

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	
)	Chapter 11
)	
LIONCREST TOWERS, LLC)	Case No. 10-36805
an Illinois limited liability company)	
)	Hon. John H. Squires
Debtor)	
)	
)	

**AGREED INTERIM ORDER AUTHORIZING THE LIMITED
USE OF CASH COLLATERAL AND GRANTING ADEQUATE PROTECTION**

THIS MATTER came before the Court for hearing (the "Hearing") on the Motion for Interim Order Authorizing Debtor to: (A) Use Cash Collateral; and (B) Grant Certain Liens and Provide Adequate Protection and Other Relief to Wells Fargo Bank (the "Motion") (Docket No. 12) filed by the above-captioned debtor (the "Debtor") for the entry of an interim order (the "Interim Order") (A) authorizing the Debtor to use certain "Cash Collateral" (the "Cash Collateral"), as such term is defined in section 363(a) of title 11 of the United States Code (the "Bankruptcy Code"), and, in connection with that authorization, (B) granting certain substitute and additional liens and other related relief for the benefit of the Prepetition Secured Lender (as defined below) that possess liens and security interests in such Cash Collateral. The Debtor provided notice of the Motion and the Hearing to, among others: (a) Wells Fargo Bank, N.A., the "Prepetition Secured Lender"; (b) the twenty (20) largest unsecured creditors of the Debtor; and (c) the United States Trustee for the Northern District of Illinois (the "United States Trustee"). The Debtor and the Prepetition Secured Lender have advised the Court that they have agreed to the form of this Interim Order.

THE COURT HAS BEEN ADVISED THAT THE DEBTOR AND THE PREPETITION SECURED LENDER HAVE STIPULATED TO THE FOLLOWING:

A. On August 17, 2010, the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the "Petition Date"). The Debtor has retained possession of its property and continues to operate its business as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

B. The Debtor admits, stipulates and agrees that this Case constitutes a "single asset real estate" case as defined in section 101(51B) of the Bankruptcy Code.

C. The Debtor is in possession of its properties and is operating its businesses as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No Official Committee of Unsecured Creditors (the "Committee") has yet been appointed in these cases.

D. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§157 and 1334. This is a core proceeding pursuant to 28 U.S.C. §157(b).

E. Chicago Title Land Trust Company, successor to Cole Taylor Bank, as Trustee under a Trust Agreement dated July 24, 2000, known as Trust Number 00-8627 (the "Trust") holds title to certain real estate commonly known as Lioncrest Towers, 3901, 3905 and 3906 Tower Drive, Richton Park, Illinois 60471 (the "Property"). The Debtor holds title to the beneficial interest in the Trust.

F. On or about October 29, 2004, the Debtor, the Prepetition Secured Lender and the Trust entered into that certain Loan Agreement (the "Original Loan Agreement"), under which the Prepetition Secured Lender made available to the Debtor and the Trust (collectively referred to as "Borrower") a term loan in the original principal amount of \$16,800,000.

G. On or about February 23, 2006, the Original Loan Agreement was amended by the First Amendment to Loan Agreement, Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing and Certain Other Documents (the "First Amendment"), which, among other things, increased the principal amount of the term loan to \$20,200,000.00.

H. On or about December 15, 2006, the Original Loan Agreement, as amended by the First Amendment, was further amended by the Second Amendment to Loan Agreement, Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing and Certain Other Documents (the "Second Amendment"), which, among other things, increased the principal amount of the term loan to \$20,500,000.00 and made available to the Borrower a revolving loan in the original principal amount of \$5,000,000.00.

I. On or about December 28, 2007, the Original Loan Agreement, as amended by the First Amendment and the Second Amendment, was further amended by the Third Amendment to Loan Agreement, Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing and Certain Other Documents (the "Third Amendment"), which, among other things, increased the principal amount of the revolving loan to \$6,500,000.00.

J. On or about October 9, 2008, the Original Loan Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment, was further amended by the Fourth Amendment to Loan Agreement, Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing and Certain Other Documents (the "Fourth Amendment"), which, among other things, increased the principal amount of the revolving loan to \$9,800,000.00. The Fourth Amendment was recorded with the Recorder of Deeds of Cook

County, Illinois, on October 10, 2008 as Document No. 0828418046. The Original Loan Agreement, as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment, is hereinafter referred to as the "Prepetition Loan Agreement."

K. On or about October 29, 2004, the Borrower executed and delivered to the Prepetition Secured Lender a Promissory Note Secured by Mortgage, dated October 29, 2004, in the original principal amount of \$16,800,000.00 (the "Original Term Note").

L. On or about February 23, 2006, Borrower executed and delivered to the Prepetition Secured Lender an Amended and Restated Promissory Note Secured by Mortgage in the amount of \$20,200,000.00 (the "First Amended Term Note"), which amended and restated the Original Term Note in its entirety.

M. On or about December 15, 2006, Borrower executed and delivered to the Prepetition Secured Lender a Second Amended and Restated Promissory Note Secured by Mortgage (the "Second Amended Term Note"), which amended and restated the First Amended Term Note in its entirety. The Second Amended Term Note evidences, among other things, that the Prepetition Secured Lender advanced to the Debtor the sum of \$20,500,000.00.

