

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

IN RE:	:	
	:	CHAPTER 11
MORNINGSTAR MARKETPLACE, LTD.	:	
	:	CASE NO. 14-bk-00451-MDF
Debtor	:	
	:	
MANUFACTURERS AND TRADERS	:	
TRUST COMPANY, as Trustee	:	
	:	
Movant	:	
	:	The Honorable Mary D. France
v.	:	
	:	
MORNINGSTAR MARKETPLACE, LTD.	:	
	:	
Respondent	:	

FINAL STIPULATED ORDER: (I) AUTHORIZING USE OF CASH
COLLATERAL; AND (II) SCHEDULING A FINAL HEARING
PURSUANT TO BANKRUPTCY RULES 4001(b) AND 4001(c)

Manufacturers and Traders Trust Company, as duly appointed Trustee under the Trust Indenture for the holders of the York County Industrial Development Authority Mortgage Revenue Bonds (Morningstar Solar LLC Project) Series 2010 (“M&T” or “Movant”) filed an Emergency Motion on March 14, 2014, to Prohibit Use of Property Belonging to Movant or, in the Alternative, for an Order Prohibiting the Continued Unauthorized Use of Cash Collateral pursuant to 11 U.S.C. §363(e), terminating the automatic stay pursuant to 11 U.S.C. §362(d) and Federal Rule of Bankruptcy Procedure 4001(a) (the “Motion”); and

On May 13, 2014, the Court held a final hearing on the Motion at which the Court heard (i) the Debtor, by its attorneys, Smigel, Anderson & Sacks, LLP, (Robert L. Knupp, Esq.), (ii) M&T, by its attorneys, by and through its counsel, Hodgson Russ LLP and its local counsel Mette, Evans & Woodside (Henry W. Van Eck, Esq.), and after the deliberation, and for good and sufficient cause appearing therefor:

STIPULATIONS OF FACT

The Parties hereby stipulate as follows:

A. Morningstar Marketplace, Ltd. (the “Debtor”) has an urgent, immediate and continuing need for the use of cash collateral, namely, the operation of its business, the marketing and sale of the Debtor’s assets, funding the administrative expenses during the bankruptcy proceeding and preservation and maximization of the value of the Debtor’s estate. Without the authority to use cash collateral, the Debtor would not be able to continue to operate in Chapter 11, market and sell its assets or maximize the value of its assets.

B. On December 30, 2010, the York County Development Authority (the “Authority”) made a loan to the Debtor in the original principal amount of Three Million Four Hundred Thousand Dollars (\$3,400,000.00) (the “Loan”) for the construction of a solar energy project.

C. In connection with the Loan, the Debtor executed a December 30, 2010 Promissory Note in favor of the Authority in the original principal amount of Three Million Four Hundred Thousand Dollars (\$3,400,000.00) (the “Note”).

D. The Note is secured by a December 30, 2010 Open-End Mortgage and Security Agreement (the “Mortgage”) executed by the Debtor in favor of the Authority, which is recorded with the York County Recorder of Deeds at Book 2108, Page 7932.

E. The Debtor executed a Loan Agreement with the Authority on or about December 15, 2010 (the “Loan Agreement”). The Loan Agreement grants the Authority a lien on certain personal property assets of the Debtor.

F. The Mortgage encumbers real property owned by Debtor located at and known as 5309 Lincoln Highway West, Thomasville, York County, Pennsylvania (the “Real Property”),

which is also encumbered by a first lien mortgage granted by the Debtor to PNC Bank, National Association ("PNC").

G. The Mortgage includes an Assignment of Leases and Income which is more fully set forth in Exhibit B to the Motion [Docket No. 44] (the "Assignment of Rents").

H. The Real Property, the personal property securing the Loan and the Assignment of Rents shall hereinafter be collectively referred to as the "Collateral".

I. In order to make the Loan, the Authority authorized the issuance of \$3,400,000.00 in mortgage revenue bonds (the "Bonds").

