hearing. Accordingly, the Court has scheduled a 1/2 day trial on the Debtor's objection to Lucita Vallejo's claim, which trial is scheduled April 28, 2014.

Accordingly, at present, only the Debtor's objection to the claim filed by Lucita Vallejo remains unresolved.

### **B. Feasibility of Proposed Claim Treatment**

As stated *supra*, the plan provides for treatment of the claims filed by Emiliano Vallejo. Additionally, the plan has proposed contains the means to pay for the claim of Lucita

Vallejo, whether said claim is disallowed, allowed in part, or allowed in whole.

If the Debtor's objection is sustained, the claims filed Lucita Vallejo will be disallowed. By contrast, if the claims are allowed, in whole or in part, the plan provides for feasible payment of said claims, as follows.

**1) Priority Claims**

- a. As alleged: Lucita Vallejo: \$11,725
- b. Said payment would be feasible from the anticipate emergency net cash revested in the Debtor as of the Effective Date. See Exhibit 4 - Effective Date Feasibility.

**2) General Unsecured Claims**

- a. As alleged: Lucita Vallejo: \$26,017.33
- b. Proposed Treatment if claim allowed: Seven (7) percent dividend Payment, payable over 60 months, as follows:

Name of Creditor	Amount of Claim	Disputed Y/N	Amount to be Paid	Monthly Payment
Lucita Vallejo	\$26,017.33	Y	\$3,921.60	\$65.36

- c. In short, even if the general unsecured claims- less the priority claim figures - were allowed in full, the general unsecured claim would receive a 15 % dividend, which would add only \$65.36 to the to the global general unsecured creditors payment figure.
- d. The plan would still be feasible by an estimated figure of \$800. See Exhibit 3 - Monthly Income and Expenses.

**B. Conclusion**

On behalf of the estates, the Debtor disputes any liability due and owing to Lucita Vallejo. However, as the above figures indicate, the plan as proposed can feasibly pay the figures as alleged in filed claim, even if Mrs. Lucita Vallejo's claim were allowed in full. Thus, the plan is feasible.

**Exhibit 8 - Valuation of Debtor's Interest in Performing Junior Note**

The Debtor holds a perfected security interest in second position on the real property commonly known as 115 Thayer Way American Canyon, CA 94503 (the "American Canyon" property). As of the Effective Date, the Debtor reasonably estimates the value of the note at \$50,000, based on the following valuation methodology.

Liquidation Value	
Property Address:	115 Thayer Way American Canyon, CA 94503
Owner/Borrower:	Ms. Zenaida P. Gantan
Est. Fair Market Value:	\$600,000.00
Senior Lien	Tri Counties Bank. Napa County Recorder DOC #: 2004-0012130 BK-PG Estimated Outstanding Balance: \$560,000.00
Junior Lien	Johnny Lingbanan (the "Debtor") Napa County Recorder DOC #2005-0035219 BK-PG - Outstanding Balance: \$160,000
Estimated Closing Costs	\$30,000
Amount that Debtor's Junior Note is "In the Money"	Estimated \$10,000.

As evidenced by the above, the note is barely "in the money." However, the Debtor - or a Chapter 7 Trustee - could not even compel liquidation of the Debtor's estimated \$10,000 interest because the junior lien is a performing note. Pursuant to the underlying agreement between the borrower and the Debtor, the Debtor has remained current on interest-only payments on the note in the amount of bi-monthly approximately \$1,866.66, which amounts to a monthly figure of approximately \$933.33.<sup>4</sup> The loan is not in default.

At best, the Debtor - or a Chapter 7 Trustee - could attempt to liquidate assignment rights to the Debtor's junior performing note to a third party on the secondary loan market. While valuation of the secondary loan market is difficult at best, the estate's interest is best approximated as follows:

<b>Junior Lien Face Value</b>	\$160,000
<b>Liquidation Value</b>	\$60,000
<b>Less Additional Estate Professional Fees to Locate/Negotiate Sale</b>	\$10,000
<b>Remaining Value:</b>	<b>\$50,000</b>

<sup>4</sup> The \$1,866.66 figure was deposited bi-monthly into the general DIP account (X622) and included in the operating reports within the category of "Home Care Income"



**Exhibit 10 - Disclosure of Additional Risk Factor - Referral Agency Fees for New Patients**

In an operation of long-term care home facilities, patient turnover is not infrequent. The Debtor receives the majority of new patients through referral agencies. Each referral agency charges the Debtor a one-time referral fee for introduction of the new patient, which fee equals between 60-100% of the first month's rent. The specific name of each referral agency, the one-time percentage fee they charge, and a hypothetical example charge, are all disclosed in the following table.

