

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:)	
)	In Proceedings Under Chapter 11
INN AT MISSOURI RESEARCH PARK,LLLP,)	
)	Case No. 10-44907-705
Debtor.)	
)	Motion No.:
)	
)	Hearing Date: May 12, 2010
)	Hearing Time: 10:00 a.m.
)	Location: St. Louis, Missouri
)	Courtroom 7-South

**MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS AUTHORIZING:
(A) DEBTOR'S USE OF CASH COLLATERAL PURSUANT TO § 363 OF THE
BANKRUPTCY CODE**

COMES NOW Debtor and Debtor-in-Possession Inn at Missouri Research Park, LLLP (“**Debtor**”) by and through its undersigned counsel and moves the Court, pursuant to Sections 363 and 364 of the Bankruptcy Code, and Rules 4001 and 9014 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), for the entry of interim and final orders authorizing the Debtor to use Cash Collateral (as such term is defined in Section 363(a) of the Bankruptcy Code). In support of this Motion, the Debtor respectfully states and alleges as follows:

I BACKGROUND

1. On May 3, 2010 (the “**Petition Date**”), Debtor filed a voluntary petition for relief under Chapter 11, Title 11 of the United States Code (the “**Bankruptcy Code**”), in the United States Bankruptcy Court for the Eastern District of Missouri.

2. The Debtor continues to operate its business and manage its affairs as a debtor-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in this case, and no official committee of creditors or equity interest holders has been established in this case.

3. Debtor is the owner of a 100 room hotel located within the Missouri Research Park at Weldon Spring, Missouri in St. Charles County, Missouri (the Hotel"). The Hotel is operated as a Wingate Inn under various franchise and licensing agreement with Wyndham Hotels.

4. Premier Bank ("Bank") has a deed of trust against the Hotel, and is therefore a secured creditor in this bankruptcy case.

5. This Court has jurisdiction over this matter pursuant to 28 U.S.C. Sections 157 (b) (2) (A) and (G) and 1334. This is a core proceeding.

II. DEBTOR'S PRE-PETITION RELATIONSHIP WITH BANK

6. Debtor's primary secured creditor is the Bank. Debtor entered into three loans with the Bank between July 17, 2007 and September 5, 2009.

7. As of the Petition Date, Debtor owed the Bank, without defense, counterclaim or offset, the sum of approximately \$8,000,000.00 under the three loans plus accrued and unpaid interest thereon and fees and costs. These amounts together with all interest, fees, costs, and charges, are identified as the "**Pre-petition Indebtedness.**"

8. The Pre-petition Indebtedness is secured by valid, perfected, enforceable, first-priority liens and security interests upon and in substantially all of the assets and property of the Debtor, including without limitation, rents, goods, inventories, equipment, accounts, chattel paper, general intangibles and proceeds of the foregoing (the "Pre-petition Collateral"). All of

the cash of the Debtor constitutes Pre-petition Collateral or the proceeds of the Pre-petition Collateral and, therefore, is cash collateral of the Bank within the meaning of Bankruptcy Code §363(a) (the "Cash Collateral").

9. The Debtor believes that Bank may be over-secured.

III. THE DEBTOR'S NEED FOR USE OF CASH COLLATERAL

10. The Debtor requires the use of cash collateral to continue its business operations and to pay its regular daily expenses, including employees' wages, utilities, and its other costs of doing business.

11. The Debtor requires cash collateral to meet post-petition payroll, to pay necessary business expenses, and to continue its operations. A Monthly Budget, showing the amount of funds needed to maintain Debtor's operations until the entry of a final order permitting use of cash collateral, is attached hereto as **Exhibit A**.

12. The Debtor does not have sufficient available sources of working capital and financing to carry on the operation of its business without the Postpetition Financing and the use of the Cash Collateral. The Debtor's ability to preserve their relationship with customers who stay at the Hotel or arrange for others to stay at the Hotel or use the Hotel's amenities, to pay its employees and to otherwise finance its operations, is essential to the Debtor's continued viability. In the absence of the use of the Cash Collateral, serious and irreparable harm to the Debtor and its estate would occur. The preservation and maintenance relations with customers, the preservation of the going concern value of the Debtor and the reduction of claims against the Debtor are of utmost significance and importance to a successful reorganization of the Debtor under Chapter 11 of the Bankruptcy Code.

13. The ability of the Debtor to continue in business and remain a viable entity and to have any prospect to propose a plan of reorganization under Chapter 11 of the Bankruptcy Code depends upon obtaining such authority to immediately use cash collateral on the Petition Date.