J. Pursuant to a December 15, 2010 Trust Indenture, M&T was appointed the Trustee for the Bonds and bondholders, and the Authority assigned its rights under the Note, the Mortgage and the other documents executed in connection with the Loan (collectively, the "Loan Documents") to Movant, as Trustee (the "Indenture").

K. M&T has certain valid, duly recorded liens on the Real Property and certain of the Debtor's personal property. M&T's collateral includes, among other things, the Debtor's present and future cash collateral, as such term is defined in Section 363 of the Bankruptcy Code (the "Cash Collateral"). To the extent that the rents received by the Debtor constitute Cash Collateral, M&T asserts that the Debtor may not use such Cash Collateral unless M&T's interests are adequately protected.

L. As of the Petition Date, the Debtor was obligated and indebted to M&T in the approximate amount of \$3,350,000, without accounting for recovery, if any, from the Debt Service Reserve Fund claim to which is expressly reserved by the parties, together with accrued and unpaid interest thereon, costs and expenses, including trustee's fees and attorneys' fees (the "Pre-Petition Indebtedness.")

M. The notice of the interim hearing, held on March 17, 2014, regarding the Motion was provided pursuant to FRBP 4001(b)(2) and is adequate and sufficient. The Movant provided the following parties notice by electronic mail or overnight mail: (i) the Office of the United States Trustee; (ii) counsel to PNC; and (iii) the creditors holding the 20 largest unsecured claims against the Debtor's estate. The Movant believes the notice of the interim and final hearings was the best available under the circumstances.

N. M&T retains all rights available pursuant to the Bankruptcy Code or any other applicable law, including without limitation its rights, if any, to seek additional restrictions upon the Debtor's business activities, to seek termination or modification of this Order, to seek termination or further modification of the automatic stay pursuant to Section 362 of the Bankruptcy Code (to the extent not already modified as set forth herein). The Debtor retains the right to contest or defend against any such requests by M&T. M&T and the Debtor reserve their respective rights as to whether the rents collected by the Debtor constitute property of the estate.

O. The Debtor and its professionals have agreed to grant M&T and its representatives reasonable access to any of Debtor's business premises, books, and records upon 72 hours prior notice.

P. No professional, as such term is defined in the Bankruptcy Code, shall be retained by the Debtor or any Chapter 7 or 11 trustee specifically to preserve or liquidate the Real Property without the prior written consent of PNC and M&T, or the other Collateral without the prior written consent of M&T, or without further Order of this Court after notice to M&T and/or PNC, as applicable, and a hearing thereon, and the provisions of Sections 506(c) and 552 of the Bankruptcy Code shall not be imposed upon M&T or PNC or the Collateral in connection with such preservation or liquidation without its consent; provided, however, so long as the

Debtor is not in default under the terms of this Order, the Debtor shall be permitted, notwithstanding any security interests or liens heretofore or hereafter existing with respect to property of the Debtor, to pay administrative expenses of the kind specified in Section 503(b) of the Bankruptcy Code incurred in the ordinary course of the Debtor's businesses in accordance with the budget attached hereto as Schedule "1" (the "Budget"), and compensation and reimbursement of expenses authorized under Sections 330 and 331 of the Bankruptcy Code, as the same may be due and payable; provided, however, nothing herein shall be construed to grant such claimants a claim under Section 506(c) of the Bankruptcy Code or otherwise against M&T or PNC or the Collateral for any unpaid fees and/or expenses.

Q. The Parties agree that it is in the best interests of the Debtor, the Debtor's bankruptcy estate, M&T and other creditors of the estate, that real estate taxes and lienable municipal charges and the indebtedness owed to PNC be paid on a current basis, and any arrearages on any such obligation or indebtedness be paid as soon as practicable, in order to avoid interest and penalties and other charges that accrue on any such amount that is in arrears and the resulting diminution and erosion of the equity of the estate.

