

EXHIBIT C

LIQUIDATION ANALYSIS

Assets

<u>Type</u>	<u>Property</u>	<u>Est. Value</u>
Real Property:	Unimproved land in Poplarville, MS	\$480.00
	Leasehold in Fairhope, AL	\$0.00
Personal Property:	Automobiles (6)	\$25,050.00
	Motorcycles & Trailers (3)	\$7,300.00
	Watercraft (5)	\$43,800.00
	Clothing	\$100.00
	Firearms/Hobby	\$4,500.00
	DIP Account (Nov. 2017)	\$7,105.89
	Household Goods & Furnishings	\$1,200.00
	Furs & Jewelry	\$250.00
	Value of Related Entities	\$0.00
	Investments	\$1,200.00
	Causes of Action	Unknown
	Insurance	\$0.00
Total Asset Value:		\$90,985.89

Liabilities (Arranged in Liquidation Distribution Priority)

<u>Type</u>	<u>Creditor</u>	<u>Collateral</u>	<u>Claim Amount</u>
Secured Debt ¹ :	Exeter Fin. Corp.	2006 BMW M6	\$10,955.98
	M&T Bank	1981 Pilothouse boat	\$2,967.28
	ALDOR	Blanket Tax Lien	\$6,154.68
	IRS	Blanket Tax Lien	\$66,816.38

¹ The amounts listed for Exeter Finance Corporation and M&T Bank represent the current payoff amounts, not the amounts initially claimed. The amount listed for the IRS tax lien represents that listed in its proof of claim, which appears to be based on its estimate of the value of the Debtor's assets. However, the recorded tax lien encompasses approximately \$468,320.80 in tax debt, based on the IRS's original proof of claim.

Admin. Expenses ² :	Chapter 7 Expenses	Unknown
	MEMORY & DAY	\$20,000.00
	Vogel & Associates	\$5,000.00
Priority Taxes:	IRS	\$118,716.63
	ALDOR	\$12,240.70
General Unsecured Debt:		\$393,856.59
Total Liabilities:		\$633,248.69

Summary

If this case converts to a liquidation under Chapter 7 of the Bankruptcy Code, a trustee will be appointed and will be obligated to pay all secured claims first. The secured claims of Exeter Finance Corporation and M&T Bank have purchase-money priority with regard to their respective collateral and are fully secured based on the estimated value of that collateral. However, the Alabama Department of Revenue (“ALDOR”) and Internal Revenue Service (“IRS”) hold sizeable tax liens that are secured by all the Debtor’s remaining property. Although the listed secured debt on this analysis totals \$86,894.32, reflecting the amended proof of claim filed by the IRS, the actual tax debt encompassed by the IRS’s tax lien is probably closer to \$468,320.80, based on the IRS’s original proof of claim. Thus, in a Chapter 7 liquidation, the Debtor’s assets will probably be insufficient to satisfy outstanding secured claims.

In the unlikely event all secured claims would be satisfied in a Chapter 7 liquidation, the trustee would also be obligated to pay certain priority unsecured claims before making any distributions to general unsecured creditors. First, the trustee would pay all administrative expenses of the Chapter 7 estate; although the Debtor has not hazarded a guess at this amount, it would have to be considerably high for enough estate property to be recovered to fully satisfy secured claims. Second, the trustee would pay all allowed administrative expenses of the failed Chapter 11 case, the amounts of which are estimated for this analysis. Third, the trustee would pay the Debtor’s tax debts stemming from the past three years, which are also entitled to priority. Finally, the trustee would be able to distribute remaining estate proceeds to general unsecured creditors, pro rata.

² In a Chapter 7 liquidation, Chapter 7 administrative expenses would receive priority over Chapter 11 administrative expenses. The listed amounts of Chapter 11 administrative expenses are estimates.