N. On or about December 15, 2006, Borrower executed and, delivered to the Prepetition Secured Lender a Promissory Note Secured by Mortgage, dated December 15, 2006, in the original principal amount of \$5,000,000.00 (the "Original Revolving Note").

O. On or about December 28, 2007, Borrower executed and delivered to the Prepetition Secured Lender an Amended and Restated Promissory Note Secured by Mortgage in the amount of \$6,500,000.00 (the "First Amended Revolving Note"), which amended and restated the Original Revolving Note in its entirety.

P. Finally, on or about October 9, 2008, Borrower executed and delivered to the Prepetition Secured Lender a Second Amended and Restated Promissory Note Secured by Mortgage (the "Second Amended Revolving Note"), which amended and restated the First Amended Revolving Note in its entirety. The Second Amended Term Note evidences, among other things, that the Prepetition Secured Lender advanced to the Debtor the sum of \$9,800,000.00. The Second Amended Term Note and the Second Amended Revolving Note are hereinafter collectively referred to as the "Notes."

Q. Pursuant to the Notes, the Prepetition Secured Lender agreed to make, and has made, various advances to the Debtor, and, as a result thereof, on the Petition Date, the Debtor was indebted to the Prepetition Secured Lender pursuant to the Notes in aggregate principal amount of approximately \$[29,368,865.17] under the Notes (that principal amount, together with all interest, fees, costs, expenses and other amounts now or hereafter owing or accruing pursuant to the Notes and the other agreements entered into by the Debtor in connection with the Prepetition Agreements (as defined below) are collectively referred to hereinafter as the "Prepetition Indebtedness").

R. The Prepetition Indebtedness is secured by all or substantially all of the Debtor's assets (such assets immediately prior to the Petition Date being referred to herein as the "Prepetition Collateral") pursuant to that certain Mortgage with Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing (as amended as provided for in the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment, the "Lioncrest Mortgage") that was executed by the Borrower on or about October 29, 2004, as security for the Notes and the performance of its other obligations to the Prepetition Secured Lender. Pursuant to the Lioncrest Mortgage and related documents (the "Prepetition Security

Documents"), the Prepetition Secured Lender has a mortgage lien on and security interest against all real and personal property relating to the Property. The Lioncrest Mortgage was recorded on October 10, 2008 with the Recorder of Deeds in Cook County, Illinois at Instrument No. 0828418046.

S. The security interests in and liens and mortgages upon the Prepetition Collateral were properly perfected prior to ninety (90) days preceding the Petition Date, and such security interests, liens and mortgages are valid, choate, enforceable, non-avoidable and of first priority.

T. Pursuant to the Prepetition Loan Agreement, the Notes, the Prepetition Security Documents and the other documents and agreements related to each of the foregoing (collectively, the "Prepetition Agreements"), the Prepetition Secured Lender has a security interest in, inter alia, the cash proceeds of, and rents, products and profits from, the Prepetition Collateral. Cash proceeds, rents, products and profits of the Prepetition Collateral that come into the possession, custody or control of the Debtor constitute Cash Collateral.

U. The Prepetition Secured Lender has indicated a willingness to consent to the Debtor's use of a limited amount of Cash Collateral for a limited period of time and only pursuant to the terms of this Interim Order, on the condition that the Court, pursuant to sections 361 and 363 of the Bankruptcy Code, provides to the Prepetition Secured Lender as adequate protection (1) a security interest in and lien and mortgage upon all of the property of the Debtor and its estate (the "Estate"), whether now existing or hereafter acquired or arising and (2) the other relief accorded the Prepetition Secured Lender pursuant to this Interim Order.

V. The Debtor, on behalf of itself and any successors, including any successor trustee, examiner or responsible person (collectively, "Successors") in these or any subsequent proceedings under the Bankruptcy Code, in consideration of the Prepetition Secured Lender's

consent to the use of Cash Collateral according to the terms of this Interim Order: (a) agree not to contest the validity or enforceability of the Prepetition Indebtedness or the Prepetition Secured Lender's security interests, mortgages or liens in the Prepetition Collateral, or the proceeds, rents, products, offspring or profits thereof; (b) agree not to assert any claim against the Prepetition Secured Lender, including any set-offs and counterclaims with respect to the Prepetition Indebtedness; and (c) waive any and all claims they may have to seek avoidance of the Prepetition Secured Lender's claims or security interests in and mortgages and liens on the Prepetition Collateral, or the proceeds, rents, products, offspring or profits thereof; *provided, however*, that the provisions set forth in this paragraph [V] shall not become binding on any Successor until 270 days after the Petition Date.

BASED UPON THE MOTION, THE RECORD BEFORE THE COURT, AND THE COMBINED CONSENT OF THE DEBTOR AND THE PREPETITION SECURED LENDER TO THE ENTRY OF THIS INTERIM ORDER, THE COURT FINDS AS FOLLOWS:

i. The Court has jurisdiction over the Case and this proceeding pursuant to 28 U.S.C. §1334. Determination of the Motion constitutes a core proceeding as defined in 28 U.S.C. §157(b)(2). Venue over this Motion is proper under 28 U.S.C. §1409(a).

