

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION
www.flnb.uscourts.gov

IN RE: 23 FARMS, LLC,

Case No.: 17-10015-KKS

Chapter 11

Debtor.

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NOTICE OF FILING AGREEMENT AS TO
DEBTOR'S INTERIM USE OF CASH COLLATERAL

COMES NOW 23 Farms, LLC (the "Debtor") through its undersigned attorney, and gives notice of the filing of an Agreement as to Debtor's Use of Cash Collateral (the "Agreement"). A copy of the Agreement is attached hereto. The Debtor previously filed a Motion for Approval of the Agreement (Doc. 26). On February 15, 2017, this Court entered an Order granting Debtor's Motion for Approval of Agreement Authorizing Debtor's Interim Use of Cash Collateral (Doc. 41).

RUFF & COHEN, P.A.
4010 Newberry Road, Suite G
Gainesville, FL 32607
(352) 376-3601
Attorneys for Debtor

By: /s/ Lisa C. Cohen
Lisa C. Cohen
FL Bar #558291

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing notice has been furnished by electronic mail, via CM/ECF to: Jason H. Egan, Office of the U.S. Trustee at Jason.h.egan@usdoj.gov; United States Trustee at USTPRegion21.TL.ECF@usdoj.gov; Noel R. Boeke at noel.boeke@hklaw.com; Christopher R. Thompson at crthompson@burr.com; Eric Golden at egolden@burr.com; and John Mueller at jmueller@clarkmueller.com on March 1, 2017.

/s/ Lisa C. Cohen
Lisa C. Cohen

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AGREEMENT AS TO DEBTOR'S INTERIM USE OF CASH COLLATERAL

23 Farms, LLC (the "Debtor") and Regions Bank, by and through their undersigned attorneys, pursuant to 11 U.S.C. §363 and F.R.B.P. 4001(d), agree to the Debtor's interim use of cash collateral in which Regions Bank holds a perfected security interest (the "Cash Collateral"), consisting of proceeds from a crop insurance policy totaling approximately \$332,583.28, pursuant to the following terms and conditions:

1) Amount of Cash Collateral Authorized. Subject to the provisions of this Agreement, 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 as "Exhibit A;" (c) such additional amounts as may be expressly approved in writing by Regions Bank. This authorization expires as of February 28, 2017, unless further extended by agreement between the parties or further order of the Court.

2) Debtor's 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.

3) Adequate Protection Payments.

a) Immediate Payment. Debtor shall pay Regions Bank \$50,000.00 within three (3) days of the entry of an order approving the instant Agreement. Debtor agrees that the \$50,000.00 may be transferred immediately to counsel for Regions Bank to hold in trust pending an order approving this Agreement.

b) Assignment of Net Proceeds from Peanut Crop for 2017. Debtor shall assign its interest in all net proceeds from the peanut crop which Debtor anticipates growing in 2017, not to exceed \$300,000.00. Debtor will execute all necessary documents for the assignment to be valid and enforceable.

4) Replacement Lien. Regions Bank shall have perfected post-petition liens against Cash Collateral, and also against all other collateral described in the prepetition UCC-1 financing statements filed by Regions Bank, to the same extent and with the same validity and priority as its prepetition liens, without the need to file or execute any document as may otherwise be required under applicable non bankruptcy. Copies of the subject UCC-1 financing statements are attached as “Exhibit 1” to Debtor’s Motion for Authority to Use Cash Collateral (Doc. 19).

5) Insurance. Debtor shall maintain insurance coverage for its property in accordance with its obligations under the loan and security documents with Regions Bank. The insurance shall name Regions Bank named as loss payee.

6) 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; and (b) any other right or remedy which may be available to the Regions

Bank.

RUFF & COHEN, P.A.
4010 Newberry Road, Suite G
Gainesville, FL 32607
Telephone No. (352) 376-3601
Facsimile No. (352) 378-1261
Attorneys for Debtor

By: /s/ Lisa C. Cohen
Lisa C. Cohen
FL Bar #558291
lisacohen@bellsouth.net

BURR & FORMAN, LLP
200 S. Orange Ave., Ste. 800
Orlando, FL 32801
Telephone No. (407) 540-6600
Facsimile No. (407) 540-6601
Attorneys for Regions Bank

By: /s/ Christopher R. Thompson
Christopher R. Thompson
FL Bar No. 0093102
crthompson@burr.com

	Jan 25-Feb 28, 20	March	April	May	June	July	August	September	October	November	
Contracted work & labor	\$ 6,000.00	\$ 10,000.00	\$ 10,000.00	\$ 75,000.00	\$ 150,000.00	\$ 150,000.00	\$ 100,000.00	\$ 100,000.00	\$ 75,000.00	\$ 50,000.00	
Fertilizers	\$ 125,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 45,000.00	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00	
Fuel, Gasoline, & Propane	\$ 1,500.00	\$ 2,000.00	\$ 2,500.00	\$ 2,500.00	\$ 3,500.00	\$ 3,500.00	\$ 10,000.00	\$ 15,000.00	\$ 10,000.00	\$ 3,500.00	
Dumpster Re	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	
Land Rent	\$ 12,000.00	\$ -	\$ -								
Repairs & Maintenance	\$ 6,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 8,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
Seed & Plants Purchased	\$ 25,000.00	\$ -	\$ -		\$ -				\$ 25,000.00		
Supplies	\$ 65,000.00	\$ 10,000.00	\$ 1,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 5,000.00	\$ 7,500.00	\$ 5,000.00	\$ 5,000.00	
Telephone & Internet	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	
Payroll	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	
Officer's Salary	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 50,000.00	
Payroll Taxes	\$ 1,306.00	\$ 1,306.00	\$ 1,306.00	\$ 1,306.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	
Utilities	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	2500.00	\$ 2,500.00	\$ 10,000.00	\$ 10,000.00	\$ 2,500.00	\$ 2,500.00	
	\$ 252,181.00	\$ 88,681.00	\$ 80,181.00	\$ 159,181.00	\$ 238,575.00	\$ 238,075.00	\$ 187,075.00	\$ 166,075.00	\$ 146,075.00	\$ 134,575.00	\$ 1,690,674.00
Income		\$ 50,000.00	\$ 75,000.00	\$ 300,000.00	\$ 376,320.00	\$ 250,000.00	\$ 400,000.00	\$ 456,000.00	\$ 300,000.00	\$ 300,000.00	\$ 2,507,320.00
		Advance on Melons	Advance on Melons	Melons	Melons	Melons	Melons/Tobacco	Tobacco	Tobacco	Peanuts	
Net Income/Loss	\$ (252,181.00)	\$ (38,681.00)	\$ (5,181.00)	\$ 140,819.00	\$ 137,745.00	\$ 11,925.00	\$ 212,925.00	\$ 289,925.00	\$ 153,925.00	\$ 165,425.00	\$ 816,646.00

"Exhibit 1"