

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS AT KANSAS CITY**

In re:)
)
JOHN Q. HAMMONS FALL 2006, LLC, *et al.*,) Case No. 16-21142
)
Debtors.) (Jointly Administered)
)

**DEBTORS' MOTION TO EXTEND AUTHORITY TO USE OF CASH COLLATERAL
UNDER EXISTING CASH COLLATERAL ORDER PURSUANT TO REVISED
BUDGETS FOR THE REVOCABLE TRUST OF JOHN Q. HAMMONS DATED
DECEMBER 28, 1989, AS AMENDED AND RESTATED**

NOW COME the above-captioned Debtors, by and through their counsel of record, and request the entry of an order, pursuant to section 363 of title 11 of the United States Code (the "Bankruptcy Code") and rule 4001 of the Federal Rule of Bankruptcy Procedure (the "Bankruptcy Rules") extend the authority of the Revocable Trust of John Q. Hammons Dated December 28, 1989 (the "JQH Trust") to continue use of cash collateral on the terms and conditions set forth in the Amended Order Approving Debtors' Motion to Use Cash Collateral and Grant of Adequate Protection [doc. no. 225] (the "Cash Collateral Order") and pursuant to the revised budgets for the Revocable Trust of John Q. Hammons Dated December 28, 1989, as Amended and Restated (the "JQH Trust") attached as Exhibit A hereto (collectively, the "Revised Trust Budgets"). In support of the Motion, the Debtors represent as follows:

BACKGROUND

1. On June 26, 2016 (the "Commencement Date"), the Debtors commenced chapter 11 bankruptcy cases by filing their bankruptcy petitions.
2. Since the Commencement Date, the Debtors have continued in possession of their property and control of their operations pursuant to §§ 1107 and 1108 of the Bankruptcy Code.
3. The Court has jurisdiction of this motion pursuant to 28 U.S.C. § 1334(a). This is a

core proceeding pursuant to 28 U.S.C. §§ 157(b) in that this motion affects the administration of these bankruptcy cases.

4. On the Commencement Date, the Debtors filed their Motion to Use Cash Collateral and Grant of Adequate Protection [doc. no. 18], requesting authority to use cash in which certain lenders claimed an interest and to provide adequate protection to the lender for use of the cash (the "Cash Collateral Motion").

5. The Debtors attached as Exhibit C to the Cash Collateral Motion their proposed budgets, which showed the Debtors' projected receipts and expenses of cash through December 31, 2016 (the "Original Budgets").

6. On June 29, 2016, the Court entered an Interim Order Approving Debtors' Motion to Use Cash Collateral and Grant of Adequate Protection [doc. no. 48] (the "Interim Order"). The Interim Order authorized the Debtors' use of cash collateral on an interim basis and set a final hearing on the Cash Collateral Motion for July 15, 2016 at 9:30 a.m. (the "Cash Collateral Hearing").

7. Prior to the Cash Collateral Hearing, on July 13, 2016, the Debtors filed a Notice of Supplemental Budget for The Revocable Trust of John Q. Hammons Dated December 28, 1989, as Amended and Restated, and Budget for John Q. Hammons Hotels Management, LLC in Support of Motion to Use Cash Collateral and Grant of Adequate Protection [doc. no. 144] (the "Supplemental Budget Notice").

8. The Supplemental Budget Notice provided, *inter alia*, an updated, more detailed budget for the JQH Trust through September 30, 2016 (the "Trust Budget").

9. On July 20, 2016, the Court entered the Cash Collateral Order, authorizing the Debtors to use cash collateral on the terms and conditions set forth in the Cash Collateral Order

and pursuant to the Original Budgets as modified by the Supplemental Budget Notice.

10. While the Cash Collateral Order authorized the use of cash collateral for the Debtors other than the JQH Trust through and including December 31, 2016, since the Budgets presented by the JQH Trust ran only through September 30, 2016, the JQH Trust was authorized to use cash only through September 30, 2016.

11. At the hearing on September 26, 2016, at 1:00 p.m. (the "September Omnibus Hearing"), the Court held a status conference on the Cash Collateral Motion and authorized the use of cash collateral through January 23, 2017.¹

12. The JQH Trust files this Motion, attaches as Exhibit A hereto the Revised Trust Budgets, which run through December 31, 2016, and seeks an order of the Court permitting the Trust to operate pursuant to Exhibit A hereto through December 31, 2016 .

RELIEF REQUESTED

13. The Debtors request that the Court enter an order (i) authorizing the JQH Trust to use cash collateral pursuant to the Revised Trust Budgets on an interim basis through October 17, 2016; (ii) setting a deadline for any party to object to the use of cash collateral pursuant to the Revised Trust Budgets for October 10, 2016; and (iii) directing that, if no objections are timely filed, the JQH Trust is authorized to use cash collateral pursuant to the Revised Trust Budgets on a final basis through December 31, 2016 without further order of the Court.

BASIS FOR RELIEF

14. The basis for the relief requested herein is set forth in the Cash Collateral Motion as well as the Court's finding and conclusions set forth at the hearings on July 15, 2016 and September 26, 2016.

¹ The Court also directed the Debtors to file their proposed 2017 budgets as early in December 2016 as possible so the lenders could have an opportunity to review and object prior to a hearing on January 23, 2017.

15. The JQH Trust must be able to use cash collateral in the ordinary course of its business from and after September 30, 2016. The relief requested herein will allow the JQH Trust to operate under the Revised Trust Budgets and will afford lenders who may be affected by the JQH Trust's use of cash collateral an opportunity to review the Revised Trust Budgets and object.

16. Accordingly, cause exists to grant the relief requested herein and no party will be harmed by granting such relief.

WHEREFORE, the Debtors respectfully request the Court enter an Order (i) authorizing the JQH Trust to use cash collateral pursuant to the Revised Trust Budgets on an interim basis through October 17, 2016; (ii) setting a deadline for any party to object to the use of cash collateral pursuant to the Revised Trust Budgets for October 10, 2016; (iii) directing that, if no objections are timely filed, the JQH Trust is authorized to use cash collateral pursuant to the Revised Trust Budgets on a final basis through December 31, 2016 without further order of the Court; and (iv) granting such other and further relief as is just and proper.

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