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UNITED STATES BANKRUPTCY COURT

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EASTERN DISTRICT OF CALIFORNIA - FRESNO DIVISION

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In re:
10 ENNIS COMMERCIAL PROPERTIES, LLC,
11 a LIMITED LIABILITY COMPANY,

Case No. 10-12709-A-11

Chapter 11

D.C. No. PLF-12

12

Debtor in Possession.

Date: October 6, 2010

Time: 1:30 p.m.

Place: Dept. A, Ctrm. 11, 5th Floor

United States Courthouse

2500 Tulare St., Fresno, California

Judge: Hon. WHITNEY RIMEL

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18 **DECLARATION OF BRIAN ENNIS IN SUPPORT OF**
MOTION FOR AUTHORITY TO USE CASH COLLATERAL

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I, BRIAN ENNIS, declare as follows:

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1. I am a Member of the Debtor and am familiar with the operations of Debtor.

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2. I make this Declaration in support of the Motion for Authority to Use Cash

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Collateral which I have read and reviewed. I hereby adopt each of the factual allegations in the

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motion and incorporate them into this Declaration by reference. Except as otherwise indicated,

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1 all statements in this Declaration are based on my personal knowledge, my review of relevant
2 personal documents, or my opinion.

3 3. Included herewith is a chart of the properties owned by Debtor which generate
4 income and the respective secured creditors are listed on the chart included herewith as Exhibit
5 "A".

6 4. In order to continue to operate pending Plan Confirmation, Debtor needs to
7 have use of cash collateral. A proposed budget for October 2010 through March 2011 is
8 included herewith as Exhibit "B". I believe this budget to be an accurate depiction of the
9 anticipated revenues and expenses for the subject period.

10 5. Through the Cash Collateral Motion, Debtor seeks authority to use cash
11 collateral of Secured Creditor as described above. We seek authority to use the cash collateral
12 to provide Debtor with the funding needed to operate and maintain the business and pay
13 critical expenses during the pendency of the Chapter 11 case. In order to maintain and
14 preserve the going concern value of the business, it is critical that there be no disruption in
15 operations. Debtor has been unable to obtain financing with unsecured credit pursuant to
16 Bankruptcy Code § 364(a) or (b) allowed as an administrative expense under Bankruptcy Code
17 Sections 503(b)(1) or secured credit pursuant to Bankruptcy Code § 364(c), or on more
18 favorable terms from any other sources.

19 I declare under penalty of perjury that the foregoing statements are true and correct and
20 that if called as a witness herein I could and would competently testify thereto, and that this
21 declaration was executed on 9-8-10, at ^{PORTERVILLE CA}~~Fresno~~, California.

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23 
24 BRIAN ENNIS

Exhibit A

Property Address	Secured Creditor	Principal/Value	Adequate Protection Payments	Monthly Income from Property	Net
1061 W. Henderson	G E Capital	4,805,996.02	50,395.51	81,591.76	31,196.25
1730 W. Walnut	Rabobank NA	610,249.05	8,329.10	4,922.00	(3,407.10)
1850 S. Central	Rabobank NA	881,091.37	12,803.74	13,674.48	870.74
259 North Main Street	Rabobank NA	679,425.20	9,877.17	13,665.00	3,787.83
334 North Main Street	Rabobank NA	166,627.82	2,434.56	7,373.76	4,939.20
4040 Florin	Rabobank NA	1,091,855.15	12,917.95	27,768.21	14,850.26
304-314 Sequoia Circle	Rabobank NA	135,315.08	1,742.58	2,317.50	574.92
320 W. Henderson	Wells Fargo Bank	3,106,059.00	12,184.75	4,841.00	(7,343.75)
633-663 North Westwood	Visalia Community Ban	1,975,000.00	12,000.00	12,000.00	-
760 Tucker Road	Rabobank NA	346,000.00	4,983.85	8,513.89	3,530.04
758 Tucker Road	Rabobank NA	622,000.00	9,496.72	9,825.69	328.97
1001 Tehachapi	Rabobank NA	3,320,000.00	23,415.08	35,143.56	11,728.48
1100 Tehachapi	Rabobank NA	2,953,419.00	17,307.00	20,499.20	3,192.20
					64,248.04

**Ennis Commercial Properties, LLC
Post-Petition Projection**

	<u>10/1/2010</u>	<u>11/1/2010</u>	<u>12/1/2010</u>	<u>1/1/2011</u>	<u>2/1/2011</u>	<u>3/1/2011</u>
Beginning Cash	115,029	136,226	162,297	40,805	62,001	88,073
Rent Income	245,838	245,838	245,838	245,838	245,838	245,838
Note Receivable	2,701	2,701	2,701	2,701	2,701	2,701
TOTAL CASH INFLOW	\$ 248,539	\$ 248,539	\$ 248,539	\$ 248,539	\$ 248,539	\$ 248,539
<u>CASH OUTFLOWS</u>						
Payroll	\$ (21,000)	\$ (21,000)	\$ (21,000)	\$ (21,000)	\$ (21,000)	\$ (21,000)
Employee Benefits	\$ (10,223)	\$ (10,223)	\$ (10,223)	\$ (10,223)	\$ (10,223)	\$ (10,223)
ECP G&A	\$ (196,120)	\$ (191,245)	\$ (338,808)	\$ (196,120)	\$ (191,245)	\$ (191,245)
<i>Property Insurance</i>	\$ (11,795)	\$ (11,795)	\$ (11,795)	\$ (11,795)	\$ (11,795)	\$ (11,795)
<i>Workers Comp</i>	\$ (280)	\$ (280)	\$ (280)	\$ (280)	\$ (280)	\$ (280)
<i>Operating Expenses</i>	\$ (5,823)	\$ (5,823)	\$ (5,823)	\$ (5,823)	\$ (5,823)	\$ (5,823)
<i>Utilities</i>	\$ (19,644)	\$ (19,644)	\$ (19,644)	\$ (19,644)	\$ (19,644)	\$ (19,644)
<i>Property Taxes</i>			\$ (147,563)			
<i>Principal</i>	\$ (67,421)	\$ (67,421)	\$ (67,421)	\$ (67,421)	\$ (67,421)	\$ (67,421)
<i>Interest</i>	\$ (86,283)	\$ (86,283)	\$ (86,283)	\$ (86,283)	\$ (86,283)	\$ (86,283)
<i>UST Quarterly Fees</i>	\$ (4,875)			\$ (4,875)		
TOTAL CASH OUTFLOWS	\$ (227,343)	\$ (222,468)	\$ (370,031)	\$ (227,343)	\$ (222,468)	\$ (222,468)
ECP Ending Cash	\$ 136,226	\$ 162,297	\$ 40,805	\$ 62,001	\$ 88,073	\$ 114,144