



ENTERED

TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.


United States Bankruptcy Judge

Signed June 11, 2012

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

IN RE: §
1701 COMMERCE, LLC § CASE NO. 12-41748-DML
DEBTOR § Chapter 11

SECOND AMENDED AGREED ORDER CONTINUING USE OF CASH COLLATERAL

On May 24, 2012, the Court considered the *Debtor's Emergency Motion for Interim and Final Authority to Use Cash Collateral* [Dkt. No. 12] (the "**Motion**") filed on March 28, 2012, by 1701 Commerce, LLC, f/k/a Presidio Ft. Worth Hotel, LLC (the "**Debtor**"). The Court previously conducted an expedited, interim hearing on the Motion on March 29, 2012, at which the Debtor, Dougherty Funding, LLC ("**Senior Lender**"), and the Office of the United States Trustee appeared through counsel. Upon consideration of the Motion, arguments of counsel and agreement of the parties that the Debtor was not authorized to use cash collateral for payments to insiders, affiliates or otherwise related parties, the Court granted the Debtor interim use of cash collateral pursuant to the *Interim Order Authorizing Debtor's Use of Cash Collateral* [Dkt. No. 21] (the "**Interim Order**"). The Interim Order authorized the Debtor to use cash collateral,

pursuant to agreed terms and conditions outlined therein, through April 11, 2012. Thereafter, the parties agreed to extend use of cash collateral through May 24, 2012, pursuant to, among other things, the terms and conditions outlined in the Interim Order [Dkt. No. 47]. The parties now agree to further extend use of cash collateral through August 31, 2012, pursuant to the terms and conditions outlined in the Interim Order, the continued prohibition against payments to the Debtor's insiders, affiliates or other related parties, and the updated interim budget (the "*Updated Interim Budget*") attached hereto as **Exhibit A**. It is therefore:

ORDERED that the Interim Order is extended to August 31, 2012, unless terminated earlier by Order of this Court; and it is further

ORDERED that, subject to the variances provided by the Interim Order, the Debtor is authorized to use cash collateral for the period of May 24, 2012 through August 31, 2012 only in the amounts, and only for the purposes, specified in the Updated Interim Budget attached hereto as **Exhibit A**; and it is further

ORDERED that, during this interim period of May 24, 2012 through August 31, 2012, continued interim use of cash collateral is conditioned on Senior Lender's receipt of a monthly adequate protection payment from the Debtor in the amount of \$241,000.00 no later than the last day of each month, which payments shall begin in May 2012 (i.e. the first payment is due no later than May 31, 2012); and it is further

ORDERED that entry of this Order shall not modify or amend any other term, condition, provision, reservation of right, or other agreement outlined in the Interim Order; and it is further

ORDERED that the Debtor is not authorized, absent Senior Lender's consent, to make any payment or disbursement to any insider, affiliate or otherwise related party of the Debtor; and it is further

ORDERED that this Court shall have jurisdiction over any and all disputes arising under
this Order.

END OF ORDER

AGREED TO AS TO FORM AND SUBSTANCE:

/s/ Charles R. Gibbs
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Counsel for the Debtor 1701 Commerce, LLC

