

Below is the Order of the Court.



Karen A. Overstreet

Karen A. Overstreet
U.S. Bankruptcy Judge
(Dated as of Entered on Docket date above)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON

In re

B & T OLSON FAMILY LLC,

Debtor.

No. 12-14352

AGREED FOURTH INTERIM ORDER
AUTHORIZING DEBTOR'S USE OF
CASH COLLATERAL OF OPUS BANK

THIS MATTER came before the Court upon the request of B & T Olson Family LLC (“Debtor”), debtor-in-possession herein, and Opus Bank (the “Bank”) for entry of an order granting the Debtor continued interim authority to use lease income from its various commercial properties (“Cash Collateral”) that are encumbered by asserted liens in favor of the Bank to fund the costs and expenses of the operations of such properties, and granting adequate protection in favor of the Bank pursuant to §§ 363(c) and 364(c) of the Bankruptcy Code, Fed. R. Bankr. P. (“FRBP”) 4001(b)-(d), and Local Bankruptcy Rules 4001-2 and -3 and 9013-1(d)(2)(E). The Court has previously granted the Debtor interim authority to use Cash Collateral of the Bank through and including November 15, 2012. The Debtor and the Bank have agreed to extend on an interim basis the Debtor’s authority to

AGREED FOURTH INTERIM ORDER AUTHORIZING
DEBTOR'S USE OF CASH COLLATERAL OF OPUS BANK

– Page 1

BUSH STROUT & KORNFIELD LLP
LAW OFFICES

5000 Two Union Square
601 Union Street
Seattle, Washington 98101-2373
Telephone (206) 292-2110
Facsimile (206) 292-2104

1 use Cash Collateral in accordance with the terms of this Order. The Court, having reviewed the files
2 and records herein, and deeming itself fully advised, finds and concludes the following:

3 A. The Debtor filed its petition for relief under Chapter 11 on April 26, 2012 (the
4 “Petition Date”). The Debtor has retained control over its assets and continues to operate its business
5 pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

6 B. The Debtor owns certain commercial real properties in Snohomish and Island County,
7 Washington, commonly known as the Resilience Fitness Building, the Team Fitness Building, the
8 Downtown/Port Susan Building, and Camano Commons Building G (collectively, the “Properties”).
9 In connection with loans to the Debtor from the Bank’s predecessor in interest, Cascade Bank, that
10 were originated prior to the Petition Date, the Bank contends that it holds a first-position deed of trust
11 encumbering the Team Fitness Building, the Downtown/Port Susan Building, and Camano Commons
12 Building G, and a second-position deed of trust encumbering the Team Fitness Building. The Bank
13 has filed a proof of claim asserting a total outstanding balance on its loans of approximately
14 \$12,138.910 as of the Petition Date.

15 C. The Debtor requires the continued use of the Bank’s Cash Collateral to minimize
16 disruption to and avoid termination of its operations, and thereby avoid immediate and irreparable
17 harm to its business. The Debtor proposes to continue to use the Bank’s Cash Collateral on an interim
18 basis pursuant to the terms set forth herein, and according to the budget attached as Exhibit A hereto
19 (the “Budget”).

20 Now, therefore, it is hereby

21 ORDERED as follows:

22 1. The Debtor’s request for continued interim authority to use the Bank’s Cash Collateral
23 is hereby approved pursuant to the terms and conditions of this Order.

AGREED FOURTH INTERIM ORDER AUTHORIZING
DEBTOR'S USE OF CASH COLLATERAL OF OPUS BANK
– Page 2

BUSH STROUT & KORNFELD LLP
LAW OFFICES
5000 Two Union Square
601 Union Street
Seattle, Washington 98101-2373
Telephone (206) 292-2110
Facsimile (206) 292-2104

1 2. The Debtor is hereby authorized to continue use of the Bank’s Cash Collateral through
2 the effective date of a confirmed plan of reorganization to fund the costs and expenses of its
3 operations of the Properties that become due and payable on or before such date, but only in
4 accordance with the terms of this Order and the Budget.

5 3. As and for adequate protection, the Bank shall continue to hold, and is hereby granted,
6 on an interim basis, a replacement lien encumbering leases and subleases in the Properties entered into
7 following the Petition Date, and the rents generated therefrom (the “Interim Replacement Liens”), but
8 only to the extent of the enforceability of the Bank’s pre-petition claims and security interests. The
9 Bank shall continue to hold a security interest in leases entered into prior to the Petition Date and the
10 associated rental income to the same extent as such existed as of the Petition Date.

11 4. As and for additional adequate protection, the Debtor shall continue to manage each of
12 the Properties during the term of this Order and shall be entitled to no compensation for such
13 activities.

14 5. The Bank shall continue to hold its security interest in funds identified in the Budget as
15 “Operating reserve” and such funds shall only be available for use for payment of unforeseen essential
16 expenses related to the maintenance and operation of the Properties and as to the payment of which
17 the Debtor and the Bank agree.

18 6. As and for additional adequate protection, the Debtor shall pay to the Bank the cash
19 payments set forth in the Budget. The cash payments to Opus Bank shall be made by delivering the
20 payments to Opus Bank, c/o Hillis Clark Martin & Peterson, attn: Eric D. Lansverk, 1221 Second
21 Ave, Suite 500, Seattle, WA 98101. Payments shall be deemed delivered to the Bank upon delivery to
22 Hillis Clark Martin & Peterson. If any payment is returned because it is not payable due to
23 insufficient funds, that payment and all additional payments must be made by certified check.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

Approved for entry:

HILLIS CLARK MARTIN & PETERSON P.S.