<b>Name of Agency</b>	<b>One-Time Referral Fee (Percentage of One-Month's Rent)</b>	<b>Hypothetical One-Time Referral Fee for a new patient with a \$3,000 monthly contract</b>
Senior Care Link	100%	\$3,000
E & L Elder Care	60%	\$1,800
Karen Campbell Agency	100%	\$3,000
Senior Care Homes	60%	\$1,800
Tweeten Elder Care Advisors	60%	\$1,800
Placement Options	60%	\$1,800

The Debtor reasonably estimates that the Debtor will pay a referral fee approximately one (1) time per quarter, or four (4) times per year. Due to the fluctuating prices of patient beds, the Debtor reasonably estimates paying between \$10,000 to \$12,000 annually in patient referral fees. Thus, over the 60 month commitment period, the Debtor reasonably anticipates paying between \$50,000-\$60,000 in referral fees.

The income/expense tables for each property in Exhibits 5 and 6 do not include anticipated referral fees, due to the difficulty in assessing the actual frequency and actual fixed monthly cost of a referral fee. However, Exhibit 4 - Effective Date Feasibility - shows that the Debtor anticipates having approximately \$55,000 net cash as of the Effective Date. The Debtor will allocate all net cash available as of the Effective Date towards referral fees. In so doing, The Debtor will ensure that the Debtor can pay all anticipated referral fees over the 60 month commitment period and thereby continue to receive new patients and income for the estate.

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9  
10 UNITED STATES BANKRUPTCY COURT  
11 NORTHERN DISTRICT OF CALIFORNIA  
12 (OAKLAND DIVISION)

13 In re ) Case No. 11-73169 WJL 11  
14 ) Case No. 12-49353 WJL 11  
15 Johnny Lusnong Lingbanan )  
16 Victoria Mendoza Lingbanan ) Chapter 11  
17 dba Harmony Home Care )  
18 dba Camino Ramon Home for Seniors ) Disclosure Statement Hearing  
19 dba J&V Home for Seniors 1 & 2 )  
20 dba Ramona Home Care ) Date: March 26, 2014  
21 ) Time: 10:30 am  
22 ) Dept. Courtroom: 220  
23 ) United States Bankruptcy Court  
24 ) 1300 Clay Street  
25 ) Oakland, CA 94612  
26 ) Judge: Honorable William J. Lafferty III  
27 )  
28 JVTM Care, LLC )  
29 dba Harmony Home Care ) Plan Confirmation Hearing  
30 ) See Plan for Voting and Objecting  
31 ) Procedures  
32 ) Date: April 30, 2014  
33 ) Time: 10:30 am  
34 ) Dept. Courtroom: 220  
35 ) United States Bankruptcy Court  
36 ) 1300 Clay Street  
37 ) Oakland, CA 94612

38 STIPULATION TO COMPROMISE CONTROVERSY WITH CONTRA COSTA  
39 COUNTY TAX COLLECTOR AND NEGOTIATED DISPOSITION OF CLAIM  
40 TREATMENT IN DEBTORS' AMENDED PLAN OF REORGANIZATION

1 This Stipulation is entered into by and between the Contra Costa County Treasurer and  
2 Tax Collector ( "Secured Creditor"), by and through its attorneys of record on the one hand, and  
3 Debtors and Debtors in Possession Johnny Lusnong Lingbanan, Victoria Mendoza Lingbanan, and  
4 JVTM Care, LLC (hereinafter the "Debtors"), by and through their attorneys of record on the  
5 other hand (collectively the "Parties").

6 **RECITALS**

7 A. Debtors filed their Voluntary Chapter 11 Petition in Bankruptcy with this Court  
8 on or about December 19, 2011 (the "petition date").

