



TAMPA BAY BANKRUPTCY CENTER, P.A.

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## Successful Bankruptcy Process for Zayat

Zayat Stables, the nation's third highest grossing thoroughbred horse racing owner, will emerge from Chapter 11 bankruptcy completely paying off its creditors 100%.

This is an outstanding achievement for the stables after it sought bankruptcy protection a mere few months ago in February.

Back then, Zayat owed its creditors roughly \$50 million and had about the same amount in total assets. Its largest creditor is Fifth Third Bancorp to whom it defaulted on a loan of \$34.2 million. Other creditors include Kentucky-based Keeneland Association Inc, the largest thoroughbred auctioneer in the world who is owed \$2.4 million and others to whom Zayat owes \$1.2 million in total.

The US bankruptcy court for the District of New Jersey recently approved of Zayat's Chapter 11 reorganization plans after Fifth Third Bancorp granted its consent to it.

Under the reorganization, Fifth Third will be fully paid off by 2014 while other unsecured creditors will be paid in full over the next 2 years without interest.

Its owner, Ahmed Zayat expressed his optimism and excitement over the prospect of building upon recent successes of the company in building for the future. The Stables earned about \$6.3 million out of 113 wins in 573 races last year.

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Ahmed Zayat started his business career in a major way by buying over Al-Ahram Beverages Co. from the Egyptian government in 1997. Five years later, he sold the brewery to Heinekin NV for \$287 million. He went on to form Zayat Stables in 2005, pumping in some \$40 million into the company. The Hackensack, New Jersey based company now owns 203 thoroughbred horses valued at \$37 million. Its revenue for last year was about \$21 million which makes it the third highest earner behind Darley Stables and Godolphin Stables.

One of Zayat's horses, the Pioneer of the Nile came in second behind Mine that Bird in last year's prestigious Kentucky Derby, the first leg of the Triple Crown. In this year's Derby, another Zayat horse, Eskenderaya was the early favorite before having to be retired due to a leg injury. Jess Jackson, the well-known California vintner bought an interest in Eskenderaya. Jackson is the owner of two-time Horse of the Year, Curlin and current Horse of the Year, Rachel Alexandra.

The case is Zayat Stables LLC 10-10202, U.S. Bankruptcy Court, District of New Jersey (Newark).

If your business is going through financial difficulties and you have debts you cannot repay, you can file for bankruptcy protection like Zayat did. Bankruptcy is your right under the law. Call us for a free consultation at (813) 200 4133 or visit <http://tampabankruptcy.pro>.

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