By: /s/ Amit D. Ranade
Eric D. Lansverk, WSBA #17218
Amit D. Ranade, WSBA #348787
Attorneys for Opus Bank

6-MONTH BUDGET - RESILIENCE FITNESS BUILDING

Account Revenue	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
Rent	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00
Triple Net	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Revenues	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00
Expenses						
Real Estate Taxes	\$5,253.67	\$0.00	\$0.00	\$15,761.00	\$0.00	\$0.00
Personal Property Taxes	\$0.00	\$0.00	\$0.00	\$4,900.00	\$0.00	\$0.00
Maintenance Building	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Maintenance Landscape	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00
Water and Sewer	\$1,600.00	\$1,450.00	\$0.00	\$1,400.00	\$0.00	\$1,450.00
Electricity	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Trash Removal	\$265.00	\$265.00	\$265.00	\$265.00	\$265.00	\$265.00
Opus Bank	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
Building Insurance	\$480.00	\$480.00	\$480.00	\$480.00	\$480.00	\$480.00
UST quarterly fees	\$108.33	\$0.00	\$0.00	\$162.50	\$0.00	\$0.00
Total Expenses	\$24,157.00	\$18,645.00	\$17,195.00	\$39,418.50	\$17,195.00	\$18,645.00
TOTAL PROFIT & LOSS	\$5,843.00	\$11,355.00	\$12,805.00	-\$9,418.50	\$12,805.00	\$11,355.00
Running Cash Balance	\$5,843.00	\$17,198.00	\$30,003.00	\$20,584.50	\$33,389.50	\$44,744.50

EXHIBIT A

6-MONTH BUDGET - DOWNTOWN STANWOOD

	Week ending 6/29/12					
Account Revenue	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
Rent	\$9,134.00	\$9,134.00	\$9,134.00	\$9,134.00	\$9,134.00	\$9,134.00
Triple Net	\$2,605.00	\$2,605.00	\$2,605.00	\$2,605.00	\$2,605.00	\$2,605.00
Total Revenues	\$11,739.00	\$11,739.00	\$11,739.00	\$11,739.00	\$11,739.00	\$11,739.00
Expenses						
Real Estate Taxes	\$10,243.66	\$0.00	\$0.00	\$30,731.00	\$0.00	\$0.00
Real Estate Commissions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Personal Property Taxes	\$0.00	\$0.00	\$0.00	\$2,565.00	\$0.00	\$0.00
Maintenance Building	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
Maintenance Landscape	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00
Maintenance Elevator	\$701.71	\$0.00	\$0.00	\$701.71	\$0.00	\$0.00
Sewer	\$550.00	\$0.00	\$680.00	\$0.00	\$850.00	\$0.00
Electricity	\$0.00	\$1,600.00	\$0.00	\$1,700.00	\$0.00	\$1,750.00
Gas	\$40.00	\$40.00	\$40.00	\$275.00	\$450.00	\$550.00
Phone	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00
Trash Removal	\$241.00	\$241.00	\$241.00	\$241.00	\$241.00	\$241.00
Building Insurance	\$480.00	\$480.00	\$480.00	\$480.00	\$480.00	\$480.00
Flood Insurance	\$0.00	\$1,560.00	\$0.00	\$0.00	\$0.00	\$0.00
UST quarterly fees	\$108.33	\$0.00	\$0.00	\$162.50	\$0.00	\$0.00
Total Expenses	\$13,229.70	\$4,786.00	\$2,306.00	\$37,721.21	\$2,886.00	\$3,886.00
TOTAL PROFIT & LOSS	-\$1,490.70	\$6,953.00	\$9,433.00	-\$25,982.21	\$8,853.00	\$7,853.00
Running Cash Balance	-\$1,490.70	\$5,462.30	\$14,895.30	-\$11,086.91	-\$2,233.91	\$5,619.09

6-MONTH BUDGET - CAMANO ISLAND, BUILDING G (Westside Pizza)

	Week ending 6/29/12					
Account Revenue	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
Rent	\$3,270.00	\$3,270.00	\$3,270.00	\$3,270.00	\$3,270.00	\$3,270.00
Triple Net	\$1,375.00	\$1,375.00	\$1,375.00	\$1,375.00	\$1,375.00	\$1,375.00
Total Revenues	\$4,645.00	\$4,645.00	\$4,645.00	\$4,645.00	\$4,645.00	\$4,645.00
Expenses						
Real Estate Taxes	\$1,018.66	\$0.00	\$0.00	\$3,056.00	\$0.00	\$0.00
Real Estate Commissions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Personal Property Taxes	\$0.00	\$0.00	\$0.00	\$70.00	\$0.00	\$0.00
Maintenance Building	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
Condominium Fees	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00
Water and Sewer	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00
Electricity	\$150.00	\$0.00	\$150.00	\$0.00	\$150.00	\$0.00
Gas	\$10.00	\$10.00	\$10.00	\$20.00	\$20.00	\$20.00
Maintenance Elevator	\$261.36	\$0.00	\$261.36	\$0.00	\$0.00	\$261.36
Insurance	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00	\$120.00
UST quarterly fees	\$108.33	\$0.00	\$0.00	\$162.50	\$0.00	\$0.00
Total Expenses	\$2,538.35	\$1,000.00	\$1,411.36	\$4,298.50	\$1,160.00	\$1,271.36
TOTAL PROFIT & LOSS	\$2,106.65	\$3,645.00	\$3,233.64	\$346.50	\$3,485.00	\$3,373.64
Running Cash Balance	\$2,435.01	\$5,751.65	\$8,985.29	\$9,331.79	\$12,816.79	\$16,190.43