ORDER

Based upon the preceding Stipulations of Fact, it is ORDERED, ADJUDGED AND DECREED as follows:

1. Core Proceeding. Consideration of the Motion constitutes a core proceeding as defined in 28 U.S.C. §157(b)(2)(A), (D), (G), (K), and (M) and, therefore, this Court has jurisdiction over this proceeding and the property affected thereby and hereby.
2. Recitals. All of the Findings of Fact and stipulations set forth above are incorporated by reference into this Order.

3. Motion Granted. The Motion is hereby granted as set forth herein.

4. Source of Funds. The Debtor shall collect monthly rent from Morningstar Marketplace, Inc. (“Marketplace”) pursuant to the terms of the lease between the Debtor and Marketplace dated January 1, 2010 (the “Lease”). All such rent shall be collected in cash, and not by intercompany book entry, or by the payment by the Marketplace of the obligations of the Partnership.

5. Use of Funds. Attached hereto as Schedule 1 is a 12 Month Projected Operating Budget¹ (the “Budget”) for the Debtor, prepared by the Debtor and filed with the Bankruptcy Court, which displays rental income, sale of business income and cash expenditures for the period February 2014 through January 2015. M&T and the Debtor agree that the Debtor is authorized to use Cash Collateral through the date of the Final Hearing (defined below) in an aggregate amount equal to the amounts in the Budget with an aggregate variance of 10% per line permitted (M&T asserts in the Motion that the rents received by the Debtor are not property of the estate constituting Cash Collateral and the parties reserve their respective rights as to this issue). All expenditures shall be used for items in the ordinary course of business and only for those items set out in the Budget. The Debtor and M&T may mutually agree to amend the budget at any time without further Court order, provided that any such amendment shall not affect the monthly payments to PNC on account of the indebtedness owed to PNC and secured by PNC's first lien mortgage¹ on the Real Property, all of which shall be made as and when due under PNC's mortgage and the other agreements and documents that evidence and secure the Debtor's indebtedness and obligations to PNC. Any receipts which exceed the monthly payments on the secured debt to PNC Bank and the Debtor's adequate protection payment to M&T in the amount

¹ Any reference to payment of professional fees in the Budget shall not constitute a “carveout” from the Collateral.

of \$1,500 per month shall be kept in the Debtor's account and only used in accordance with the budget and to maintain the Real Property. Adequate protection payments to M&T shall not be made unless there is sufficient cash to cover the monthly payment to PNC. Notwithstanding this authorization, the Debtor shall not make any payment or satisfaction of any expense that will result in the Debtor spending an amount equal to more than 10% variance greater than the aggregate line item of the Budget, except that the Debtor is authorized to make any payment to PNC of any amount of the Debtor's indebtedness to PNC that is in arrears as previously provided herein.

6. Termination of Use of Cash Collateral. The Debtor's authority to use Cash Collateral pursuant to this Stipulation shall immediately terminate without further order, notice or hearing, upon the occurrence of any of the following events:

- (i) In the event that, on or before **August 26, 2014** the parties do not jointly submit an amended Final Cash Collateral Order authorizing the use of Cash Collateral, or enter into a written and executed Stipulation between the Debtor and M&T authorizing the use of Cash Collateral after **August 26, 2014**;
- (ii) The conversion of the Debtor's Chapter 11 case to one under Chapter 7 of the Code;
- (iii) The appointment of any Chapter 11 Trustee, examiner or other representative with expanded powers for the Debtor;
- (iv) The occurrence of an effective date or consummation of a plan of reorganization;
- (v) The dismissal of the Debtor's bankruptcy case;

- (vi) The cessation of the Debtor's or the Marketplace's normal business operations;
- (vii) The sale of assets is proposed by the Debtor without the written consent of M&T and PNC that would not indefeasibly pay amounts due pursuant to the Loan Documents (the "Indebtedness") in full in cash;
- (viii) Any other motion is filed by the Debtor for any relief directly or indirectly affecting the Collateral in a material manner unless all the Indebtedness has been indefeasibly paid in full in cash, and completely satisfied upon consummation of the transaction contemplated thereby;
- (ix) The Debtor fails to file a motion by August 4, 2014 seeking Bankruptcy Court approval of bid procedures acceptable to M&T and PNC, in their sole and absolute discretion, ("Bid Procedures Motion") for the sale of substantially all of the Debtor's business or property;
- (x) The Debtor fails to obtain Bankruptcy Court approval of a transaction or agreement acceptable to both M&T and PNC, in their sole and absolute discretion, hereinafter an "Sale Transaction" for the sale of the Debtor's business or property by October 30, 2014; or
- (xi) The Debtor fails to close on such Bankruptcy Court approved Sale Transaction by November 30, 2014; or

