



### **THE DEBTOR**

5. Debtor is a Florida Limited Liability Company which owns and leases out a piece of commercial real estate. The commercial real estate is located at 11700 San Jose Boulevard, Jacksonville, Florida 32223. Debtor's managing member is Melissa Buchanan.
6. The property owned by Debtor has an estimated market value of \$11,000,000.00. The current debt secured by this property totals \$7,024,426.19 on the first mortgage and \$152,182.35 on the second mortgage. There is an estimated \$3,823,391.46 in equity in this property.
7. Debtor currently has thirteen (13) tenants occupying the property.
8. Currently, the total amount of base rent due to Debtor each month is approximately \$65,000.00.
9. Currently, the monthly common area maintenance ("CAM") charges are approximately \$20,000.00.
10. Currently, the total amount received by Debtor from its tenant, including sales tax, is approximately \$85,000.00.
11. Prior to the Petition Date, a court appointed receiver took control of the property, including the collecting all rent. According to the most recent report filed, the receiver had approximately \$134,642.98 in the Wachovia bank account on June 30, 2010. The Balance Sheet attached to the receiver's report is dated July 16, 2010 and shows a cash balance of \$197,472.72 in the Wachovia account.

### **CASH COLLATERAL**

12. The cash collateral, which Debtor seeks to use, is comprised in whole or part of:

- a. The monthly rents due from the tenants;
- b. The funds in Wachovia account held by the receiver on the Petition Date; and
- c. Any security deposits on hand.

**CREDITORS SECURED BY CASH COLLATERAL**

13. On June 18, 2007, Debtor entered into an Amended and Restated Promissory Note in the amount of \$6,500,000.00 with The Park Avenue Bank ("Creditor").
14. On the same date, Debtor executed an Amended and Restated Mortgage and Security Agreement granting Creditor a mortgage on the Property.
15. On the same date, Debtor executed an Amended and Restated Assignment of Rents, Leases and Profits assigning Debtor's rights in any leases to Creditor.
16. On June 21, 2007, Creditor also filed a UCC-1 Financing Statement showing as collateral all proceeds of the Property.
17. On August 28, 2008, Debtor entered into a Promissory Note in the amount of \$150,000.00 with Creditor.
18. On the same date, Debtor executed a Second Mortgage and Security Agreement granting Creditor a second mortgage on the Property.
19. On the same date, Debtor executed Assignment of Rents, Leases and Profits assigning Debtor's rights in any leases to Creditor.
20. On September 5, 2008, Creditor also filed a UCC-1 Financing Statement showing as collateral all proceeds of the Property.
21. Prior to the Petition Date, Creditor commenced a foreclosure suit and the court appointed a receiver to manage and operate the Property.

**RELIEF REQUESTED**

22. It is essential that Debtor continue, without interruption, operations which will require the use of the monthly rent from its tenants, the cash held by the receiver on the Petition Date, and the security deposits on hand.
23. Debtor proposes to allow Creditor to receive a replacement lien on post-petition cash collateral of the same priority and to the same extent as the pre-petition cash collateral.
24. Debtor proposes to make adequate protection payments to Creditor in an amount equal to the pre-petition, non-default, principal and interest payment. The amount of this payment is approximately \$54,000.00.
25. Attached as Exhibit "A" is a proposed order granting authority to use the cash collateral drafted by Debtor.
26. Attached as Exhibit "B" is a proposed monthly budget projecting cash flow for the time the use of the cash collateral is sought.
27. If Debtor is not permitted to use the cash collateral, it may be forced to halt operations, which will result in reductions of the value of the estate and create an adverse effect on all creditors.

**WHEREFORE**, Debtor respectfully requests this Court grant its motion for an emergency preliminary hearing and to enter an order granting Debtor authority to use cash collateral.

(Signature page follows)

Dated this 27<sup>th</sup> day of July 2010

**11700 SAN JOSE BOULEVARD, LLC**  
**By: Melissa Buchanan, Managing Member**



**Melissa Buchanan**

**BANKRUPTCY LAW FIRM OF  
LANSING J. ROY, P.A.**

**/s/ Kevin B. Paysinger**

**Lansing J. Roy, Esquire**

Florida Bar No. 120716

**Christopher R. DeMetros, Esquire**

Florida Bar No. 0863467

**Kevin B. Paysinger, Esquire**

Florida Bar No. 0056742

Attorney for Debtor

P.O. Box 10399

Jacksonville, FL 32247-0399

(904) 391-0030

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the forgoing motion was sent on this 27<sup>th</sup> day of July 2010 to the United States Trustee and the parties in interest on the attached mailing matrix by United States First Class mail; and to the following parties by facsimile:

Frederick R. Brock, Esquire  
Gartner, Brock & Simon  
P.O. Box 10697  
Jacksonville, FL 32247  
**Via fax to (904) 399-1113**

Childers Commercial Properties, Inc.  
Attn: Catherine L. Childers  
Court Appointed Receiver  
4446-1A Hendricks Avenue, Suite 202  
Jacksonville, FL 32207  
**Via fax to (904) 737-3628**

**BANKRUPTCY LAW FIRM OF  
LANSING J. ROY, P.A.**

**/s/ Kevin B. Paysinger**  
**Kevin B. Paysinger, Esquire**  
Florida Bar No. 0056742  
Attorney for Debtor  
P.O. Box 10399  
Jacksonville, FL 32247-0399  
(904) 391-0030

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

**IN RE:** )  
 )  
11700 SAN JOSE BOULEVARD, LLC ) **CASE NO. 10-06484**  
 ) **CHAPTER 11**  
 )  
\_\_\_\_\_ **Debtor** )

**INTERIM ORDER GRANTING DEBTOR'S EMERGENCY MOTION  
FOR AUTHORITY TO USE CASH COLLATERAL AND  
NOTICE OF FINAL HEARING**

This case came before the Court upon the emergency motion, dated July 27, 2010 (the "Motion"), of 11700 San Jose Boulevard, LLC (the "Debtor") for entry of an order pursuant to 11 U.S.C. §§ 363(c)(2) and 363(e) and Federal Rule of Bankruptcy Procedure 4001(b)(1) for authority to use cash collateral. An emergency hearing was held on this Motion on \_\_\_\_\_. Accordingly, it is:

**ORDERED:**

1. The Motion is Granted on an interim basis.
2. The Debtor is authorized to use the cash collateral defined in the Motion until the Final Hearing on the Motion, which is presently scheduled for \_\_\_\_\_ at \_\_\_\_\_.
3. The cash collateral is comprised of future rents to be received from Debtor's tenants and cash in the bank on July 27, 2010 (the "Cash Collateral").
4. The Debtor is authorized to use the Cash Collateral in order to fund continuing business operations without interruption which will require the use of the cash collateral. Debtor's use of the Cash Collateral shall be limited to the reasonable and necessary operating expenses of its business. A copy of Debtor's projected budget is attached as Exhibit A.

5. The secured party interested in the cash collateral, The Park Avenue Bank ("Lender"), is granted a replacement lien on the post-petition cash collateral with the same validity, to the same extent, and with the same priority as their pre-petition liens.
6. Debtor is hereby ordered to pay to Lender adequate protection payments of \$ \_\_\_\_\_ beginning on \_\_\_\_\_ and by the \_\_\_th of each month thereafter pending further order of this Court (the "Adequate Protection Payment").
7. In the event that Debtor does not pay the Adequate Protection Payment or breaches any of its obligations under this order, which non-payment or breach remains uncured for a period of five (5) business days from written notice to Debtor by Lender, Debtor shall cease the use of cash collateral immediately upon default and Lender shall be entitled to obtain an expedited hearing to obtain appropriate relief.

**DONE and ORDERED** on \_\_\_\_\_ in Jacksonville, Florida.

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**United States Bankruptcy Judge**

Copies furnished to:  
All parties in interest.



Mandarin South Budget August 2010 - January 2011

ACCOUNT NAME	AUGUST 2010	SEPT 2010	OCT 2010	NOV 2010	DEC 2010	JAN 2011	TOTAL 6 Months
<b>INCOME:</b>							
4110 BASE RENT	\$64,461	\$64,794	\$64,794	\$81,268	\$81,268	\$81,268	\$437,853
TOTAL BASE RENT	\$64,461	\$64,794	\$64,794	\$81,268	\$81,268	\$81,268	\$437,853
<b>OTHER INCOME</b>							
4120 CAM	\$6,081	\$6,081	\$6,081	\$6,081	\$6,081	\$6,081	\$36,488
4130 INSURANCE	\$1,755	\$1,755	\$1,755	\$1,755	\$1,755	\$1,755	\$10,532
4140 R.E. TAX	\$6,318	\$6,318	\$6,318	\$6,318	\$6,318	\$6,318	\$37,910
RESERV. MAJ. REPAIRS	\$429	\$429	\$429	\$429	\$429	\$429	\$2,573
MNGT FEES	\$3,236	\$3,250	\$3,250	\$3,909	\$3,909	\$3,909	\$21,462
WATER EXPENSES	\$964	\$966	\$968	\$970	\$970	\$970	\$5,806
4220 SIGN SALES-PYLON	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PREV. YR. CAM PMTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4415 MISC. TEMP TENANTS	\$900	\$900	\$900	\$900	\$900	\$900	\$5,400
TOTAL OTHER INCOME	\$19,684	\$19,699	\$19,701	\$20,362	\$20,362	\$20,362	\$120,171
<b>TOTAL INCOME</b>	<b>\$84,145</b>	<b>\$84,493</b>	<b>\$84,495</b>	<b>\$101,630</b>	<b>\$101,630</b>	<b>\$101,630</b>	<b>\$558,024</b>