ii. The Debtor has provided such notice as was practicable under the circumstances and as may be required by Rule 4001(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") to (1) counsel to the Prepetition Secured Lender (2) the twenty (20) largest unsecured trade creditors of the Debtor as set forth on the schedule filed by the Debtor pursuant to Bankruptcy Rule 1007(d) and (3) the United States Trustee of the hearing to be held in connection with this Interim Order by serving upon them on August 18, 2010 or, for the top twenty unsecured trade creditors with post office box addresses, on August 19, 2010, the Motion

and a notice of the interim hearing on the Motion. The Court expressly finds, in view of the urgency of the relief requested and the notice procedures for objection to the Motion prior to a final hearing thereon, that such notice is adequate and sufficient under the circumstances and under Rule 4001(b) of the Bankruptcy Rules, and that no further or other notice need be given.

iii. An emergency need exists for the Debtor to use Cash Collateral in order to maintain its operations. The Debtor requires Cash Collateral for the payment of operating expenses and to meet other expenses necessary to preserve its assets and continue its operations. The Debtor will be irreparably harmed unless it is authorized immediately to use Cash Collateral on the terms and conditions set forth herein.

iv. The Prepetition Secured Lender will not consent to the usage of Cash Collateral except on the terms and conditions contained in this Interim Order and is relying on such terms and conditions in agreeing to the Debtor's use of Cash Collateral on the terms hereof. It is necessary and appropriate for the Debtor to grant the Prepetition Secured Lender the rights and protections set forth in this Interim Order.

v. The Prepetition Secured Lender and the Debtor have (1) negotiated the terms and conditions of this Interim Order in good faith and at arms-length and (2) offered sufficient evidence of the good faith of the Prepetition Secured Lender in agreeing to this Interim Order and the Debtor's use of the Cash Collateral of the Prepetition Secured Lender on the terms set forth herein.

vi. The Debtor has requested immediate entry of this Interim Order pursuant to Rule 4001(b)(2) of the Bankruptcy Rules. Good cause has been shown for the entry of this Interim Order. Among other things, entry of this Interim Order will minimize disruption of the Debtor's operations and is in the best interests of the Debtor, its creditors and the Estate. The terms of the

use of Cash Collateral authorized hereby are fair under the circumstances and reflect the Debtor's exercise of prudent business judgment consistent with its fiduciary duties.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. For purposes of this Interim Order, the term "Cash Collateral" shall be deemed to include all "cash collateral" as defined by section 363(a) of the Bankruptcy Code, all deposits subject to setoff, and all cash arising from the collection or other conversion to cash of property of the Debtor in which the Prepetition Secured Lender has a security interest or lien, or have been granted an adequate protection lien, whether those security interests or liens existed as of the commencement of these proceedings or arise thereafter pursuant to this Interim Order, the Bankruptcy Code, or any other applicable law, and whether the property converted to cash existed as of the commencement of these proceedings or arose or was generated thereafter.

Cash Collateral Usage

2. Subject to the terms and conditions contained in this Interim Order, the Debtor may use Cash Collateral during the period commencing on the date of this Interim Order through and including the earlier of (A) 5:00 p.m. (Chicago Time) on September 7, 2010 and (B) the time when the consent of the Prepetition Secured Lender to the Debtor's use of Cash Collateral is terminated pursuant to the terms of this Interim Order (the "Budget Period"). The Debtor shall use or consume Cash Collateral only (1) in accordance with the budget attached hereto as Exhibit A (the "Budget"), including the time period and category limits set forth therein, with a permitted (a) 5% deviation of each line item and only for the Budget Period and (2) in compliance with the other terms of this Interim Order.

3. Notwithstanding anything to the contrary herein, no Cash Collateral may be used to compensate professional services rendered to or expenses incurred in connection with, directly

or indirectly, (A) the modification, stay or amendment of this Interim Order without the consent of the Prepetition Secured Lender or (B) a violation, breach or default of this Interim Order or any provision of the Prepetition Agreements made applicable to this proceeding by this Interim Order, including, without limitation, any claim or action the purpose of which is to seek or the result of which would be to obtain any relief (i) invalidating, setting aside, avoiding or subordinating, in whole or in part, the liens or security interests or mortgages of the Prepetition Secured Lender in the Collateral (as defined below) or (ii) preventing, hindering or otherwise delaying, whether directly or indirectly, the assertion, enforcement or realization of the Prepetition Secured Lender upon any Collateral (as defined below) as permitted by this Interim Order or the Prepetition Agreements. In addition, and notwithstanding anything to the contrary stated above, and notwithstanding any amounts otherwise set forth in the Budget, the Debtor may not use any Cash Collateral for any of the following purposes, except as consented to in advance in writing by the Prepetition Secured Lender with respect to the Debtor (the "Prohibited Uses"):

- a. For the payment of any debts or obligations of the Debtor arising prior to the Petition Date of any nature or kind whatsoever, whether or not such debts or obligations are similar in nature or kind to the expense categories described in the Budget;
- b. For the payment of any debts or obligations of the Debtor that are not directly related to the preservation of the Collateral (as defined below);
- c. For any payment to any company, individual or entity related to or affiliated in any way with the Debtor or with any other insider (as defined in Section 101(31) of the Bankruptcy Code) of the Debtor;
- d. For prepayment for services that have not yet been rendered, goods that have not yet been received or any other items of expense for which payment is not currently due ("Prepayments"); provided however, that any such Prepayments included in the Budget shall not be a Prohibited Use solely in the amount provided in the Budget.
- e. For the payment of the cost of any capital improvement or material repair to the Collateral (as defined below); and

- f. For the payment of any obligations or expenses incurred by or on behalf of any party or entity other than the Debtor.

