

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**

In re:

Muniraj Enterprises, Inc.
d/b/a Hawthorn Suites Orlando Convention Center

Case No.: 6:11-bk-10907-ABB
Chapter 11

Debtor. _____/

DEBTOR'S CHAPTER 11 CASE MANAGEMENT SUMMARY

Muniraj Enterprises, Inc., a Florida corporation, as debtor and debtor-in-possession ("Debtor" or "MEI"), pursuant to Administrative Order FLMB-2009-1, hereby files its Chapter 11 Case Management Summary (the "Summary"), and states:

INTRODUCTION

On July 18, 2011, the Debtor filed its voluntary petition for relief under Chapter 11 of Title 11 of the United States Code.

I. DESCRIPTION OF DEBTOR'S BUSINESS

Muniraj Enterprises, Inc., d/b/a Hawthorn Suites Orlando Convention Center operates a Hawthorn Suites Hotel located in Orlando, Florida.

II. LOCATION(S) OF DEBTOR'S OPERATIONS AND WHETHER LEASED OR OWNED

The Debtor owns the real property located at 6435 Westwood Blvd., Orlando, Florida 32821 (the "Hotel").

III. REASON FOR FILING CHAPTER 11

The Debtor purchased the Hotel in 2008, at or around the time the national commercial property market peaked. At the time of the purchase of the Hotel, the Hotel was in disrepair and the Debtor needed to devote substantial funds to the rehabilitation of the property. These expenses combined with the economic downturn which contributed to a reduction in revenue of approximately 40% led to the Debtor experiencing a severe cash crunch.

The Debtor began negotiating with its lenders in earnest for some relief on its loans. The Debtor was offering to pay the loans in full but requested some relief in payments while it stabilized the business and increased its financial strength. The Debtor was able to reach a workout agreement with its SBA lender but was unable to make any progress with Community South Bank.

Community South Bank had initiated legal action to foreclose on the Debtor's loan. A summary judgment hearing was scheduled to take place soon after the filing of the Debtor's petition. The Debtor had valid defenses to Community South Bank's summary judgment motion, including a dispute as to the Community South Bank's collateral.

The Debtor believes that Community South Bank has sold, has agreed to sell, or has every intention in selling the loan on the Hotel to a third party. From the Debtor's perspective, Community South Bank is acting less like a lending institution and more like a loan broker. From the Debtor's perspective, Community South Bank is no longer interested in being paid in full over time, but would rather take an opportunistic position without regard to this Debtor, the Estate, employees and vendors of the Debtor.

The Debtor has struggled through the economic downturn and stabilized its business. The Debtor is seeking to pay Community South Bank its entire principal balance, and the Debtor anticipates the support of its SBA lender in these reorganization efforts.

IV. LIST OF OFFICERS AND DIRECTORS AND THEIR SALARIES AND BENEFITS AT TIME OF FILING AND DURING ONE YEAR PRIOR TO FILING

1. Time of Filing:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
Rajendra Patel	President, General Manager	\$5,000 per month ¹
Hemangini Patel	Director, Director of Sales and Marketing	\$2,000 per month ¹
Mukesh Patel	Director	\$0

2. One Year Prior to Filing:

<u>Name</u>	<u>Title</u>	<u>Salary</u>
Rajendra Patel	President, General Manager	\$5,000 per month ¹
Hemangini Patel	Director, Director of Sales and Marketing	\$2,000 per month ¹
Mukesh Patel	Director	\$0

V. DEBTOR'S ANNUAL GROSS REVENUE

2009:	approximately \$2,062,080.00
2010:	approximately \$2,461,187.00

¹ The Hotel is managed by Empire Management, LLC. Empire Management is owned and operated by Rajendra Patel and Mukesh Patel, who are officers and directors of the Debtor. Empire Management is paid \$15,090 per month for property management. The salaries, health benefits and life insurance of Rajendra Patel and Hemangini Patel are paid by Empire Management from the property management fee.

2011 through July 21: approximately \$1,500,000.00

VI. AMOUNTS OWED TO VARIOUS CLASSES OF CREDITORS

The Debtor may owe approximately the following amounts to the following classes of creditors, certain amounts of which may be subject to dispute:

Priority Creditors:	None
Taxes and other certain unsecured priority debts (including property taxes):	\$0.00
Secured Creditors:	\$7,280,278.68
Unsecured Creditors:	\$713,000

VII. GENERAL DESCRIPTION AND APPROXIMATE VALUE OF DEBTOR'S CURRENT AND FIXED ASSETS

As of the date of its petition, Debtor had the following assets in the approximate values indicated below, all at non-depreciated book value wherever applicable:

Cash and Checking	\$36,000.00
Security Deposits	\$37,048.04
Accounts Receivable	\$62,000.00
Van and Office Equipment and Furniture	\$5,825.00
Hotel Improvements	\$460,000.00
6435 Westwood Blvd. (Hotel)	\$ Pending Valuation

VIII. NUMBER OF EMPLOYEES AND AMOUNT OF WAGES OWED AS OF PETITION DATE

The Debtor currently has 15 employees. As of the Petition Date, the Debtor's accrued payroll obligations are approximately \$4,000.00.

IX. STATUS OF DEBTOR'S PAYROLL AND SALES TAX OBLIGATIONS

The Debtor currently owes approximately \$4,000.00 in gross wages for the pre-petition period beginning July 15, 2011, and ending July 17, 2011.

The Debtor is current on its payroll tax obligations.

As of the Petition Date, the Debtor was current on sales taxes.

X. ANTICIPATED EMERGENCY RELIEF WITHIN 14 DAYS OF PETITION DATE

1. Motion for Order Authorizing the Use of Cash Collateral of Community South Bank.

2. Motion for Authority to Pay Pre-Petition Wages
3. Motion for Authority to Pay Affiliate Officers Management Fees
4. Motion for Order Establishing Adequate Assurance for Payment of Utilities

WHEREFORE, Debtor, Muniraj Enterprises, Inc., respectfully submits this Case Management Summary.

Respectfully submitted,

/s/ Christopher C. Todd

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Attorneys for the Debtor

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 29th day of July 2011 the foregoing Case Management Summary was furnished via CM/ECF and/or US Mail to all parties in interest listed on the attached mailing matrix.

/s/ Christopher C. Todd

Attorney