9 B. Pursuant to a proof of claim 5-1 filed January 19, 2012, Secured Creditor has a  
10 pre-petition statutory secured property tax claim in the amount of \$94,943.25.

11 C. On March 26, 2014, the Debtors filed a Proposed Combined Plan of  
12 Reorganization and Tentatively Approved Disclosure Statement (the "Plan"). The Plan  
13 classifies secured creditor in Class 1 (c) (1) and proposes a repayment schedule to complete  
14 within 60 months of the effective date.

15 D. Section 1129(a)(9)(C) of the United States Bankruptcy Code, 11 U.S.C. § 101 et  
16 seq. (the "Code"), requires that property taxes receive payment in full within 60 months from  
17 the petition date (the "deadline").  
18

19 E. Paragraph seven (7)(a) of the Debtors' plan of reorganization filed March 26,  
20 2014 (the "Plan") defines the Effective Date as the 15th day following the date of entry of order  
21 confirming the plan.  
22

23 F. Here, with a confirmation hearing scheduled for April 30, 2014, the Debtors  
24 reasonably anticipate an Effective Date of May 15, 2014.  
25

26 G. From the petition date through the anticipated Effective Date, the Parties agree  
27

1 that Secured Creditor's pre-petition claim is presently valued at \$118,600.80, inclusive of  
2 statutory redemption interest.

3  
4 H. Accordingly, the Debtors must repay Secured Creditors pre-petition property tax  
5 claim's adjusted figure of \$118,600.80 within 31 months of the Effective Date (assuming that  
6 the Effective Date occurs in May 2014), at an annualized 18 percent per annum rate of interest.

7 I. Accordingly, the Parties have stipulated to modify the Secured Creditor's  
8 treatment in Class 1(c)(1) of the Plan as follows.

9  
10 **THE PARTIES HEREBY STIPULATE AS FOLLOWS:**

11 1. Commencing June 1, 2015 (the first day of the month that begins after the Effective  
12 Date), the Debtors are to make 31 monthly payments in the amount of \$4,812.14.

13 2. Payments are due on the first of the month.

14 3. Payments are considered late if not received by the last day of the month.

15 4. The above-terms are to be incorporated in the Debtors' Plan via the Order  
16 Confirming Plan.

17 5. In the event of a conflict between the Plan and the instant stipulation, the terms of  
18 the instant stipulation control.

19 6. In exchange for the foregoing, Secured Creditor agrees to vote in favor of the  
20 Debtors' Plan as a Class 1(c)(1) Creditor.

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1 IT IS SO STIPULATED  
2 APPROVED AS TO FORM.  
3 DATED: April 23, 2014

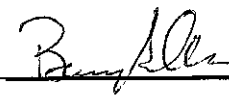
**BELVEDERE LEGAL, PC**

By       /S/      Matthew D. Metzger      

MATTHEW D. METZGER  
Attorneys for Debtors and Debtors-in Possession,  
Johnny Lusnong Lingbanan, Victoria Mendoza  
Lingbanan, JVTCM Care, LLC

12 DATED: April 23, 2014

**STECKBAUER WEINHART, LLP**

By       /S/      Barry S. Glaser, Esq.       

Barry S. Glaser  
Attorneys for Secured Creditor Contra Costa  
County Treasurer and Tax Collector

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8 *Attorneys for Debtors*

9  
10 **UNITED STATES BANKRUPTCY COURT**  
11 **NORTHERN DISTRICT OF CALIFORNIA**  
12 **(OAKLAND DIVISION)**

13 **In re** ) **Case No. 11-73169 WJL 11**  
14 ) **Case No. 12-49353 WJL 11**  
15 **Johnny Lusnong Lingbanan** )  
16 **Victoria Mendoza Lingbanan** ) **Chapter 11**  
17 **dba Harmony Home Care** )  
18 **dba Camino Ramon Home for Seniors** ) **Disclosure Statement Hearing**  
19 **dba J&V Home for Seniors 1 & 2** )  
20 **dba Ramona Home Care** ) **Date: March 26, 2014**  
21 ) **Time: 10:30 am**  
22 **SSN: XXXX-XX-1739** ) **Dept. Courtroom: 220**  
23 **SSN: XXXX-XX-5976** ) **United States Bankruptcy Court**  
24 ) **1300 Clay Street**  
25 ***Substantively Consolidated with*** ) **Oakland, CA 94612**  
26 ) **Judge: Honorable William J. Lafferty III**  
27 **JVTCM Care, LLC** )  
28 **dba Harmony Home Care** ) **Plan Confirmation Hearing**  
 ) **See Plan for Voting and Objecting**  
 ) **Procedures**  
 ) **Date: April 30, 2014**  
 ) **Time: 10:30 am**  
 ) **Dept. Courtroom: 220**  
 ) **United States Bankruptcy Court**  
 ) **1300 Clay Street**  
 ) **Oakland, CA 94612**