4. The Prepetition Secured Lender shall have the right to terminate the Debtor's right to use Cash Collateral pursuant to the terms of this Interim Order upon (A) a default in the performance of any obligation of the Debtor hereunder including the occurrence of any "Events of Default" listed in paragraph 14 of this Interim Order, (B) the modification, stay or amendment of this Interim Order without the consent of the Prepetition Secured Lender, (C) the institution of any claim or action by the Debtor the purpose of which is to seek or the result of which would be to obtain any relief (i) invalidating, setting aside, avoiding or subordinating, in whole or in part, the Prepetition Secured Lender's liens, mortgages or security interests in the Collateral (as defined below), (ii) preventing, hindering or otherwise delaying, whether directly or indirectly, the Prepetition Secured Lender's assertion, enforcement or realization upon any Collateral (as defined below) as permitted by this Interim Order or (iii) otherwise seeking relief against the Prepetition Secured Lender without its consent, (D) the conversion or dismissal of the Debtor's bankruptcy case or (E) the institution by the Debtor of an action to seek that the Court grant or impose, under section 364 of the Bankruptcy Code or otherwise, liens, security interests or mortgages on any of the Collateral (as defined below) equal, superior or subordinate to the Prepetition Secured Lender's liens, security interests or mortgages on that property.

5. Notwithstanding the foregoing, upon the occurrence an Event of Default described in paragraph 4(a), the Prepetition Secured Lender's consent to the use of Cash Collateral shall not terminate until 8:00 a.m. (Chicago Time) on the second business day after the day on which the Prepetition Secured Lender shall have given written notice (by facsimile or electronic mail) to the Debtor and its counsel, to counsel of record for any Committee and to the

United States Trustee of its termination of such consent. For purposes of this paragraph a business day will end at 5:00 p.m. (Chicago Time).

Adequate Protection Liens

6. As protection for the Prepetition Secured Lender's interests as of the Petition Date in the Prepetition Collateral, the Prepetition Secured Lender is hereby granted, pursuant to sections 361 and 363 of the Bankruptcy Code, a valid, perfected, enforceable and non-avoidable first priority security interest in and lien and mortgage (the "Replacement Liens") upon all assets and property of the Debtor and its estate, of any kind or nature whatsoever, whether now existing or hereafter acquired or arising and all proceeds, rents, products or profits thereof (collectively, the "Postpetition Collateral" and, together with the Prepetition Collateral, the "Collateral"). Such Replacement Liens shall be limited to any diminution in value of the Prepetition Secured Lender's interest in the Prepetition Collateral which occurs during the pendency of the Debtor's bankruptcy case. Such security interest, lien and mortgage shall at all times be senior to the rights of the Debtor and any successor trustee in this or any subsequent proceedings under the Bankruptcy Code and shall be superior in priority to the security interests, liens and mortgages of the Prepetition Secured Lender existing prior to the Petition Date. Notwithstanding the foregoing, (A) the Prepetition Secured Lender is not hereby granted a security interest or lien in any cause of action of the Estate arising solely under sections 544, 545, 547, 548, 549 or 553(b) of the Code and (B) the Prepetition Secured Lender's security interest, lien and mortgage shall be subject to valid, perfected, enforceable and non-avoidable liens and security interests in the Debtor's assets held by parties other than the Prepetition Secured Lender as of the Petition Date which are superior in priority to the Prepetition Secured Lender's security interests, liens and mortgages on such assets.

7. The liens, security interests, mortgages, rights and remedies granted to the Prepetition Secured Lender pursuant to this Interim Order shall not be modified, altered or impaired in any manner by any plan of reorganization or order of confirmation for the Debtor, or by any other financings of, extensions of credit to, or incurring of debt by the Debtor, whether pursuant to sections 363 or 364 of the Code, or otherwise. The liens, security interests, and mortgages granted pursuant to this Interim Order shall survive the entry of any order which may be entered: (a) converting this case to a case under chapter 7 of the Bankruptcy Code; (b) dismissing this case or any successor case; (c) discharging the Debtor; or (d) pursuant to which this Court abstains from hearing this case or any successor case.

8. The security interests, liens and mortgages granted herein shall be valid, perfected, enforceable and non-avoidable as of the Petition Date without any further action by the Debtor or the Prepetition Secured Lender, and without the execution, filing or recordation of any financing statements, security agreements, vehicle lien applications, mortgages or other documents. All security interests, liens and mortgages granted herein to the Prepetition Secured Lender be and they hereby are deemed perfected, and no further notice, filing or other act shall be required to effect such perfection. If the Prepetition Secured Lender shall, in its sole discretion, choose to file financing statements, mortgages or other documents or otherwise confirm perfection of such security interests, liens or mortgages, the Prepetition Secured Lender is authorized to effect such filings and recordations, and all such financing statements, mortgages or similar documents shall be deemed to have been filed or recorded at the time and on the date of entry of this Interim Order. A photocopy of this Interim Order may, in the discretion of the Prepetition Secured Lender be filed with or recorded in filing or recording offices in addition to or in lieu of such financing statements, notices of lien or similar instruments, and all filing

offices are hereby directed to accept such copy of this Interim Order for filing and recording. If the Prepetition Secured Lender hereafter requests the Debtor to execute and deliver to the Prepetition Secured Lender financing statements, mortgages or other instruments or documents considered by the Prepetition Secured Lender to be necessary or desirable to further evidence the perfection of the liens, security interests or mortgages granted in this Interim Order, the Debtor is hereby authorized and directed to execute and deliver those financing statements, instruments and documents.

