



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed January 25, 2017

United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE	}	
	}	
SILVER CREEK INVESTMENTS, LLC	}	CASE NO. 16-34633-BJH-11
	}	
Debtor.	}	

AGREED SECOND INTERIM ORDER REGARDING DEBTOR'S MOTION FOR ORDER (A) AUTHORIZING INTERIM AND FINAL USE OF CASH COLLATERAL; AND (B) GRANTING ADEQUATE PROTECTION

On January 24, 2017 the Court held a second hearing (the "Hearing") on Debtor's Motion for Entry of Interim and Final Orders Authorizing Use of Cash Collateral and Granting Related Relief filed by Silver Creek Investments, LLC. ("Debtor").

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FINDINGS OF FACT AND CONCLUSIONS OF LAW

Having considered the Motion, the testimony of the witness, the statements of counsel and the evidence presented to the Court at the Hearing, the Court finds and concludes as follows:

1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of this case and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. Service of the Motion was appropriate and sufficient under the circumstances and complies with Rules 2002 and 4001(b) of the Federal Rules of Bankruptcy Procedure and the local rules of this Court and no further notice need be given.

LIMITED USE OF CASH COLLATERAL

3. Cash of the Debtor's estate and all cash equivalents, whether in the form of deposit accounts, proceeds, products, offspring, rents or profits of property subject to a statutory liens, constitutes cash collateral (the "Cash Collateral) of Bank of DeSoto as described in the Motion.

4. Debtor requires the use of the Cash collateral in order to continue its ordinary course of business operations and to maintain the value of its bankruptcy estate.

5. Good and sufficient cause has been shown to justify the granting, on an interim basis, of the relief requested in the Motion. The Debtor's use of Cash Collateral is necessary to preserve the bankruptcy estate and will avoid immediate and irreparable harm to the Debtor's bankruptcy estate which will occur if this Cash Collateral Order is not immediately entered. Pursuant to section 363(c)(2) and (e) of the Bankruptcy Code, the relief requested in the Motion is approved and granted on as interim basis as described herein.

ORDER

Accordingly, it is therefore

ORDERED that Debtor be and it hereby is authorized to use Cash Collateral as provided in accordance with the terms and conditions stated in this Interim Order. It is further

ORDERED that Debtor be and is hereby authorized to collect Cash Collateral in the form of rent from tenants at the Property for the month of February 2017. It is further

ORDERED that Debtor's use of Cash Collateral shall be limited to payment of the following expenses of operating the business, including payroll and related taxes, and the monthly secured obligation to Bank of DeSoto pursuant to its security documents for the interim period until the final hearing on the Motion. With the exception of fixed payments, an operating expense payment variance of up to 20% shall be considered to be acceptable with these guidelines.

Employee/Contractor Compensation	\$1,750.00
Utilities	\$795.00
Office Expenses and supplies	\$175.00
Repairs and Maintenance	\$2,725.00
Management fee to Alfred Herron	\$1,000.00

It is further

ORDERED that Debtor shall provide written documentation (ie. receipt, invoice, etc.) for each operating expense paid with the Cash Collateral. It is further

ORDERED that Cash Collateral collected in excess of the amount required to pay operating expenses described herein shall remain on deposit in Debtor's Debtor-in-Possession account until further order of the Court. It is further

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ORDERED that Debtor shall make adequate protection payments in the amount of \$20,250.00 each month to Bank of DeSoto. The adequate protection payments shall begin on January 1, 2017 and will continue monthly until further order of the Court. Each adequate protection payment shall be made payable to "Bank of DeSoto" and mailed to its counsel, Vicki McCarthy, Law Office of Vicki McCarthy, 114 S. 5th Street, Midlothian, Texas 76065. It is further

ORDERED that Debtor shall maintain and produce a weekly report for the Bank of DeSoto, N.A., due each Monday commencing January 30, 2017 and continuing each week until further order of this Court which shall provide the following information: 1. List of income received per unit that week, 2. Expenses made that week with supporting documentation attached, 3. Rent roll update to show new rentals with contracts, evictions and/or vacancies. It is further

ORDERED that this Order shall be sufficient and conclusive evidence of the priority and validity of the security interest in and liens, including replacement liens, on the Debtor's rents granted to Bank of DeSoto, N.A. without the necessity of filing, recording, or serving any documents which may otherwise be required under federal or state law in any jurisdiction or the taking of any action to validate or perfect the security interest and liens granted to the secured creditor. It is further

ORDERED that the Debtor shall timely pay all fees and charges to the U.S. Trustee that are required under Chapter 123 of title 28. It is further

ORDERED that Debtor shall schedule a final hearing on the Motion prior to the expiration of this Interim Order and may include a more detailed cash collateral budget to support its request

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for further use of Cash Collateral. A final hearing on the Motion is scheduled via video before the Court at 1:15 p.m. on February 22, 2017. It is further

ORDERED that this Court shall retain jurisdiction with respect to all matters arising from, arising in, or related to the Motion or the implementation or enforcement of this Interim Order.

END OF ORDER

Approved as to form by:

/s/ Marilyn D. Garner

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