- (xii) The Debtor fails to comply with any of the terms of this Order, including the Budget or the failure to collect the projected collections set forth therein, any covenant set forth in this Order, or any stipulation or representation by the Debtor stated herein is false or misleading;

At the request of the Debtor, M&T may agree to extend, modify or waive each of the dates set forth in this paragraph, in M&T's sole discretion; provided however, that in order to be effective, any such extension, modification or waiver must be done in writing and signed by M&T or its attorneys prior to the expiration of the original and applicable date set forth above.

7. Reporting. In addition to the monthly operating report required by the Office of the United States Trustee, the Debtor shall provide M&T and PNC: (i) a monthly accounting (in the same form as the Budget) itemizing the Cash Collateral used for the preceding month and the projected collections and uses of Cash Collateral for the current month period and (ii) a report comparing the Budget to the actual revenue and expenses of the Debtor for the prior month's usage of Cash Collateral. The Debtor also agrees to provide M&T and PNC, every other Friday, the following financial reporting for Morningstar Marketplace, Inc.: (i) a line item budget (on a monthly basis in the form annexed hereto as Schedule 2 (the "Morningstar Budget"), and which reflects the sources and uses of cash, (ii) a bi-weekly accounting itemizing the cash collateral used for the preceding two weeks and the projected collections and uses of cash collateral for the current two week period and (iii) a report comparing the Morningstar Budget to the actual revenue and expenses of Morningstar Marketplace, Inc. for the prior two weeks of usage of cash collateral. These bi-weekly reports shall be on a cash basis. Additionally, the Debtor shall provide M&T with such financial reports and information as is required under any applicable

Loan Documents and as otherwise reasonably requested by M&T. The Marketplace shall also provide M&T and PNC with a monthly operating report in the same form and content of a monthly operating report (on an accrual basis) that would be required by the Office of the United States Trustee if the Marketplace were a debtor-in-possession under Title 11 of the United States Code.

8. The Liens. The liens granted to M&T in this Order, and any payment of any real estate tax or lienable municipal charge made at any time, and any payment made at any time to M&T or PNC on account of the Debtor's indebtedness to M&T or PNC, shall not be subject to Sections 510, 542, 549, 550, or 551 of the Bankruptcy Code or the "equities of the case" exception of Section 552(b)(1) of the Bankruptcy Code, or, if approved in the Final Order, Section 506(c) of the Bankruptcy Code. No other lien or security interest having priority superior or *pari passu* to that granted under this Order to M&T shall be granted while any portion of the Indebtedness remains outstanding except (i) for Roll Over liens granted to M&T as adequate protection for the use of Cash Collateral, (ii) to any person or entity who or which had any superior lien prior to the Petition Date, (iii) upon the prior written consent of M&T, or (iv) to the extent the Indebtedness is paid in full.

9. No Post-Petition Obligations. Other than Court approved fees and expenses of professionals retained by the Debtor or any Creditors' Committee, the Debtor shall incur no post-petition indebtedness except as incurred in the ordinary course or as permitted by this Order or in accordance with the Budget, unless mutually agreed by M&T and PNC and the Debtor and approved by the Court. The Debtor shall incur no post-petition obligations for borrowed money pursuant to Sections 364(c) or (d) of the Bankruptcy Code, and shall grant no post-petition liens, or super-priority claims, except as may be mutually agreed by M&T and PNC and the Debtor

and/or as approved by the Court. Nothing contained herein shall be interpreted to prohibit the Debtor from remitting the amounts required by law to the Office of the United States Trustee.