EXHIBIT A

Updated Interim Budget

Sheraton Fort Worth Hotel and Spa					
Week Ending (Monday - Sunday)		May-12	Jun-12	Jul-12	Aug-12
Net Beginning Balance		916,809.00	248,094.22	448,865.42	393,782.86
Prior days forecasted occupancy		8,323	9,359	10,160	7,203
Expected Cash Inflows	Due Date	1,724,335.25	1,581,671.00	1,717,040.00	1,217,307.00
Avg Cash per Occ. Room Prior Month	169.00				
Cash Outflows					
Bi-weekly payroll	bi-wkly	371,000.00	350,000.00	352,000.00	358,000.00
Mortgage	30th	241,000.00	241,000.00	241,000.00	241,000.00
Escrow				-	-
Richfield	20th	40,000.00	89,000.00	84,000.00	85,000.00
Shula'S Steak Houses, LLLP	15th	6,264.72	3,000.00	-	-
American Ice Machines	1st	2,954.00	2,854.00	2,853.50	2,853.50
City of Fort Worth TOT Tax Abatement			(488,000.00)		
RE & Personal Property Taxes 2010/2011			323,841.00	-	-
De Lage Landen Financial Services, Inc	19th	7,891.00	47,890.97	-	-
Lodgenet Interactive Corporation	10th	8,000.00	8,000.00	8,000.00	8,003.88
TLC Capital	19th	3,645.00	3,645.00	3,644.46	3,644.46
Airband	1st	2,704.20	2,704.20	2,704.20	2,704.20
At&T 831-000-0857-848	6th	1,750.00	1,750.00	1,730.31	1,730.31
Everbank Commercial Finance, Inc	19th	1,664.00	1,664.00	1,663.83	1,663.83
Starwood Hotels & Resorts Worldwide, Inc.	29th	148,000.00	148,000.00	153,117.00	182,000.00
At&T 1001-051-5335	24th	425.00	425.00	425.00	423.33
Marlin Leasing Corp	19th	245.00	245.00	245.00	244.89
City Of Fort Worth Water Department	20th	8,035.37	8,035.37	7,035.37	8,375.87
Atmos Energy	15th	3,919.37	3,919.37	3,080.63	4,313.25
Direct Energy	25th	27,500.00	27,678.58	36,187.73	43,921.78
Allied Waste Services #794	28th	2,341.00	2,341.00	2,340.91	2,340.91
At&T 02764992	23rd	840.00	840.00	840.00	840.00
Leaf	19th	639.00	639.00	638.95	638.95

AT&T 831-000-0857-848	12th	670.00	670.00	670.00	716.61
At&T T1784	28th	500.00	500.00	500.00	495.98
AT&T 817335-333 192	26th	635.00	635.00	635.00	635.00
Directv	1st	420.00	420.00	420.00	420.00
Sprint		1,200.00	1,200.00	1,200.00	1,200.00
Otis Elevator Company	Quarterly	-	8,272.89	-	
Expert Computers Solutions	19th	2,000.00	2,000.00	2,000.00	2,000.00
Ford	19th	690.67	690.67	690.67	690.67
Guest Direct	25th	538.75	538.75		
Hotel Laundry/Signature Garment Care	7th	30,898.96	32,000.00	32,000.00	32,000.00
Town Parke	7th	34,899.38	35,000.00	35,000.00	35,000.00
Bank Charges		600.00	600.00	600.00	600.00
Commissions		30,000.00	30,000.00	30,000.00	30,000.00
COD Checks		120,000.00	126,000.00	132,000.00	138,000.00
Payments to Vendors/Goods and Services		200,000.00	160,000.00	200,000.00	200,000.00
ADP Fees		2,400.00	2,400.00	2,400.00	2,400.00
TOT Quarterly Taxes			-	250,000.00	-
Sales Tax Payable/Occupancy Tax Payable	19th	86,014.14	86,000.00	88,000.00	88,000.00
cc fees		30,000.00	30,000.00	40,000.00	30,000.00
Guest Supply-Vacuums		3,956.47			
Royal Finish - 100 Tubs Refinished			15,000.00	15,000.00	
ABM Janitorial - Repair Pitted Lobby Floor		23,000.00	5,500.00		
A/C Units - Carrier Commercial Service/Johnson Controls			5,000.00	3,000.00	3,000.00
Steamer for Kitchen			6,000.00		
Pictures for Restaurant		4,000.00			
Ze Net - Internet Gateway			14,000.00	1,100.00	1,100.00
Handy Cap Lift for Pools-HD Supply/Dabcon			14,000.00		
Professional Fees and Expenses		25,000.00	25,000.00	25,000.00	25,000.00
US Trustee Fee				10,400.00	
Total Cash Outflows		1,476,241.03	1,380,899.80	1,772,122.56	1,538,957.42
Ending Balance		248,094.22	448,865.42	393,782.86	72,132.44