EXHIBIT  
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Mandarin South Budget August 2010 - January 2011

ACCOUNT NAME	AUGUST 2010	SEPT 2010	OCT 2010	NOV 2010	DEC 2010	JAN 2011	TOTAL 6 Months
CAM Related Expenses							
Repairs & Maintenance							
5205 R & M - General	\$260	\$260	\$260	\$260	\$260	\$260	\$1,560
5217 R & M - Bulbs & Lighting	\$0	\$300	\$0	\$0	\$0	\$0	\$300
5218 R & M - Electrical	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5219 R & M - Sign Repair	\$0	\$0	\$200	\$0	\$0	\$200	\$400
5220 R & M - Landscape Maint.	\$225	\$225	\$225	\$225	\$225	\$225	\$1,350
5221 R & M - Landscape Special	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5222 R & M - Plumbing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5223 R & M - Irrigation	\$100	\$0	\$0	\$100	\$100	\$100	\$400
5226 R & M - Rear Clean-up.	\$300	\$50	\$0	\$50	\$50	\$50	\$500
5230 R & M - Painting	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5235 R & M - Pest Control	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5240 R & M - Pressure Wash	\$1,000	\$0	\$0	\$1,000	\$0	\$0	\$2,000
5241 R & M - Sprinkler System (Fire)	\$0	\$0	\$160	\$0	\$0	\$0	\$160
5242 R & M - Roof Repair	\$250	\$0	\$250	\$0	\$250	\$0	\$750
5245 R & M - Sweeper Service	\$1,276	\$1,276	\$1,276	\$1,276	\$1,276	\$1,276	\$7,656
5250 R & M - Trash Removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5255 R & M - Christmas Decorations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5257 R & M - Parking Lot	\$100	\$100	\$100	\$100	\$100	\$100	\$600
Total Repairs & Maint.	\$2,511	\$2,211	\$2,471	\$3,011	\$3,011	\$3,011	\$16,226

Mandarin South Budget August 2010 - January 2011

ACCOUNT NAME	AUGUST 2010	SEPT 2010	OCT 2010	NOV 2010	DEC 2010	JAN 2011	TOTAL 6 Months
Management Fees	\$3,236	\$3,250	\$3,250	\$3,909	\$3,909	\$3,909	\$21,462
Total Management Fees	\$3,236	\$3,250	\$3,250	\$3,909	\$3,909	\$3,909	\$21,462

Utilities	AUGUST 2010	SEPT 2010	OCT 2010	NOV 2010	DEC 2010	JAN 2011	TOTAL 6 Months
5271 Electric	\$550	\$550	\$550	\$550	\$550	\$550	\$3,300
5272 Water/Irrigation	\$50	\$50	\$50	\$50	\$50	\$50	\$300
5273 Water/Sewer	\$970	\$970	\$970	\$970	\$970	\$970	\$5,820
Total Utilities	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$9,420

Taxes & Insurance	AUGUST 2010	SEPT 2010	OCT 2010	NOV 2010	DEC 2010	JAN 2011	TOTAL 6 Months
5281 Insurance	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$15,000
5284 R. E. Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5285 RE Agreement - LRS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$15,000

TOTAL CAM RELATED EXP	\$9,817	\$9,531	\$9,791	\$10,990	\$10,990	\$10,990	\$40,129
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TOTAL OPERATING EXP	\$9,987	\$9,701	\$9,961	\$11,160	\$11,160	\$11,160	\$40,809
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NET OPER INCOME (LOSS)	\$74,158	\$74,792	\$74,534	\$90,470	\$90,470	\$90,470	\$313,955
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