


ORDERED.

Dated: September 13, 2019



Jerry A. Funk
United States Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION**

IN RE:
HOLDINGS OF SOUTH FLORIDA, INC.
Debtor(s).

CASE NO.: 3:19-bk-1219-JAF
Chapter 11

_____/

**THIRD AND FINAL ORDER AUTHORIZING
DEBTOR'S USE OF CASH COLLATERAL**
(Nunc Pro Tunc to Petition Date)

This case came on for hearing on September 10, 2019 to consider the Debtor's Emergency Motion to Use Cash Collateral (the "Motion") (Doc. No. 2). After a hearing, the Court finds it appropriate to grant the Motion on a final basis.

Accordingly, it is

ORDERED:

1. The Motion by the Debtor to Allow Use of Cash Collateral is GRANTED.
2. Pursuant to 11 U.S.C. § 363(c)(3), The Debtor is authorized to use the Cash Collateral on an interim basis in accordance with the request outlined in the Motion, the attached budget projection and the conditions set forth herein.
3. The Debtor shall pay only expenses necessary for the operation of the used car dealership business and not any pre-petition expenses, salaries, professional fees, or insiders without further order of the Court. If such order is entered, such necessary pre-petition expenses,

salaries, professional fees, or insider payments shall not be paid unless the Debtor is current on its ordinary course of business expenses.

4. Debtor is authorized to pay United States Trustee fees, any court filing fees that may arise and expenses necessary for continued operation of the used car dealership business in the ordinary course.
5. To the extent the Debtor uses Cash Collateral, the secured creditors (FPX, NDAA, SDS, Kabbage, Amex and Kinetic/Libertas) are granted replacement liens pursuant to 11 U.S.C. § 361(2) on all such cash, rents, and accounts receivable, and the proceeds thereof, acquired after the Petition Date of equal priority to the liens which creditors (FPX, NDAA, SDS, Kabbage, Amex and Kinetic/Libertas) had on the Petition Date, if any.
6. Debtor is authorized to continue to sell promissory notes in the ordinary course of business as outlined in the Motion.
7. The Debtor is Ordered to pay Adequate Protection payments in the following amounts:

LENDER	COLLATERAL	VALUE OF COLLATERAL AS OF PETITION DATE	PAYMENT AMOUNT
FPX	50 Motor Vehicles and other personal property as defined in security agreement	\$200,000	Adequate protection interest only payments of \$633.33 (4% interest only on debt of \$190,000) commence October 1 2019. In addition to

			court-ordered adequate protection payments, Debtor will pay principal payoffs of specific vehicles as specific vehicles are sold
NDAA	15 customer specific notes receivable (collateralized by specific vehicle)	Unknown	Contract payments (estimated at \$3583 per month)
SDS	9 customer specific notes receivable (collateralized by specific vehicle)	Unknown	Contract payments (estimated at \$2541 per month)
Kabbage	Blanket lien on other unencumbered personal property	Secured value of collateral estimated at \$125,000 after accounting for other liens	Adequate protection interest only payments of \$208.62 (4% interest only on debt of \$62,587) commence October 1 2019.
American Express National Bank	Blanket lien on other unencumbered personal property	Secured value of collateral	Adequate protection interest only payments

		estimated at \$62,413 after accounting for other liens	of \$46.67 (4% interest only on debt of \$14,000) commence October 1 2019.
Kinetic Libertas	Blanket lien on other unencumbered personal property	Partially secured (\$48,413), partially unsecured (\$44,526)	Adequate protection interest only payments of \$640 commence October 1 2019.
Summit (Velocity)	Lien wholly unsecured	Estimated secured value of \$0	No payments
Everest Business Funding	Lien wholly unsecured	Estimated secured value of \$0	No payments

The court ordered interest only adequate protection payments must actually be received by the lender on or before the 15th of each month or the payment shall be considered late.

8. In the event that any secured lender alleges a default of any of the court ordered interest only adequate protection payments, it shall have the right to file an affidavit of default with the clerk after the due date of the allegedly delinquent payment. The Debtor shall then have five (5) business days within which to cure the delinquent payment or otherwise file a counter affidavit which states that the payment was made within the grace period after the payment initially became due. If the delinquent payment is not cured or no counter

affidavit is filed by the Debtor, authority to use cash collateral shall cease. If a counter affidavit has been filed and stated that the payment was timely made by the Debtor, the Court will either schedule a hearing on the default or rule from the written record at its discretion.

9. The Debtor shall provide to the secured lender a monthly accounting tending to show all income and expenses by the Debtor. Such accounting shall be due to the lender by the 21st day of the month following the month being reported to the lender. Such requirement may be satisfied by the Debtor filing its monthly operating report with the bankruptcy court.
10. This Order is without prejudice to any secured lender seeking additional post-petition adequate protection through motion.
11. This Order shall not be construed to constitute consent or agreement by the secured lenders to the assessment of the property or the Cash Collateral pursuant to section 506(c) of the Bankruptcy Code.
12. The authority to use cash collateral shall continue until further order of the court.

Attorney Taylor J. King is directed to serve a copy of this order on interested parties and file a proof of service within 3 days of entry of the order.

