


ORDERED.

Dated: December 05, 2017


Catherine Peek McEwen
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION
www.flmb.uscourts.gov

In re:

LEVERETTE TILE, INC.
d/b/a LEVERETTE HOME DESIGN CENTER,

Case No. 8:17-bk-07840-CPM
Chapter 11

Debtor.

_____ /

**FINAL ORDER GRANTING DEBTOR'S MOTION
FOR AUTHORITY TO USE CASH COLLATERAL**

THIS CASE came on for hearing on November 28, 2017 to consider the Debtor's Emergency Motion for Authority to Cash Collateral (Interim Relief Requested on an Expedited Basis to be Followed by a Later Final Evidentiary Hearing, if Necessary ("Motion")) (Doc. No. 3). For the reasons stated orally and recorded in open Court that shall constitute the decision of the Court, it is

ORDERED:

1. The Motion is granted on an interim basis as more specifically set forth herein.
2. Cash Collateral Authorization. Subject to the provisions of this Order, the Debtor is authorized to use cash collateral to pay: (a) amounts expressly authorized by this Court, including payments to the US Trustee for quarterly fees; (b) the current and necessary expenses set forth in the

budget attached hereto as Exhibit “1”, plus an amount not be exceed ten percent (10%) for each line item; and (c) such additional amounts as may be expressly approved in writing by Secured Creditors.

The Secured Creditors in this case are, and listed in order of priority, 1) Colonial Funding Network, Inc., as servicing provider for Platinum Rapid Funding Group (“Colonial Funding”) as a result of a UCC1 recorded on October 9, 2014, 2) American Express Bank, FSB (“American Express”) as a result of a UCC1 recorded on January 16, 2015, and 3) Funding Circle as a result of a UCC1 recorded on June 4, 2015 (collectively, the “Secured Creditors”).

3. This authorization will continue until further order of the Court. Except as authorized in this order, the Debtor is prohibited from use of cash collateral. However, expenditures in excess of the line items in the budget or not on the budget will not be deemed to be unauthorized use of cash collateral, unless the recipient cannot establish that the expense would be entitled to administrative expense priority if the recipient had extended credit for the expenditure. Expenditures in excess of the line items in the budget or not on the budget may, nonetheless, give rise to remedies in favor of the Secured Creditors.

4. Debtors Obligations. Debtor shall timely perform all obligations of a debtor-in-possession required by the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, and the orders of this Court. The Debtor shall provide Secured Creditors with replacement liens against cash collateral to the same extent and with the same validity and priority that existed prepetition. The Debtor shall also file with the Court interim financial reports that establish a comparison between Debtor’s projected budget and its actual income and expenses. The interim reports shall be filed with the court every two (2) weeks and served on creditors and parties in interest who request same. Further, the Debtor shall maintain its cash collateral at the same level that existed prepetition and not allow cash collateral to diminish.

5. Adequate Protection¹. The Debtor shall pay monthly adequate protection payments to Secured Creditors by paying monthly interest only payments at 4% per annum on the principal balance owed on the last day of each month as follows:

a. Colonial Funding is owed approximately \$164,378.20, therefore the monthly interest only payment is \$547.69;

b. American Express is owed approximately \$124,380.62, therefore the monthly interest only payment is \$414.61; and

c. Funding Circle is owed approximately \$351,958.00, therefore the monthly interest only payment is \$1,173.19.

d. The Internal Revenue Service is owed approximately \$94,139.97, therefore the monthly interest only payment is \$313.80.

e. Access to Records and Premises. Upon reasonable notice, and provided that it does not unreasonably interfere with the business of the Debtor, Debtor shall grant to the Secured Creditors access to Debtor's business records and premises for inspection.

f. Replacement Lien. Each creditor with a security interest in cash collateral shall have a perfected post-petition lien against cash collateral to the same extent and with the same validity and priority as the prepetition lien, without the need to file or execute any document as may otherwise be required under applicable non bankruptcy law.

g. Insurance. Debtor shall maintain insurance coverage for its property in accordance with the obligations under the loan and security documents with the Secured Creditors. Debtors shall provide proof of insurance upon written request.

¹ If the adequate protection afforded in this Order fails, the court may, pursuant to 11 U.S.C. Section 361(3), grant to the creditor a priority administrative expense claim under Section 503(b)(1) which becomes a super priority administrative claim under Section 507(b). Further, the Court is aware that the rest of the Bankruptcy Code applies to this case to the

h. Without Prejudice. This order is without prejudice to: (a) any subsequent request by a party in interest for modified adequate protection or restrictions on use of cash collateral; (b) any other right or remedy which may be available to the Secured Creditors.

i. Creditors Committee: The provisions of this Order are without prejudice to the rights of the US Trustee to appoint a committee or any rights of a duly appointed committee to challenge the validity, priority or extent of any lien(s) asserted against cash collateral.

j. Enforcement. The Court shall retain jurisdiction to enforce the terms of this Order.

cc: Alberto F. Gomez, Jr., Esq. is directed to serve a copy of this order on interested parties and file a proof of service within 3 days of entry of the order.

Net cashflow

Cash on Hand

Cumulative cashflow