9. The security interests, liens and mortgages granted herein shall secure payment of (A) the Prepetition Indebtedness in an amount equal to any diminution in value of the Prepetition Secured Lender's interest in the Prepetition Collateral which occurs during the pendency of the Debtor's bankruptcy case, whether such diminution is a consequence of (i) the Debtor's use of Collateral (including the Debtor's consumption of Cash Collateral), (ii) depreciation or price fluctuation in the Collateral, (iii) the conversion of Prepetition Collateral into Postpetition Collateral or (iv) any other action, event or circumstance, (B) all interest payable to the Prepetition Secured Lender, (C) all fees, costs and expenses of the Prepetition Secured Lender and (D) the aggregate amount of Cash Collateral used by the Debtor (collectively, the "Adequate Protection Obligation"). The Adequate Protection Obligation shall be afforded administrative priority status under section 507(b) of the Bankruptcy Code.

10. Nothing in this Interim Order shall in any way restrict the scope of the Prepetition Secured Lender's prepetition liens, security interests, mortgages, rights of set-off, or claims with respect to the Prepetition Indebtedness or the Prepetition Collateral, or the proceeds, rents, products, offspring, or profits thereof, and the Project Lenders' liens, security interests, and mortgages on the Prepetition Collateral, and the proceeds, rents, products, offspring, and profits

thereof shall extend to the fullest extent permitted by section 552(b) of the Bankruptcy Code. The Prepetition Secured Lender shall be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code, and the "equities of the case" exception under section 552(b) of the Bankruptcy Code shall not apply to the Prepetition Secured Lender or the Collateral.

11. Nothing contained in this Interim Order or otherwise, and no action or inaction of the Prepetition Secured Lender shall be deemed to be a consent to any charge, lien, assessment or claim against the Collateral under section 506(c) of the Code or otherwise.

Additional Protection

12. In addition to the foregoing protections, except where inconsistent with the Bankruptcy Code, the Bankruptcy Rules or orders of this Court in this case, the Debtor shall fully comply with the obligations as set forth in the Prepetition Agreements, with respect to (i) access to the Debtor's books and records and the Prepetition Collateral, which provisions shall be deemed to apply to all of the Collateral, (ii) inspections, (iii) maintenance and preservation of Prepetition Collateral, which provisions shall be deemed to apply to all of the Collateral, (iv) operations and (v) the other provisions therein where not inconsistent with the Bankruptcy Code, the Bankruptcy Rules or orders of this Court in this case, except that the Debtor need not comply with representations as to the absence of any proceeding such as the Debtor's bankruptcy case or provisions requiring the payment of money to the Prepetition Secured Lender or establishing any financial covenants. In addition, the Debtor shall furnish, or cause to be furnished, on a prompt basis, to the Prepetition Secured Lender any reports or other information concerning any sale or proposed sale of the Debtor's assets, including without limitation, such information concerning any sale or proposed sale of the Debtor's assets, as the Prepetition Secured Lender may from time to time reasonably request.

13. In addition to the foregoing, to the extent not provided therein, the Debtor will provide to the Prepetition Secured Lender, by the 15th day of each month, and in such form as the Prepetition Secured Lender may reasonably request, (a) an operating statement (including variance against the Budget) the Debtor and (b) a weekly cash flow report, showing all inflows and outflows and the providers and recipients of same. The Debtor will keep, and will cause the management company for any Collateral to keep, business records of such character, nature, and detail as are reasonably calculated to enable the Prepetition Secured Lender to determine at any time the status of all Cash Collateral and other Collateral, and shall permit the Prepetition Secured Lender, their agents, and employees, upon reasonable notice during regular business hours, to inspect, audit, and make copies of all records and other papers in the possession, custody, or control of the Debtor and any such management company pertaining to the Collateral and the Cash Collateral. The Debtor shall also deliver to the Prepetition Secured Lender such other financial and other information concerning the business and financial affairs the Debtor and the operation of the Collateral as they may reasonably request from time to time.

14. The occurrence of any of the following events, unless waived in writing by the Lender, shall constitute an event of default under this Interim Order (each an "Event of Default", and collectively, the "Events of Default"):

- a. the obtaining after the Petition Date of credit or the incurring of indebtedness that is (i) secured by a security interest, mortgage, or other lien on all or any portion of the Collateral; or (ii) entitled to priority administrative status which is equal or senior to that granted to the Prepetition Secured Lender;
- b. the Debtor seeking or obtaining authority to use Cash Collateral, except as authorized by this Interim Order;
- c. the entry of an order by the Court granting relief from or modifying the automatic stay of section 362 of the Bankruptcy Code to allow any creditor to execute upon or enforce a lien on or security interest in any Collateral;

- d. reversal, vacatur, or modification of this Interim Order;
- e. dismissal of the Debtor's bankruptcy case or conversion of the case to a case under chapter 7 of the Bankruptcy Code, or appointment of a chapter 11 trustee or examiner with enlarged powers or other responsible person;
- f. any material misrepresentation of a material fact made after the Petition Date by the Debtor, or its agents to the Prepetition Secured Lender about the financial condition of the Debtor, or the nature, extent, location or quality of any Collateral;
- g. the sale after the Petition Date of any portion of the Collateral outside the ordinary course of business;
- h. the failure to make any payments to the Prepetition Secured Lender as set forth in this Interim Order when due; and
- i. the Debtor's failure to perform any other term, provision, condition, covenant, or obligation under this Interim Order.