10. Adequate Protection for Use of Cash Collateral. Pursuant to Sections 361(2), 363(e), and 506 of the Bankruptcy Code, in order to provide adequate protection of M&T's interests under applicable law in the Cash Collateral against diminution in the value of the collateral ("Cash Collateral Diminution") caused by the Debtor's use of Cash Collateral pursuant to this Order, the Debtor grants, and M&T is hereby granted, roll-over security interests in the Debtor's post-petition acquired assets of the same type, and to the same extent, validity, and priority as M&T held on the Petition Date (the "Roll-Over Liens"). Such Roll-Over Liens shall be (i) in addition to all security interests, liens, and rights of setoff existing in favor of M&T on the Petition Date, (ii) valid, perfected, enforceable liens, and effective as of the Petition Date without any further action by the Debtor or M&T and without the execution, filing or recordation of any document otherwise required under applicable law for granting and perfecting security interests and liens, and (iii) security for the use of Cash Collateral and as protection against Cash Collateral Diminution. Notwithstanding the foregoing, the Debtor is hereby authorized and directed at its expense to execute, file, and record any security agreements, financing statements, instruments, or other documents as may be reasonably requested by M&T to otherwise evidence and perfect the Roll-Over Liens. The security interests and liens granted pursuant to this Order shall be binding upon the Debtor, any successor in interest to the Debtor or its assigns, or any Chapter 11 trustee or Chapter 7 trustee if the case is converted to a case under Chapter 7 of the Bankruptcy Code, and creditors who have or may hereafter extend credit to the Debtor or its estate. The Roll-Over Liens shall have the same extent, validity and priority as M&T's respective pre-petition liens. With the exception of the priority of the Adequate Protection

Amount, no other liens or claims are or will be prior to or on parity with the liens or claims of M&T with respect to the Roll-Over Liens (unless authorized by the Court), provided that such security interests shall be subject and subordinate to fees payable pursuant to 28 U.S.C. Section 1930.

11. Collateral Diminution. Any diminution in the value of the Collateral, arising from the post-petition use of the pre-petition collateral, the Cash Collateral, or the collateral subject to the Roll-Over Liens, which is sufficient to cause all or any part of the Indebtedness to become unsecured to a greater extent than the Indebtedness was unsecured as of the Petition Date (“Collateral Diminution”) shall be and hereby is (a) deemed a claim entitled to priority pursuant to Section 507(b) of the Bankruptcy Code and such claim shall be allowed as a superpriority administrative claim under Section 503(b)(1) of the Bankruptcy Code having priority over any and all administrative expenses specified in Section 507(a)(1), and (b) deemed part of the amount which must be paid to the Lender in order to adequately protect its interest in the Collateral (“Adequate Protection Amount”) (reference to the Indebtedness shall be deemed to include the Adequate Protection Amount).

12. Insurance. As further adequate protection to M&T, the Debtor will keep hazard insurance in place on its real and personal property and PNC Bank and M&T shall continue respectively as a named mortgagee or loss payee on the Debtor’s hazard insurance policy or policies relating to the Collateral.

13. No Filing or Recording Necessary. All agreements, security interests, and liens contemplated or granted by this Order and/or the Loan Documents are effective and perfected as of the commencement of this bankruptcy proceeding without further filing or recording by the

Debtor or M&T in compliance with any state or federal law. If the Debtor or M&T, in their sole discretion, choose to file any financing statements, or other documents to otherwise confirm perfection of such security interests and liens, all such documents shall be deemed to have been filed or recorded on the Petition Date immediately upon the filing of the petition commencing this bankruptcy proceeding. However, the failure of Debtor to execute any such documentation, or the failure of M&T otherwise to attach or perfect its security interests granted hereunder in accordance with state or federal law, shall in no way affect the validity, perfection, or priority of the security interests, and liens granted to M&T pursuant to this Order. M&T is authorized to file or record this Order in lieu of any financing statement or other document which may otherwise be specified by applicable law, to reflect the above security interests and liens, and all recording officers are hereby directed to accept this Order for filing without requiring the payment of any filing or recording tax, stamp tax or similar tax.

