

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

In Re:)	BK No.: 11-51502
1555 WABASH LLC, an Illinois limited)	
liability company,)	Chapter: 11
)	Honorable Jacqueline Cox
)	
Debtor(s))	

THIRD ORDER AUTHORIZING INTERIM USE OF
CASH COLLATERAL AND GRANTING RELATED RELIEF

THIS MATTER COMING TO BE HEARD upon the Motion of 1555 WABASH, LLC, an Illinois limited liability company, Debtor/Debtor-in-Possession herein, For Authority to Use Cash Collateral pursuant to Section 363 of the Bankruptcy Code (the "Motion"); proper notice as required by Rule 4001(b) of the Federal Rules of Bankruptcy Procedure having been provided; AMT CADC Venture, LLC ("Senior Lender") having made limited objections to the Debtor's continued use of cash collateral; this Court having conducted an evidentiary hearing and determined that the Debtor's use of cash collateral to cover the expenditures set forth on Exhibit A hereto is necessary to avoid immediate and irreparable harm to the Debtor's estate pending a final hearing on the Motion; and this Court being fully advised in the premises;

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

A) The Debtor is authorized to use cash collateral during the period May 1, 2012, through June 30, 2012, to the extent set forth on Exhibit A hereto;

B) In return for the Debtor's interim use of cash collateral, the Senior Lender and Weyerhaeuser Realty Investors (collectively, the "Lenders") are granted the following adequate protection for their purported secured interests:

1. The Debtor will permit the Lenders to inspect, upon reasonable notice, within reasonable hours, the Debtor's books and records;
2. The Debtor shall maintain and pay premiums for insurance to cover all of its assets from fire, theft and water damage;
3. The Debtor will maintain sufficient cash reserves for the payment of post-petition real estate taxes when such real estate taxes become due and payable;
4. The Debtor shall, upon reasonable request, make available to the Lenders evidence of the Lenders' collateral or proceeds thereof;
5. The Debtor will properly maintain the Property in good repair and properly manage such Property; and

6. The Senior Lender shall be granted a priority claim pursuant to Section 507(b) of the Bankruptcy Code and valid, perfected, enforceable security interests in and to Debtor's post-petition assets, including all proceeds and products which are now or hereafter become property of this estate to the extent and priority of their alleged pre-petition liens, if valid, but only to the extent of any diminution in the value of such assets during the period from the commencement of the Debtor's Chapter 11 case through the next hearing on the use of cash collateral.

C) The Debtor is only authorized to make the expenditures set forth on Exhibit A hereto plus no more than 10% of the total proposed expenses, unless otherwise agreed by the Senior Lender or upon further Order of this Court;

D) Any expense on Exhibit A hereto that is budgeted for payment in one month but is not paid in such month shall be carried over for payment by the Debtor in subsequent months;

E) This Chapter 11 case shall proceed as a "single asset real estate" case within the meaning of Section 101(51)(B) of the Bankruptcy Code;

F) With respect to payments made by the Debtor to the Senior Lender under Section 362(d)(3) of the Bankruptcy Code, all rights, claims and defenses of the Debtor and the Senior Lender are reserved with respect to such payments; and

G) The Debtor shall provide the Senior Lender with a copy of the monthly cash flow statement and monthly financial statements of the Homeowners Association for the Property and a monthly variance report relating to the cash collateral budget on or before the 15th day of the month following the month covered by such cash flow statement, financial statements and cash collateral budget; and

H) A final hearing on the Motion is scheduled before this Court on June 26, 2012, at 10:00 a.m. *in Courtroom 680, 219 S. Dearborn Street, Chicago, Illinois before Judge Cox.*

Enter:


Honorable Jacqueline Cox
United States Bankruptcy Judge

Dated:

April 26, 2012

Prepared by counsel of Movant:

David K. Welch, Esq.
(Atty. No. 06183621)
Arthur G. Simon, Esq.
(Atty. No. 03124481)
Jeffrey C. Dan, Esq.
(Atty. No. 06242750)
Crane, Heyman, Simon, Welch Clar
135 South LaSalle Street, #3705
Chicago, IL 60603
P-312 641-6777
Cash Collateral.ORD.No.03