15. Nothing contained in this Interim Order shall be deemed a finding with respect to adequate protection (as that term is defined in section 361 of the Bankruptcy Code) of the interests of the Prepetition Secured Lender. In addition, except as expressly set forth in this Interim Order, the entry of this Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair,, any of the rights, claims, or privileges of the Prepetition Secured Lender. Without limiting the foregoing, the entry of this Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly: (a) the Prepetition Secured Lender's right to seek any other or supplemental relief in respect of the Debtor, including the right to seek additional adequate protection (without prejudice to any other person's right to object to or otherwise oppose such additional adequate protection); or (b) any other rights or the Prepetition Secured Lender under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of section 362 of the Bankruptcy Code, (ii) request dismissal of the Debtor's case, conversion of such case to a case under chapter 7 of the Bankruptcy Code, or appointment of a

chapter 11 trustee or examiner with expanded powers; or (iii) propose a chapter 11 plan or plans. Nothing in this Interim Order shall impair or modify the application of section 507(b) of the Bankruptcy Code to the Prepetition Secured Lender.

Cash Management

16. Within 3 days after the entry of this Interim Order, the Debtor shall establish one or more accounts at an institution directed by the Prepetition Secured Lender into which the Debtor shall deposit all of its current and future Cash Collateral. In addition, the Debtor shall cooperate with the Prepetition Secured Lender immediately to effectuate with third parties the payment of all future rents and other amounts due by such third parties to such Debtor directly into such accounts. Within 24 hours of the entry of this Interim Order, the Debtor shall provide to the Prepetition Secured Lender a detailed written summary in such form, requested by them of cash on deposit with any institution as of or after the Petition Date, including, as to any deposit, the identity of the institution at which any such deposit is maintained and the amount of such deposit.

Miscellaneous

17. The Debtor shall maintain all necessary insurance, including, without limitation, life, fire, hazard, comprehensive, public liability and workmen's compensation as may be currently in effect, and obtain such additional insurance in an amount as is appropriate for the business in which the Debtor is engaged, naming the Prepetition Secured Lender as a loss payee with respect thereto. To the extent not previously provided since the Petition Date, the Debtor shall provide the Prepetition Secured Lender and the United States Trustee with written evidence of all such coverage (including, without limitation, evidence that the Collateral is insured for the

full replacement value thereof), as well as prompt notification of any change in such coverage that may hereafter occur.

18. No third party is intended to be or shall be deemed to be a third party beneficiary of the provisions of this Interim Order.

19. The automatic stay provisions of section 362 of the Bankruptcy Code are hereby vacated as to the Prepetition Secured Lender to the extent necessary to implement the terms of this Interim Order and to permit the Prepetition Secured Lender to implement the provisions hereof, including, without limitation, permitting the Prepetition Secured Lender, inter alia, (a) to receive and apply collections, payments or proceeds of Collateral and (b) to file any financing statements or other instruments and documents, if any, evidencing their security interests in and liens and mortgages on the Collateral.

20. The Debtor shall not seek to modify, vacate or amend this Interim Order without the consent of the Prepetition Secured Lender. If any or all of the provisions of this Interim Order are hereafter modified, vacated or stayed by subsequent order of this or any other Court, such stay, modification or vacation shall not affect: (a) the validity of any benefit granted to the Prepetition Secured Lender pursuant to this Interim Order prior to the later of (i) the effective date of such stay, modification or vacation; and (ii) receipt of written notice thereof by counsel to the Prepetition Secured Lender at the address listed at the end of this Interim Order (the "Effective Time"); or (b) the validity and enforceability of any lien, security interest, mortgage or priority authorized hereby. Notwithstanding any such stay, modification or vacation, any release of Cash Collateral made pursuant to this Interim Order by the Prepetition Secured Lender prior to the Effective Time shall be governed in all respects by the original provisions of this Interim Order.

Notice Provisions

21. The Debtor shall, within three (3) business days of the entry of this Interim Order, serve by overnight mail, facsimile transmission or electronic mail copies of this Interim Order and a notice of entry of this Interim Order to each of the Prepetition Secured Lender, its counsel at the address set forth at the end of this Interim Order, counsel for the Committee, if any, when and if appointed, the twenty (20) largest unsecured creditors of the Debtor as set forth on schedules filed by the Debtor pursuant to Bankruptcy Rule 1007(d), the United States Trustee, any other persons which the Debtor knows are entitled to notice under Bankruptcy Rule 4001(b) as of such date, and any other party-in-interest for which counsel to the Debtor has received a written request in this case before noon (Chicago Time) on such date to receive such pleadings. The notice of entry of this Interim Order shall state that any party-in-interest objecting to the entry of the Final Order shall file a written objection with the Court no later than 4:00 p.m. (Chicago Time) on September 2, 2010, which objection shall be served so that the same is received on or before 4:00 p.m. (Chicago Time) on such date by the United States Trustee and counsel for the Debtor and counsel for the Prepetition Secured Lender set forth at the end of this Interim Order (at the address set forth therein). If no written objection and request for final hearing on the Motion has been timely filed with this Court, and served upon and timely received by all parties entitled to notice thereof, any objection by any party-in-interest to the terms of the Final Order and the relief requested in the Motion shall be deemed forever waived. If an objection is timely filed, served and received, (i) a written reply thereto shall not be required but may be filed and served so that it is received by the objecting party and the other parties set forth above no later than 4:00 p.m. (Chicago Time), September 6, 2010, (ii) a final hearing shall be

