



ENTERED  
09/10/2010

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

**IN RE:** §  
§  
**SWB WACO SH, L.P.,** § **Case No. 10-38001-H1-11**  
§  
**Debtor.** §

**INTERIM ORDER (I) AUTHORIZING THE DEBTOR TO USE CASH COLLATERAL, (II) PROVIDING ADEQUATE PROTECTION AND GRANTING LIENS, SECURITY INTERESTS AND OTHER RELIEF TO STERLING BANK, AND (III) SCHEDULING FINAL HEARING PURSUANT TO FED. R. BANKR. P. 4001(b)**  
**[This pleading relates to Docket No. 2]**

1. The Court has considered the Emergency Motion for Interim and Final Orders Authorizing the Use of Cash Collateral (the "Motion") filed by SWB Waco SH, L.P. (the "Debtor") seeking authority (i) to use Cash Collateral (as defined below) on an interim basis, (ii) to provide adequate protection to Sterling Bank, and (iii) to schedule a final hearing on the Motion pursuant to Federal Rule of Bankruptcy Procedure 4001(b)(2).

2. This Court finds that it has jurisdiction over this proceeding and the parties and property affected hereby pursuant to 28 U.S.C. §§ 1334 and 157, and consideration of the Motion constitutes a core proceeding as defined in 28 U.S.C. §§ 157(b)(2)(A), (K), (M), and (O). Adequate notice of the Motion and the hearing thereon was provided pursuant to Federal Rules of Bankruptcy Procedure 2002, 4001(c), and 9006, BLR 4001 and as required by Sections 102, 361 and 363 of the Bankruptcy Code.

3. The Debtor and Sterling Bank assert that the Sterling Bank's pre-petition claims are secured by perfected liens and security interests in an apartment complex in Waco, Texas, located at 215 Washington (the "Property") and any and all rents, proceeds, product, profits or offspring of the foregoing, all as more fully described in the Loan Documents. Nothing contained herein constitutes a finding of fact or conclusion of law as to the amount, validity, enforceability, perfection, priority or allowance of Sterling Bank's claims or liens to the Prepetition Collateral.

4. Based upon the pleadings, evidence adduced by the parties, and representations of counsel, the Court hereby grants the relief requested in the Motion as set forth below to prevent immediate and irreparable harm to the Debtor's estate and its property. Accordingly, it is

**ORDERED THAT:**

1. The Debtor may use cash collateral solely in accordance with the budget attached hereto as Exhibit A (the "Budget"). The Debtor shall be permitted to pay any budgeted and approved expenditure when that expenditure actually becomes due, regardless of which day/week that expenditure was anticipated to be payable under the Budget. Further, the Debtor

is authorized to make expenditures for specific line items in the Budget that are within 110% of the budgeted amount.

2. As adequate protection, Sterling Bank is granted a first priority, perfected replacement lien and security interest in all post-petition rents and other estate property to the extent that cash collateral is used by the Debtor.

3. The Debtor's counsel shall serve a copy of this Order on all of the following parties: (i) the Office of the United States Trustee, (ii) the attorneys for Sterling Bank, (iii) all creditors known to Debtor who may have liens against the Debtor's Cash Collateral, (iv) the United States Internal Revenue Service, (v) the 20 largest unsecured creditors of the Debtor, and (vi) all parties in interest who have filed a notice of appearance.

4. This Court hereby expressly retains jurisdiction over all persons and entities, co-extensive with the powers granted to the United States Bankruptcy Court under the Bankruptcy Code, to enforce the terms of this Order and to adjudicate any and all disputes in connection therewith.

5. Nothing herein shall prevent Sterling Bank from objecting to any future request for interim or final use of cash collateral. Without limiting the foregoing, Sterling Bank's consent to the use of cash collateral provided in this Interim Order is not an ongoing consent to the use of cash collateral for future months or on a final basis.

6. **This Cash Collateral Order shall remain effective through September 28, 2010. A hearing regarding the Debtor's continued use of cash collateral shall be held on September 27, 2010 at 3:30 p.m.**

SIGNED this 9/9/10 2010.

  
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**THE HONORABLE MARVIN ISGUR,  
CHIEF UNITED STATES BANKRUPTCY JUDGE**

# **EXHIBIT A**

**Heritage Quarters  
Waco, Texas  
Weekly Budget Summary  
2010**

	09/06/10	09/13/10	09/20/10	Total
<b>OPERATING EXPENSE</b>				
Payroll		14,711		14,711
Repairs and Maintenance	1,067	1,067	1,067	3,200
Marketing & Leasing	983	983	983	2,950
Res Life	433	433	433	1,300
General & Administrative	1,093	1,093	1,093	3,280
Common Area Expenses		1,000	9,190	10,190
Utilities			17,560	17,560
<b>Total Operating Expenses</b>	<b>3,577</b>	<b>19,287</b>	<b>30,327</b>	<b>53,190</b>