14. Binding Effect of Order. Subject to the provisions herein, the terms and conditions of this Order relating to the liens and priorities granted to M&T herein shall be binding upon the Debtor, its creditors, and all other parties in interest, and all successors in interest thereof, including, without limitation, any Chapter 11 trustee that may be appointed in this bankruptcy proceeding or any trustee in cases under Chapter 7 of the Bankruptcy Code into which this Chapter 11 case may be converted.

15. Section 506 Assessment. No administrative claims, including the claims for professional fees and expenses, the professional fees of any committee appointed pursuant to Section 1102 of the Bankruptcy Code or the reimbursement of expenses of the members of such committee, shall be assessed, charged against or attributed to M&T or PNC or the Collateral pursuant to the provisions of Section 506(c) of the Bankruptcy Code, or otherwise, and neither

M&T nor PNC has consented or agreed to permit any such amounts to be paid from the Collateral. This provision shall not be read to preclude the Debtor's payment of such administrative expenses and/or allowed professionals fees in the ordinary course of business.

16. Limited Modification of Automatic Stay. The automatic stay presently in effect in this bankruptcy proceeding pursuant to Section 362 of the Bankruptcy Code is hereby modified, with respect to M&T, to the extent necessary to render effective any other instruments or documents to carry out the provisions of this Order.

17. Events of Default. Upon the Debtor's failure to comply with the terms of this Order and following fifteen (15) days' written notice to the Debtor, Debtor's counsel, PNC's counsel, the United States Trustee, and counsel for any Creditors Committee appointed in this case or if no committee is appointed the twenty (20) largest unsecured creditors, M&T shall have the right to file a certificate of default with the Court and upon such filing, the Automatic Stay imposed by Section 362 of the Bankruptcy Code shall be deemed vacated to allow M & T to exercise its state law rights and remedies as to the Collateral without further notice, hearing and/or Order of the Court.

18. Effect of Future Modification of Order. No subsequent stay, modification, termination, failure to extend the term, or vacation of this Order shall affect, limit, or modify the validity of any of the Indebtedness, any claim for the amount of any Collateral Diminution or Cash Collateral Diminution, or any superpriority claim granted hereunder owed by the Debtor to M&T incurred pursuant to this Order prior to the date hereof or otherwise, nor shall any such stay, modification, or vacation limit, affect, or modify the validity, enforceability, or perfection of any security interest, lien, or priority granted or reaffirmed in connection therewith. Notwithstanding any such stay, modification, or vacation of this Order, all rights of the Debtor,

to the extent applicable, and M&T, up to and including the date of such stay, modification, or vacation of this Order shall be governed in all respects by the provisions of this Order and the Loan Documents, and the Debtor and M&T shall be entitled to all the rights, privileges, and benefits thereof and hereof, including the security interests, liens, and priorities granted herein.

19. Effect of Dismissal. No order shall be entered upon a motion of the Debtor seeking to dismiss this bankruptcy proceeding except on notice to M&T and PNC and an opportunity to be heard unless, prior to such entry, M&T and PNC have consented to dismissal. In the event the Chapter 11 case is dismissed, converted, or otherwise superseded, neither the entry of this Order nor the dismissal or conversion of the Chapter 11 case shall affect M&T's rights which shall be and remain in full force and effect as if this Chapter 11 case had not been dismissed, converted, or superseded. Furthermore, notwithstanding any such dismissal, conversion, supersession, or consolidation, all of the terms and conditions of this Order and the agreements executed hereunder, including the security interests and liens and the superpriority granted hereunder, shall remain in full force and effect without the need for any filing with any state or local jurisdiction.

20. Objection Overruled. Except to the extent specifically set forth herein, all objections to the entry of this Order are hereby overruled.