Rev: 20101008_bko

EXHIBIT A

	A	B	C	D	Document
1	1555 WABASH				
2					
3	2MONTH CASH FLOW PROJECTION				
4					
5			May-12	Jun-12	Total
6					
7	Income				
8	Rental income - Units		182,921	179,821	362,741
9	Uncollectable/Late/Credits		(10,000)	(10,000)	(20,000)
10	Rental income - Parking		8,100	7,725	15,825
11	Rental income - Retail		0	0	0
12	Admin fee/Pet fee		0	0	0
13	Late fee/NSF fee		100	100	200
14	Application fee		0	0	0
15	Interest income		0	0	0
16	Miscellaneous income				0
17	Total Income		181,121	177,646	358,766
18					
19					
20	Operating Expenses				
21	Management office expenses				
22	Cleaning		75	75	150
23	Communications		250	250	500
24	Postage and delivery		50	50	100
25	Repairs & maintenance		50	50	100
26	Supplies		90	90	180
27	Total Management Office Expenses		515	515	1,030
28	Leasing & marketing expenses				
29	Credit check fees		50	50	100
30	Internet marketing		250	250	500
31	Leasing commissions - Lease renewals		1,625	5,688	7,313
32	Leasing commissions - New leases		3,250	4,876	8,126
33	Media		1,600	1,900	3,500
34	Signage		0	0	0
35	Total Leasing & marketing expenses		6,776	12,764	19,539
36	Vacant Unit assessments				
37	Assessments - Units		47,798	47,798	95,596
38	Assessments - Parking		8,255	8,255	16,510
39	Assessments - Retail		2,110	2,110	4,220
40	Total Vacant Unit assessments		58,163	58,163	116,326
41	Repairs & maintenance - Rental Units				
42	Labor		2,800	3,600	6,200
43	Material		1,500	1,500	3,000
44	Warranty		500	500	1,000
45	Make Ready		2,400	2,400	4,800
46	Contingency		2,500	2,500	5,000
47	Total Repairs & maintenance - Rental Units		9,500	10,500	20,000
48	Other operating expenses				
49	Bank charges		50	50	100
50	Dues & subscriptions for LLC		0	0	0
51	Penalties & fines		0	0	0
52	Rental unit insurance		2,938	2,938	5,875
53	Property management fee		7,245	7,106	14,351
54	Salaries		0	0	0
55	Payroll taxes		0	0	0
56	Total Other Operating Expenses		10,232	10,093	20,326
57	Real estate tax reserve at 1.05				
58	Real estate taxes - Units		12,497	12,497	24,994
59	Real estate taxes - Parking		2,258	2,258	4,515
60	Real estate taxes - Retail		1,085	1,085	2,171
61	Miscellaneous		0	0	0
62	Total Real estate tax reserve		15,840	15,840	31,679
63	Utilities - Vacant Units				
64	Electricity		4,900	4,900	9,800
65	Other utilities		0	0	0
66	Total Utilities		4,900	4,900	9,800
67					
68	Total Operating Expenses		105,926	112,775	218,700
69					
70	Operating Income		75,195	64,871	140,066
71					
72	Interest expense				
73	Interest on \$25M at prime, 3.25%		59,583	59,583	119,167
74					
75	Net Income		15,612	5,287	20,899
76	Running Balance	271,000	286,612	291,899	
77					
78					
79					
80	Average rent - Unit	1,550	1,550	1,550	
81	Average rent - Parking	75	75	75	
82					
83					
84	Units rented at beginning of the month	116	118	116	
85	Lease expirations	(9)	(6)	(18)	
86	Lease renewals	4	2	7	
87	New leases	7	2	3	
88	Units rented at end of the month	118	116	108	
89					
90	Parking rented at beginning of the month	109	108	103	
91	Lease expirations	(10)	(7)	(17)	
92	Lease renewals	6	2	7	
93	New leases	3	0	0	
94	Parking rented at end of the month	108	103	93	

* Estimated Cash Balance 4/30/12