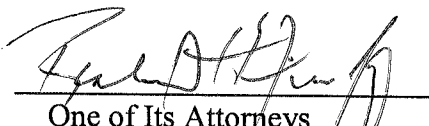
held on the Motion and objections thereto before this Court on September 7, 2010 at 10:30 a.m.
(Chicago Time).

Dated: AUG 24 2010, 2010.


UNITED STATES BANKRUPTCY JUDGE

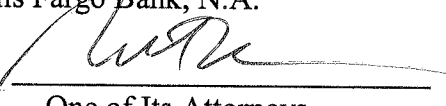
Consented to:

Lioncrest Towers, LLC

By: 
One of Its Attorneys

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Wells Fargo Bank, N.A.

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Park Towers Apartments Cash Flow Budget		FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
Week ending:		PR 28-Aug	4-Sep	PR 11-Sep	18-Sep	PR 25-Sep	2-Oct
Receipts	Rent	5,000	125,000	70,000	25,000	10,000	70,000
Total Receipts		5,000	125,000	70,000	25,000	10,000	70,000
Payments							
OPERATING EXPENSES							
44499-000	PAYROLL AND BENEFITS						
44500-000	Management Salaries	3,440		3,440		3,440	
44510-000	Payroll Allocations(Mgr)						
44520-000	Assistant Manager						
44540-000	Office/Leasing Wages	2,000		2,000		2,000	
44550-000	Outside Labor						
44555-000	Regional Maintenance Wages						
44556-000	Regional Maintenance Allocations	245				245	
44560-000	Maintenance Supervisor Wages	1,563		1,563		1,563	
44570-000	Maintenance/Grounds Wages	2,550		2,550		2,550	
44590-000	Cleaning Wages	1,460		1,460		1,460	
44610-000	Payroll Allocations(Painting)						
44613-000	Leasing Commission	750		750		750	
44617-000	Renewal Bonus	750		600		500	
44620-000	Employee Rent Discounts		355				355
44630-000	Taxes and Benefits	1,001		989		989	
44640-000	Health Insurance		2,442				2,442
44640-000	Health Insurance (employee)						
44650-000	Workers Compensation		1,255			418	
44698-000	TOTAL PAYROLL AND BENEFITS	13,759	4,052	13,597	0	14,015	2,797
54999-000	GENERAL AND ADMINISTRATIVE						
55100-000	Answering Service				100		
55120-000	Automobile Expense						
55140-000	Bank Service Charges					25	
55160-000	Cable/Internet				500		
55180-000	Computer License Fees						
55220-000	Copier Lease				105		
55240-000	Copies, Printing and Forms	275				275	
55260-000	Credit Report Processing	50			400		
55270-000	Furniture Rental - Residents				200		
55310-000	Gate Card Refund						
55320-000	Late Fees	50					
55340-000	Legal & Professional Fees					50	
55360-000	Licenses and Permits		1,200				1,500
55380-000	Meals	50					
55400-000	Membership Dues						
55420-000	Mileage Reimbursement						
55440-000	Miscellaneous						
55480-000	Monitoring Fees						
55500-000	Office Supplies		200				
55520-000	Payroll Processing	130				200	
55540-000	Postage and Delivery					130	
55560-000	Professional Development					50	
55580-000	Recruiting					100	
55600-000	Telephone						
55610-000	Telephone - Mobile		225			225	
55620-000	Travel		180			180	
55640-000	Uniforms						
55680-000	Other			500			
55698-000	TOTAL GENERAL AND ADMINISTRATIVE	555	1,805	500	1,305	1,235	1,500
65999-000	ADVERTISING AND PROMOTION						
66010-000	Advertising - Apartment Finder						
66030-000	Advertising - Apartment Guide						
66050-000	Advertising - Apartments.com				930		
66070-000	Advertising - ForRent Magazine				525		
66090-000	Advertising - Move.com				690		
66100-000	Advertising - OnHoldUSA						