14. Absent the requested relief, the Debtor will be unable to pay its payroll and payroll expenses, operating expenses, and to otherwise operate its business and preserve its assets. Immediate and irreparable harm to the Debtor's business and value of its estate will occur absent the relief requested herein.

15. Pursuant to Section 363(c) (2) of the Bankruptcy Code, if the Bank's interest in cash collateral is valid, the Debtor may use cash collateral only with the consent of the Bank or with the Court's approval.

16. The Bank's interest in cash collateral is adequately protected. Such adequate protection will be provided to Bank through the preservation of the Debtor's value as a going concern. The Debtor has orally offered to provide post-petition liens to the Bank in exchange for use of the Bank's cash collateral, and if required to make post-petition adequate protection payments.

17. Approval of an Interim Order is in the best interest of the Debtor's estate, and the Debtor believes that other creditors will not be prejudiced by the entry of the Interim Order.

18. The Debtor requests that it be immediately authorized, pursuant to Section 363(c) of the Bankruptcy Code, to use cash collateral according to the terms of an Interim Order.

IV. REQUEST FOR INTERIM RELIEF

19. Use of cash collateral represents the Debtor's sole source of operating funds and working capital. Without the right to use cash collateral the Debtor would be forced to cease

operations. The Debtor seeks, therefore, after a preliminary hearing, immediate use of cash collateral to avoid immediate and irreparable harm to the Debtor and its estate.

V. NOTICE

20. No creditors' committee has been appointed in this Chapter 11 case. Notice of this Motion has been given to the following parties or, in lieu thereof, to their counsel, if known: (a) the United States Trustee; (b) the Debtor's creditors as identified in its Chapter 11 petition; and (c) any party with an interest in the Cash Collateral. In light of the nature of the relief requested herein, the Debtor submits that no other or further notice is required.

21. The Debtor further requests that the Court deem service of this Motion, pursuant to Bankruptcy Rules 4001(b)(1) and 4001(c)(1) good and sufficient notice of the final hearing.

VI. NO PRIOR REQUEST

22. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, Debtor Inn at Missouri Research Park, LLLP respectfully requests that the Court enter an Interim Order after a preliminary hearing:

A. Authorizing the Debtor's immediate use of cash collateral in an amount sufficient to avoid immediate and irreparable harm to the Debtor and its estate;

B. After a final hearing, enter a final order authorizing the Debtor use of cash collateral in the ordinary course of the Debtor's business;

C. Granting the Debtor such other and further relief as the Court deems appropriate.

Respectfully submitted,

HERREN, DARE & STREETT

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Wingate Project

Detailed Monthly Budget – 2010 – Revised to include monthly numbers

DETAIL BUDGET Monthly ROOM WYNDHAM HOTEL

	Annual	4/30/2010
	<u>Breakeven</u>	<u>Monthly</u>
Total Rooms Available	100	100
Occupied Rooms:		
Transient	21,024	21,024
Group	876	21,024
Total	<u>21,900</u>	<u>21,024</u>
Occupancy Percentage	60.0%	
Average Daily Rate ("ADR")	\$ 88.00	
Annual % Increase in ADR	N/A	
Revenue Per Available Room	\$ 19,272.00	\$ 1,606.00

ROOM DEPARTMENT

Room Revenue

Transient	1,850,112	154,176
Group	77,088	6,424
Total Room Revenue	1,927,200	160,600

Payroll

Front Desk Representative	41,610	3,468
Night Auditor	30,660	2,555
Associate General Manager	32,000	2,667
Reservation Manager	-	-
Phone Operator	-	-
Bellman/Van Driver	-	-
Room Attendants	91,980	7,665
Executive Housekeeper	-	-
Laundry Worker Wages	21,600	1,800
Utility Worker	-	-
B-bar / Social Hour Worker	22,000	1,833

Subtotal Direct Room Payroll	239,850	19,988
	12.4%	12.4%
Employee Incentives	2,399	200
Employee Benefits	7,196	600
Workers Compensation	8,479	707
Payroll Taxes	26,384	2,199
Total Room Department Payroll	284,306	23,692
	14.8%	14.8%
Operating Expenses		
Agency Booking Commissions	43,362	3,614
Linens	8,760	730
Cable TV	16,000	1,333
Cleaning Supplies	4,818	402
Guestroom Equipment	3,000	250
Guest Room Supplies	14,454	1,205
Laundry Supplies	5,782	482
Contract Services	-	-
Uniforms	1,200	100
Miscellaneous	1,000	83
Breakfast Bar - Food	49,275	4,106
Breakfast Bar - Supplies	10,950	913
Total Operating Expenses	158,601	13,217
	8.2%	8.2%
Total Room Depart Expenses	442,907	36,909
Room Department Profit	1,484,293	123,691
	77.0%	77.0%