29 **STIPULATION TO COMPROMISE CONTROVERSY WITH SONOMA COUNTY**  
30 **TREASURER AND TAX COLLECTOR AND NEGOTIATED DISPOSITION OF CLAIM**  
31 **TREATMENT IN DEBTORS' AMENDED PLAN OF REORGANIZATION**

1 This Stipulation is entered into by and between the Sonoma County Treasurer and Tax  
2 Collector ( "Secured Creditor"), by and through its attorneys of record on the one hand, and  
3 Debtors and Debtors in Possession Johnny Lusnong Lingbanan, Victoria Mendoza Lingbanan, and  
4 JVTCM Care, LLC (hereinafter the "Debtors"), by and through their attorneys of record on the  
5 other hand (collectively the "Parties").

6 **RECITALS**

7 A. Debtors filed their Voluntary Chapter 11 Petition in Bankruptcy with this Court  
8 on or about December 19, 2011 (the "petition date").

9 B. On March 26, 2014, the Debtors filed a Proposed Combined Plan of  
10 Reorganization and Tentatively Approved Disclosure Statement (the "Plan"). The Plan  
11 classifies secured creditor in Class 1 (c) (2) and provides for the treatment of secured creditor's  
12 claim therein.  
13

14 C. Secured Creditor has reviewed claim treatment as proposed in the plan and finds  
15 said treatment acceptable – as to pre-petition tax arrears.

16 D. However, Secured Creditor maintains that the Debtors have not made – as of this  
17 filing – the second installment on property taxes due for the 2013-2014 tax year.  
18

19 E. Accordingly, the Debtors are presently in post-petition arrearages in the amount  
20 of \$6,889.97.

21 F. Here, with a confirmation hearing scheduled for April 30, 2014, the Debtors  
22 reasonably anticipate an Effective Date of May 15, 2014.  
23

24 G. Accordingly, the Parties have stipulated as follows.

25 **THE PARTIES HEREBY STIPULATE AS FOLLOWS:**

26 1. By the Effective Date, the Debtors shall make a payment to Secured Creditor for  
27

1 the second installment of 2013-2014 taxes in the amount of \$6,889.97

2 2. In exchange for the foregoing, Secured Creditor agrees to vote in favor of the  
3 Debtors' Plan as a Class 1(c)(2) Creditor.

4 IT IS SO STIPULATED

5 APPROVED AS TO FORM.

6 DATED: April 23, 2014

7 **BELVEDERE LEGAL, PC**

8  
9 By /S/ Matthew D. Metzger

10 MATTHEW D. METZGER  
11 Attorneys for Debtors and Debtors-in Possession,  
12 Johnny Lusnong Lingbanan, Victornia Mendoza  
13 Lingbanan, JVTCM Care, LLC

14  
15 DATED: April 23, 2014

16 **STECKBAUER WEINHART, LLP**

17 By /S/ Barry S. Glaser, Esq.

18 Barry S. Glaser  
19 Attorneys for Secured Creditor Sonoma County  
20 Treasurer and Tax Collector

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7 Email: mmetzger@belvederelegal.com

8 *Attorneys for Debtors*

9  
10 UNITED STATES BANKRUPTCY COURT  
11 NORTHERN DISTRICT OF CALIFORNIA  
12 (OAKLAND DIVISION)