Cash Collateral Budget - Third and Final Order				
Income	September	October	November	December
Revenue/Sales	\$175,000.00	\$175,000.00	\$175,000.00	\$175,000.00
Sales-Wholesale	\$114,000.00	\$114,000.00	\$114,000.00	\$114,000.00
Refunds	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)	(\$1,000.00)
Total Income	\$288,000.00	\$288,000.00	\$288,000.00	\$288,000.00
Expenses				
Auction (Wholesale) (Dealer to Dealer)	\$173,000	\$178,000	\$183,000	\$188,000
Floorplan Xpress (FPX) payoffs	\$20,000	\$15,000	\$10,000	\$5,000
Consignment - dealer	\$19,376	\$19,376	\$19,376	\$19,376
Consignment - individual	\$6,000	\$6,000	\$6,000	\$6,000
Tag/title fees	\$5,600	\$5,600	\$5,600	\$5,600
Transport (from auction to auction)	\$1,200	\$1,200	\$1,200	\$1,200
Warranty Plans	\$3,200	\$3,200	\$3,200	\$3,200
Recondition - Parts	\$3,400	\$3,400	\$3,400	\$3,400
Recondition - Labor	\$12,500	\$12,500	\$12,500	\$12,500
Post-sale	\$1,800	\$1,800	\$1,800	\$1,800
Advertising and Marketing	\$1,900.00	\$1,900.00	\$1,900.00	\$1,900.00
Alarm Service	\$47.00	\$47.00	\$47.00	\$47.00
Automobile Expense	\$400.00	\$400.00	\$400.00	\$400.00
Bank Service Charges	\$0.00	\$0.00	\$0.00	\$0.00
Buyers Fees	\$100.00	\$100.00	\$100.00	\$100.00
Computer Repairs	\$50.00	\$50.00	\$50.00	\$50.00
Commissions	\$2,450.00	\$2,450.00	\$2,450.00	\$2,450.00
Credit Card Fees	\$480.00	\$480.00	\$480.00	\$480.00
Credit Reports	\$79.00	\$79.00	\$79.00	\$79.00
Detailing	\$750.00	\$750.00	\$750.00	\$750.00
Depreciation Expense	\$0.00	\$0.00	\$0.00	\$0.00
Insurance - General Liability	\$634.00	\$634.00	\$634.00	\$634.00
Insurance - Health	\$379.00	\$379.00	\$379.00	\$379.00
Internet exp	\$600.00	\$600.00	\$600.00	\$600.00
Legal Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Licenses	\$85.00	\$85.00	\$85.00	\$85.00
Meals and Entertainment	\$25.00	\$25.00	\$25.00	\$25.00
Miscellaneous	\$20.00	\$20.00	\$20.00	\$20.00
Office Expenses	\$150.00	\$150.00	\$150.00	\$150.00
Processing fees - TNS Smart	\$0.00	\$0.00	\$0.00	\$0.00
Payroll Expense - Other	\$1,280.00	\$1,280.00	\$1,280.00	\$1,280.00
Payroll Expenses- Taxes	\$156.00	\$156.00	\$156.00	\$156.00
Penalties	\$0.00	\$0.00	\$0.00	\$0.00
Pest control	\$35.00	\$35.00	\$35.00	\$35.00
Postage and Delivery	\$150.00	\$150.00	\$150.00	\$150.00
Printing and Reproduction	\$20.00	\$20.00	\$20.00	\$20.00
Professional fees	\$0.00	\$0.00	\$0.00	\$0.00
Registration	\$50.00	\$50.00	\$50.00	\$50.00
Rent	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Repairs and Maintenance	\$50.00	\$50.00	\$50.00	\$50.00
Repo fees	\$400.00	\$400.00	\$400.00	\$400.00
Sales Tax exp	\$8,900.00	\$8,900.00	\$8,900.00	\$8,900.00
Telephone	\$15.00	\$15.00	\$15.00	\$15.00
Title costs	\$1,350.00	\$1,350.00	\$1,350.00	\$1,350.00
Travel	\$500.00	\$500.00	\$500.00	\$500.00
Transportation and Hauling	\$400.00	\$400.00	\$400.00	\$400.00
Utilities	\$525.00	\$525.00	\$525.00	\$525.00
Warranty Contract	\$0.00	\$0.00	\$0.00	\$0.00
Yard and grounds	\$70.00	\$70.00	\$70.00	\$70.00
adequate protection - FPX	\$633.33	\$633.33	\$633.33	\$633.33
estimated payments to NDAA	\$3,583	\$3,583	\$3,583	\$3,583
estimated payments to SDS	\$2,541.00	\$2,541.00	\$2,541.00	\$2,541.00
adequate protection - Kabbage	\$208.62	\$208.62	\$208.62	\$208.62
adequate protection - Amex	\$46.67	\$46.67	\$46.67	\$46.67
adequate protection - Kinetic (Libertas)	\$640.00	\$640.00	\$640.00	\$640.00
UST fees (due by Oct 31 2019)	\$0.00	\$4,875.00	\$0.00	\$0.00
Total Expenses	\$278,778.62	\$283,653.62	\$278,778.62	\$278,778.62
Net Income	\$9,221.38	\$4,346.38	\$9,221.38	\$9,221.38