FOOD DEPARTMENT

Food Revenue		
Restaurant Sales	-	
Banquet Food Sales	-	
Convention Center	-	
Meeting Room Rental	5,000	417
Audio Visual Rental	1,000	83
Total Food Revenue	6,000	500
Cost of Sales		
Food Cost	500	42

Audio Visual Cost	-	
Total Cost of Sales	500	
	8.3%	0.0%
Payroll		
Restaurant Manager	1,000	83
Executive Chef	-	-
Cook (a)	-	-
Hostess (a)	-	-
Restaurant/banq Servers	-	-
Banquet Manager	-	-
Banquet Server	-	-
Bankquet Utility	-	-
Subtotal Food Payroll	1,000	83
	16.7%	16.7%
Workers Compensation	3,500	292
Employee Benefits	30	3
Payroll Taxes	110	9
Total Food Department Payroll	4,640	387
	77.3%	77.3%
<i>(a) Cook and Hostess labor</i>		
Operating Expenses		
Start-up Supplies Inv.	-	
China/Glass/Silver	-	
Utensils	-	
Linen Laundry	-	
Paper Supplies	-	
Miscellaneous	-	
Kitchen Supplies	-	
Total Operating Expenses	-	
	0.0%	
Total Food Dept Expenses	5,140	428
Food Department Profit	860	72
	14.3%	

BEVERAGE DEPARTMENT

Beverage Revenue		
Liquor	1,000	83
Banquet Liquor	-	
Total Beverage Revenue	1,000	83

Cost of Sales		
Liquor	1,000	83
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Total Cost of Sales	1,000	83
	100.0%	100.0%
Payroll		
Bartender	-	
Server	-	
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Subtotal Beverage Payroll	-	
	0.0%	
Workers Compensation	0	
Employee Benefits	-	
Payroll Taxes	-	
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Total Beverage Depart Payroll	-	
	0.0%	
Operating Expenses		
Glassware	-	
Supplies	-	
Miscellaneous	-	
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Total Operating Expenses	-	
	0.0%	
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Total Beverage Dept Expenses	1,000	83
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Beverage Department Profit	-	
	0.0%	0.0%

TECHNOLOGY DEPARTMENT

Telephone Revenue		
Long Distance Sales	8,760	730
Telephone Commissions	-	
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Total Telephone Revenue	8,760	730
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Cost of Sales		
Telephone Long Distance	8,322	694
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Total Cost of Sales	8,322	694
	95.0%	95.0%

Operating Costs		
Telephone Line Costs	14,000	1,167
Other Phone Costs	1,000	83
Other Telephone Expense	500	42
"8xx" Cost	-	-
Property Mgt System	10,200	850
Internet Access Costs	9,000	750
Internet Support Costs	1,800	150
Computer Hardware	1,000	83
Computer Software	500	42
Total Operating Costs	38,000	3,167
Telephone Department Profit	(37,562)	(3,130)

MISCELLANEOUS DEPARTMENT

Miscellaneous Revenue		
Laundry/Dry Cleaning	219	18
Soda & Juice	1,752	146
Fax	438	37
Snack & Candy	876	73
Sundry Machine	1,095	91
In-Room Movies	4,380	365
Meeting Room Rent (Ltd)	9,855	821
Meeting Room Food (Ltd)	4,380	365
Audio Visual (Ltd Svce)	1,095	91
Other Miscellaneous	438	37
Guest Chargeables	44	4
Cart Rental	-	-
Green Fees	-	-
Pro Shop	-	-
Massage Therapy	-	-

Total Miscellaneous Revenue	24,572	2,048
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Cost of Sales		
Laundry/Dry Cleaning	208	17
Soda & Juice Machine	1,664	139
Snack & Candy	416	35
Sundry Machine	832	69
In-Room Movie	1,040	87
Meeting Room Expense	88	7
Meeting Room Food	9,362	780
Other Miscellaneous Costs	4,161	347
Guest Chargeables	1,040	87
Cart Rental	416	35

Green Fees	42	3
Pro Shop	-	
Message Therapy	-	
Total Miscellaneous Costs	19,270	1,606
	78.4%	78.4%
Misc Department Profit	5,302	442
	21.6%	21.6%

ADMINISTRATIVE & GENERAL

Payroll		
General Manager	50,000	4,167
Administrative	32,000	2,667
Subtotal Payroll	82,000	6,833
	7.3%	
Bonus	4,100	342
Employee Benefits	2,460	205
Workers Compensation	0	0
Payroll Taxes	9,020	752
Total Admin & General Payroll	97,580	
	8.7%	