21. Inconsistencies. During the term of this Order, and in the event of any irreconcilable inconsistency between this Order and any agreement heretofore or hereafter entered into by or between the Debtor and M&T, the terms of this Order shall govern and control.

22. Order Effective Immediately. This Order is immediately valid and fully effective upon its issuance.

23. Reservation of Rights. The Debtor and M&T hereby reserve their respective rights, pending the Final Hearing on the Motion, with respect to the relief sought in the Motion as provided in this Order.

24. Expiration of Cash Collateral Authority. The Debtor's authority to use Cash Collateral shall expire on **August 26, 2014** at 5:00 p.m. absent further Court order authorizing the use of Cash Collateral or M&T written consent for use of Cash Collateral beyond August 26, 2014.

25. Notice of Entry. The Movant shall serve a copy of this Order not later than 5:00 p.m. on May 15, 2014 by first class mail upon counsel for the Debtor, counsel for PNC Bank, the United States Trustee, any Creditors' Committee appointed in this case, and, if no Creditors' Committee has been appointed, each of the Debtor's 20 largest unsecured creditors. Service as provided above shall be deemed good and sufficient service of this Order.

26. Further Hearing. A hearing with respect to the continued use of Cash Collateral shall be heard before this Court at the United States Bankruptcy Court, on August 26, 2014 at 9:30 a.m. or as soon thereafter as counsel may be heard.

Dated: May 16, 2014

By the Court,


Chief Bankruptcy Judge
(VK)

Morningstar Marketplace LTD.
Chapter 11 Bankruptcy Case No. 1-14-00451
12 Month Projected Operating Budget

	2014												2015
	February	March	April	May	June	July	August	September	October	November	December	January	
Cash Income													
Rental Income	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ -	\$ -
Sale of Business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,600,000	\$ -	\$ -	\$ -
Total	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 3,600,000	\$ -	\$ -	\$ -
Cash Expenditures													
Payment of Secured Claims	\$ 23,459	\$ 23,459	\$ 23,459	\$ 23,459	\$ 23,459	\$ 23,459	\$ 23,459	\$ 23,459	\$ 23,459	\$ 3,210,050	\$ -	\$ -	\$ -
Adequate Protection Payments	\$ -	\$ -	\$ -	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ -	\$ -	\$ -	\$ -
Real Estate Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,000	\$ -	\$ -	\$ -
Professional Fees	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ -	\$ -	\$ -	\$ 10,500	\$ -	\$ -	\$ -	\$ -
Trustee Fees	\$ -	\$ -	\$ 975	\$ -	\$ -	\$ 975	\$ -	\$ -	\$ 975	\$ -	\$ -	\$ -	\$ 10,400
Total	\$ 23,459	\$ 24,434	\$ 23,459	\$ 23,459	\$ 37,459	\$ 25,934	\$ 24,959	\$ 24,959	\$ 36,434	\$ 3,345,050	\$ -	\$ -	\$ -
Cash Increase (Decrease)	\$ 3,041	\$ 3,041	\$ 2,066	\$ 3,041	\$ (10,959)	\$ 566	\$ 1,541	\$ 1,541	\$ (9,934)	\$ 254,950	\$ -	\$ -	\$ (10,400)
Cash - Beginning	\$ 20	\$ 3,061	\$ 6,102	\$ 8,168	\$ 11,209	\$ 250	\$ 816	\$ 2,357	\$ 3,898	\$ (6,036)	\$ 248,914	\$ 248,914	\$ 248,914
Cash - Ending	\$ 3,061	\$ 6,102	\$ 8,168	\$ 11,209	\$ 250	\$ 816	\$ 2,357	\$ 3,898	\$ (6,036)	\$ 248,914	\$ 248,914	\$ 248,914	\$ 238,514

Morningstar Marketplace, Inc.
 Projected Statement of Operations - Compiled
 For the Period April 2014 to Mar 2015 (Projected)