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Park Towers Apartments Cash Flow Budget		FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
Week ending:		PR 28-Aug	4-Sep	PR 11-Sep	18-Sep	PR 25-Sep	2-Oct
66210-000	Advertising - Rent.com						
66230-000	Advertising - Rental Guide				399		
66270-000	Brochures						
66290-000	Holiday Supplies						
66310-000	Promotional Items						
66330-000	Public Relations					1,000	
66350-000	Referral Fees - Other						
66370-000	Referral Fees - Realtor					500	
66390-000	Referral Fees - Resident						
66410-000	Renewal Incentive				500		
66430-000	Resident Functions		1,500				
66450-000	Website Hosting						
66598-000	TOTAL ADVERTISING AND PROMOTION	0	1,500	0	3,044	1,500	0
69999-000	UTILITIES						
70010-000	Alarm Line Service	300					
70030-000	Cable					500	
70050-000	Electricity - Common	3,500		5			
70070-000	Electricity - Vacant	500				3,500	
70090-000	Electricity - Other	150				500	
70110-000	Gas - Common	2,500				150	
70130-000	Gas - Vacant					3,500	
70150-000	Gas - Other						
70170-000	Internet						
70190-000	Trash Equipment Rental						
70210-000	Trash Removal		1,800			1,800	
70250-000	Water / Sewer						
70398-000	TOTAL UTILITIES	6,950	1,800	5	0	18,500	0
79999-000	BUILDING MAINTENANCE						
80020-000	Alarm Systems						
80040-000	Appliances - Repairs						
80050-000	Appliances - Supplies		150				
80080-000	Cleaning		2,500				
80100-000	Electric - Repairs						
80110-000	Electric - Supplies			50			
80130-000	Elevator - Contract			300			
80140-000	Elevator - Repairs						
80190-000	Exterminating			200			
80210-000	Fireplaces				200		
80230-000	Glass / Screen Repairs						
80250-000	Hardware and Supplies			50			
80270-000	HVAC - Repairs			250			
80280-000	HVAC - Supplies						
80300-000	Inspections			25			
80320-000	Janitorial Supplies			1,750			
80340-000	Plumbing - Repairs			300			
80350-000	Plumbing - Supplies			400			
80380-000	Pressure Washing - Contract			400			
80400-000	Window Washing						
80498-000	TOTAL BUILDING MAINTENANCE	0	2,650	3,725	200	0	0
80499-000	GROUPS MAINTENANCE						
80540-000	Equipment - Maintenance						
80560-000	Equipment - Operations						
80590-000	Gate Repair						
80600-000	Irrigation System						
80640-000	Landscape - Contract						
80660-000	Landscape - Supplies			2,100			
80680-000	Pool - Contract						
80700-000	Pool - Supplies						
80720-000	Snow Removal - Contract						
80740-000	Snow Removal - Supplies						
80798-000	TOTAL GROUNDS MAINTENANCE	0	0	2,100	0	0	0
80999-000	RENEWAL EXPENSE						
81020-000	Carpet Cleaning and Repair			400			
81060-000	Painting			400			

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Park Towers Apartments Cash Flow Budget		PR	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
Week ending:		28-Aug	4-Sep	PR 11-Sep	18-Sep	PR 25-Sep	2-Oct
81998-000	TOTAL RENEWAL EXPENSE	0	0	800	0	0	0
81999-000	TURNOVER EXPENSE						
82020-000	Carpet Cleaning			700			
82040-000	Carpet Repair			125			
82060-000	Cleaning - Contract			525			
82080-000	Cleaning - Materials						
82100-000	Inspections			300			
82120-000	Paint - Supplies			700			
82140-000	Paint - Contract	1,500		1,500		1,500	
82198-000	TOTAL TURNOVER EXPENSE	1,500	0	3,850	0	1,500	0
89999-000	OTHER OPERATING EXPENSES						
90025-000	Accounting Fees						
90050-000	Management Fees						
90200-000	Insurance - Auto						
90250-000	Insurance - Package						
90500-000	Real Estate Taxes		10,072			4,519	
90998-000	TOTAL OTHER OPERATING EXPENSES	0	20,422	0	0	4,519	0
99900-000	TOTAL OTHER INCOME/EXPENSES	0	0	0	0	0	0
NECESSARY CAPITAL EXPENDITURES							
14999-000	FIXED ASSETS						
15020-000	Landscape Improvements						
15050-000	Equipment				4,000		
15070-000	Furniture						
15090-000	Golf Carts						
15110-000	Tools						
15120-000	Transportation Vehicle		100			100	
	TOTAL MISCELLANEOUS FIXED ASSETS	0	100	0	4,000	100	0
15149-000	BUILDING IMPROVEMENTS						
15150-000	Back Flows						
15160-000	Balconies						
15190-000	Electric						
15200-000	Fire Extinguishers						250
15230-000	Gutter & Downspouts						
15250-000	Hot Water Heaters						
15270-000	Lighting						
15280-000	Other (Awnings)						
15290-000	Painting	1,800		1,800		1,800	
15300-000	Patio Doors						
15320-000	Plumbing			3,500			
15330-000	Roofs						
15340-000	Screens				500		
15350-000	Stairs / Breezeways						
15360-000	Tile						
15378-000	TOTAL BUILDING IMPROVEMENTS	1,800	0	5,300	500	1,800	250
15379-000	EXTERIOR IMPROVEMENTS						
15410-000	Garage Doors						
15420-000	Garages					100	
15430-000	Gates						
15440-000	Irrigation						
15460-000	Painting						
15470-000	Parking Lots						
15480-000	Playground				40,000		
15490-000	Seal Coating						
15500-000	Sidewalks						
15510-000	Signage						
15530-000	Trash Areas						
15540-000	Wells						
15558-000	TOTAL EXTERIOR IMPROVEMENTS	0	0	0	40,000	100	0
15559-000	UNIT IMPROVEMENTS						
15570-000	Blinds		450				450
15580-000	Cabinets						

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Park Towers Apartments Cash Flow Budget

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