13	In re	)	Case No. 11-73169 WJL 11
14		)	Case No. 12-49353 WJL 11
15	Johnny Lusnong Lingbanan	)	
16	Victoria Mendoza Lingbanan	)	Chapter 11
17	dba Harmony Home Care	)	
18	dba Camino Ramon Home for Seniors	)	<u>Disclosure Statement Hearing</u>
19	dba J&V Home for Seniors 1 & 2	)	
20	dba Ramona Home Care	)	Date: March 26, 2014
21		)	Time: 10:30 am
22	SSN: XXXX-XX-1739	)	Dept. Courtroom: 220
23	SSN: XXXX-XX-5976	)	United States Bankruptcy Court
24		)	1300 Clay Street
25	<i>Substantively Consolidated with</i>	)	Oakland, CA 94612
26		)	
27		)	Judge: Honorable William J. Lafferty III
28	JVTCM Care, LLC	)	
29	dba Harmony Home Care	)	<u>Plan Confirmation Hearing</u>
30		)	See Plan for Voting and Objecting
31		)	Procedures
32		)	Date: April 30, 2014
33		)	Time: 10:30 am
34		)	Dept. Courtroom: 220
35		)	United States Bankruptcy Court
36		)	1300 Clay Street
37		)	Oakland, CA 94612

38  
39 **STIPULATION TO COMPROMISE CONTROVERSY WITH TOYOTA MOTOR**  
40 **CREDIT CORPORATION AND NEGOTIATED DISPOSITION OF CLAIM**  
41 **TREATMENT IN DEBTORS' AMENDED PLAN OF REORGANIZATION**

1 This Stipulation is entered into by and between Toyota Motor Credit Corporation  
2 (“Secured Creditor”), by and through its attorneys of record on the one hand, and Debtors and  
3 Debtors in Possession Johnny Lusnong Lingbanan, Victoria Mendoza Lingbanan, and JVTCM  
4 Care, LLC (hereinafter the “Debtors”), by and through their attorneys of record on the other hand  
5 (collectively the “Parties”).

6 **RECITALS**

7 A. Debtors filed their Voluntary Chapter 11 Petition in Bankruptcy with this Court  
8 on or about December 19, 2011 (the “petition date”).

9 B. On September 17, 2012, the Court entered an Order, pursuant to a signed  
10 Stipulation Regarding the Position and treatment of Secured Creditor, Toyota Motor  
11 Corporation, Under Chapter 11 Proceeding, listed on the docket as ECF/Docket Number 148  
12 (the “Order”).

13 C. On March 26, 2014, the Debtors filed a Proposed Combined Plan of  
14 Reorganization and Tentatively Approved Disclosure Statement (the “Plan”). The Plan  
15 classifies secured creditor in Class 1 (d) (2) and proposed treatment of secured creditor’s claim  
16 therein.  
17

18 D. The Parties agree that the treatment of Secured Creditor’s claim as approved by  
19 the parties hereto and Ordered by the Court in the Order supersedes the claim treatment as  
20 proposed in Class 1 (d) (2) of the Plan.  
21

22 E. Accordingly, the Parties have stipulated as follows.

23 **THE PARTIES HEREBY STIPULATE AS FOLLOWS:**

24 1. The September 17, 2012 Order Regarding Position of Secured Creditor, Toyota  
25 Motor Corporation, Under Chapter 11 Proceeding, listed on the docket as ECF/Docket Number  
26 148 is controlling and supersedes the claim treatment of Secured Creditor as proposed in Class 1  
27

1 (d)(2) in the Plan.

2 2. The Order controls claim treatment for Secured Creditor.

3 3. In the Order Confirming Plan, the Debtors shall incorporate the terms of the  
4 September 17, 2012 Order regarding claim treatment of Secured Creditor.

5 IT IS SO STIPULATED

6 APPROVED AS TO FORM.

7 DATED: April 23, 2014

8

**BELVEDERE LEGAL, PC**

9

By  /s/ Matthew D. Metzger

10

11

**MATTHEW D. METZGER**  
Attorneys for Debtors and Debtors-in Possession,  
Johnny Lusnong Lingbanan, Victoria Mendoza  
Lingbanan, JVTCM Care, LLC

12

13

14

15

16 DATED: April 23, 2014

**LAW OFFICES OF AUSTIN P. NAGEL**

17

By  /s/ Austin P. Nagel Esq.

18

19

Austin P. Nagel  
Attorneys for Secured Creditor Toyota Motor Credit  
Corporation

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