	Projected Statement of Operations												
	14-Apr	14-May	14-Jun	14-Jul	14-Aug	14-Sep	14-Oct	14-Nov	14-Dec	15-Jan	15-Feb	15-Mar	Total
Income													
Rental Income	\$ 57,800	\$ 61,500	\$ 62,500	\$ 63,500	\$ 64,500	\$ 58,500	\$ 56,500	\$ 53,500	\$ 51,500	\$ 46,006	\$ 45,220	\$ 49,500	\$ 670,526
Utilities Income	\$ 1,590	\$ 1,691	\$ 1,719	\$ 1,746	\$ 1,774	\$ 1,609	\$ 1,554	\$ 1,471	\$ 1,416	\$ 1,265	\$ 1,244	\$ 1,361	\$ 18,439
ATM	\$ 400	\$ 400	\$ 450	\$ 500	\$ 500	\$ 450	\$ 400	\$ 200	\$ 50	\$ -	\$ -	\$ 250	\$ 3,600
Other Income	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 95	\$ 20	\$ 95	\$ 435
Total Income	\$ 59,815	\$ 63,616	\$ 64,694	\$ 65,771	\$ 66,799	\$ 60,584	\$ 58,479	\$ 55,196	\$ 52,991	\$ 47,366	\$ 46,484	\$ 51,206	\$ 693,000
Expense													
Rent	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 26,500	\$ 318,000
Payroll Expense	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 120,000
Utilities	\$ 4,250	\$ 4,250	\$ 5,100	\$ 5,500	\$ 5,500	\$ 4,250	\$ 4,250	\$ 4,250	\$ 5,500	\$ 2,510	\$ 6,150	\$ 5,500	\$ 57,010
Professional Fees	\$ 16,500	\$ 6,458	\$ 5,000	\$ 4,850	\$ 1,000	\$ 1,000	\$ 6,850	\$ 2,400	\$ 2,400	\$ 1,000	\$ 1,000	\$ 1,000	\$ 49,458
Maintenance	\$ 1,650	\$ 2,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 2,500	\$ 1,500	\$ 1,500	\$ 1,000	\$ 1,202	\$ 861	\$ 1,450	\$ 24,663
Insurance	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 1,598	\$ 19,176
Taxes - Payroll	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 1,150	\$ 13,800
Depreciation Expense	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 12,000
Advertising	\$ 350	\$ 1,150	\$ 1,400	\$ 1,250	\$ 1,250	\$ 650	\$ 575	\$ 550	\$ 1,250	\$ 650	\$ 1,895	\$ 350	\$ 11,320
Small Tools & Equipment	\$ 750	\$ 1,000	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,077	\$ 682	\$ 1,051	\$ 394	\$ 274	\$ 678	\$ 9,705
Supplies	\$ 600	\$ 710	\$ 399	\$ 724	\$ 432	\$ 479	\$ 107	\$ 82	\$ 550	\$ -	\$ 130	\$ 285	\$ 6,530
Bank Service Charges	\$ 450	\$ 450	\$ 450	\$ 550	\$ 550	\$ 450	\$ 325	\$ 550	\$ 500	\$ -	\$ -	\$ -	\$ 4,740
Licenses and Permits	\$ 1,500	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ 250	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 2,500
Taxes	\$ 1,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,268
Dues and Subscriptions	\$ -	\$ -	\$ 300	\$ -	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300	\$ 900
Office Expense	\$ -	\$ -	\$ 120	\$ -	\$ -	\$ 120	\$ -	\$ -	\$ 120	\$ -	\$ -	\$ 240	\$ 600
Alpacas	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ 25	\$ 100
Total Expense	\$ 67,566	\$ 56,766	\$ 57,742	\$ 58,072	\$ 53,680	\$ 51,322	\$ 55,230	\$ 50,955	\$ 52,844	\$ 46,004	\$ 50,863	\$ 50,926	\$ 651,770
Net Income	\$ (7,752)	\$ 6,850	\$ 6,952	\$ 7,699	\$ 13,119	\$ 9,262	\$ 3,249	\$ 4,241	\$ 147	\$ 1,362	\$ (4,179)	\$ 280	\$ 41,230