

**IN THE UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
SOUTHERN DIVISION**

**IN RE: HI-LO FARMS, INC.**

**CHAPTER 11  
NO. 17-51239 KMS**

**MOTION FOR AUTHORITY TO USE CASH COLLATERAL**

COMES NOW, the Debtor, Hi-Lo Farms, Inc., by and through counsel, and moves for authority to use cash collateral, and would represent as follows.

1. Debtor filed its voluntary petition (the “**Petition**”) for protection under Chapter 11 of the Bankruptcy Code on June 23, 2017 and is now operating as a debtor in possession.

2. This Court has jurisdiction pursuant to 28 U.S.C. § 1354, and this is a core proceeding pursuant to 28 U.S.C. 157(b)(2)(A).

3. Prior to the filing of the Petition the Debtor obtained loans from the Bank of Okolona (the “**Loans**”), the details of which can be found in the claims filed in this case by the Bank of Okolona, Claims No. 4, 5 and 6.

4. The Loans are secured by real property of the Debtor in Monroe County, Mississippi, along with other property owned or controlled by the equity security holder of the Debtor.

5. The real property of the Debtor generates rental income of \$2,978.32 per month, paid by Prestage Farms MS, Inc. pursuant to the lease of 50 acres, hog barns and other attributes of a hog production operation, which represents one cash collateral of the Bank of Okolona.

6. The Debtor is not delinquent in payments to the Bank of Okolona on the Loans.

7. Pursuant to Rule 4001(b)(1)(B) the following are a summary of the statement of the relief requested.

- a. The only entity with an interest in the cash collateral is the Bank of Okolona.
- b. The cash collateral will be used for maintenance of the Debtor’s farm, for marketing in its efforts to sell the farm, and for administrative costs in the Chapter 11 case.
- c. The use of the cash collateral by the Debtor should endure until the farm, or a substantial part of it, is sold, or until the case is dismissed.
- d. No adequate protection payments are warranted because the Debtor is current with its payment obligations to the Bank of Okolona and the Bank of Okolona is over secured by a large margin, and its security interest is adequately protected.

**WHEREFORE**, the Debtor prays for the entry of an order authorizing the use of cash collateral of the Bank of Okolona for maintenance, marketing and administrative costs, until the Debtors farm is sold, or the case is dismissed. Debtor prays for such other further and general relief to which it may be entitled.

**THIS** the 2<sup>nd</sup> day of February, 2018.

**HI-LO FARMS, INC.**

*/s/ Patrick A. Sheehan*

PATRICK A. SHEEHAN, Attorney for Debtor

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**CERTIFICATE OF SERVICE**

I, the undersigned PATRICK A. SHEEHAN, hereby certifies that on this day, I electronically filed the foregoing with the Clerk of the Court using the ECF system, which sent notification of such filing to the following: Christopher James Steiskal, Sr., United States Trustee, at [christopher.j.steiskal@usdoj.gov](mailto:christopher.j.steiskal@usdoj.gov) and the United States Trustee at [USTPRegion05.JA.ECF@usdoj.gov](mailto:USTPRegion05.JA.ECF@usdoj.gov).

This the 2<sup>nd</sup> day of February, 2018.

*/s/ Patrick A. Sheehan* \_\_\_\_\_

PATRICK A. SHEEHAN