Operating Expenses		
Preopening Costs	-	
Mileage Allowance	300	25
Auto Expense	-	-
Chargebacks	578	48
Credit Card Discounts	40,471	3,373
Bank Charges	1,800	150
Donations	500	42
Dues & Subscriptions	500	42
(Overages) & Shortages	-	-
Postage	5,000	417
Office Supplies	6,745	562
Miscellaneous Expense	1,000	83
Management Fees	4,818	402
Professional Fees	2,500	208
Accounting Fees	1,200	100
Legal Fees	500	42
Purchasing Fees	3,780	315
Licenses/Taxes	1,200	100
Security	-	-
Training - Seminars	2,400	200
Training Supplies	2,400	200

Meals & Entertainment	600	50
- Other	-	-
Human Resources	2,400	200
Total Operating Expenses	78,693	6,558
	7.0%	0.7%
Total A&G Expenses	176,273	14,689
	15.7%	15.8%

SALES & MARKETING

Payroll

Sales/Catering Payroll	38,000	3,167
Subtotal Payroll	38,000	3,167
	3.4%	3.4%
Employee Benefits	1,140	95
Workers Compensation	1,330	111
Payroll Taxes	4,180	348
Total Sales & Mktg Payroll	44,650	3,721
	4.0%	4.0%

Operating Expenses

Print Advertising	2,000	167
Directory Advertising	2,400	200
Entertainment & Promotion	1,500	125
Sales Travel	500	42
Radio/TV	-	-
E-commerce	8,000	667
Office Supplies	500	42
Miscellaneous Expense	250	21
Outdoor Advertising	24,000	2,000
Collateral Materials/Brochures	2,000	167
Reservation System Fees	4,500	375
Total Operating Expenses	45,650	3,804
	4.1%	
Total Sales & Marketing	90,300	7,525
	8.1%	8.1%

FRANCHISE COSTS

Operating Expenses

Franchise Freq Stay	28,908	2,409
Franchise Mktg Service Fee	57,816	4,818
Franchise Royalty Fees	96,360	8,030
Total Operating Expenses	183,084	15,257
	16.3%	16.3%

UTILITIES

Operating Expenses

Electricity	49,275	4,106
Gas	21,900	1,825
Water & Sewer	10,950	913
Trash Removal	3,500	292
Total Operating Expenses	85,625	7,135
	7.6%	7.6%
Total Utilities	85,625	7,135

Properties Maintenance & Repair

Payroll

Chief Engineer	36,000	3,000
Maintenance Engineer	-	
Subtotal Payroll	36,000	3,000
	3.2%	3.2%
Employee Benefits	1,080	90
Workers Compensation	1,260	105
Payroll Taxes	3,960	330
Total Property Maint Payroll	42,300	3,525
	3.8%	3.8%

Operating Expenses

Building	7,500	625
Electrical	2,500	208
Elevators	6,000	500
Floor Covering	3,000	250
FF&E	5,000	417
Landscaping & Snow Removal	10,000	833
Painting	1,000	83
Plumbing	2,800	233

Swimming Pool Repairs	1,500	125
Swimming Pool Chemicals	5,600	467
HVAC	3,600	300
Laundry Equipment	1,000	83
Miscellaneous Supplies	3,000	250
Light Bulbs	1,800	150
Pest Control	1,600	133
Tools	400	33
Uniforms	250	21
Van Operating Expenses	-	
Total Operating Expenses	56,550	4,713
	5.0%	5.0%
Total Property & Maintenance	98,850	8,238
	8.8%	8.8%
Total Undistributed	634,132	52,844
Gross Operating Profit	818,761	68,230
	73.1%	73.1%
Incentive Management Fee	40,938	3,411.51
	3.7%	3.7%
House Operating Profit	777,823	64,818.61
	69.4%	69.4%
Noncontrollable (Income)/Expense		
Insurance - General	28,000	2,333
Insurance - Convention	-	-
Real Estate Taxes	146,820	12,235
Personal Property Taxes	-	-
Debt Service/Interest Expense	434,838	36,236
Sales Tax Expense	-	-
Lease Rent	14,000	1,167
Equipment Lease Rent	-	-
Interest Income	-	-
Miscellaneous Income	-	-
Total Noncontrollable	623,658	51,971
NET OPERATING INCOME	154,166	12,847
	13.8%	13.8%

Add:		
Interest Expense	<u>434,838</u>	<u>36,236</u>
NET OPERATING INCOME	589,003	49,084
	52.6%	52.6%
Subtract:		
Debt Service	<u>505,000</u>	<u>42,083</u>
NET CASH FLOW	<u>84,003</u>	<u>7,000</u>
	7.5%	7.5%