

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re: Chapter 11
Vernon Park Church of God Case No. 17-35316
Debtor Judge Donald R. Cassling

**ORDER AUTHORIZING DEBTOR'S USE OF THE
CASH COLLATERAL OF HAPPY STATE BANK**

This cause comes on to be heard on the Debtor's Motion for Use of the Cash Collateral of Happy State Bank (the "Motion"); due and proper notice of this Motion having been given to the creditors and other parties entitled thereto; the Motion having come before the court for hearing; no objection to the entry of this order having been heard and sustained by the court; and the court being otherwise fully advised in the premises:

THE COURT FINDS THAT:

1. An immediate need exists for the Debtor to use the cash collateral of Happy State Bank to continue operating the Debtor's church facility located at 1975 E. Joe On Road, Lynwood, Illinois pursuant to 11 U.S.C. §§ 1107, 1108.
2. Happy State Bank is adequately protected for the Debtor's use of its cash collateral under §§ 361, 362 and 363(e) of the Code.

IT IS THEREFORE ORDERED:

- A. The Debtor will be granted the right to use the cash collateral of Happy State Bank for the time period of January 1 to April 30, 2018, at which time the Debtor's right to use cash collateral shall cease, unless otherwise extended pursuant to subsequent order of the Court.

B. The Debtor will be granted the right to use the cash collateral of Happy State Bank to pay the expenses listed on the budget, which is attached to this Order as Exhibit A. Debtor's monthly expenditures shall be limited to those items or categories and to the budgets for each category as is reflected in Debtor's Interim Budget, except that Debtor will have the right to spend an additional 10% of any budget line item. In the event Debtor needs to make an expenditure that is more than 10% of any budget line item, Debtor will obtain the prior written consent of Happy State Bank before making the expenditure.

C. To provide Happy State Bank adequate protection of its interest in the cash collateral, Happy State Bank is hereby granted, pursuant to sections 361, 363 and 364 of the Code, replacement liens upon the property of the Debtor's estate and all the revenues, profits and avails generated therefrom after commencement of this case that shall have the same validity, extent and priority as the liens held by the Happy State Bank on the day before this case was commenced.

D. To further provide Happy State Bank with adequate protection of its interest in cash collateral, beginning on January 15, 2018, and on the 15th day of every calendar month thereafter while this Order is in effect, the Debtor shall pay to the Happy State Bank the amount of \$26,000.00 as adequate protection (the "Adequate Protection Payment"). The Adequate Protection Payment shall be divided into two equal monthly payments of \$13,000 each. The first installment shall be made within 5 days of entry of this order, and the second installment shall be made by January 20, 2018. Future installments shall be made on or before the 5th and 20th days of each month, respectively. Happy State Bank, as Trustee for the bondholders, is authorized to apply, escrow and/or disburse received adequate protection payments in accordance with the terms of the applicable Trust Indenture agreement.

E. The Debtor shall provide to Happy State on each monthly anniversary of the signing of this Order a report as to the Debtor's receipts and disbursements in a format agreeable to Happy State.

F. The provisions of this Order shall remain in full force and effect unless modified or vacated by other subsequent Order of this Court. If any or all of the provisions of this Order are hereafter modified, vacated or stayed by subsequent Order of this Court or any other court, such stay, modification, or vacation shall not affect the validity of any lien, priority, or other benefit granted to the Happy State Bank by this order.

G. This Court retains jurisdiction over any matters related to or arising from the entry of this Order.

H. This order will remain in effect until April 30, 2018. This matter will be set for status on April 17, 2018 at 10:00 am.

16 JAN 2018

Enter:

Donald R. Cassling

United States Bankruptcy Judge

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EXHIBIT A

Vernon Park Church of God

Monthly Budget

Income	\$88,000.00	
Expenses:		
Office expenses	638.00	
Payroll	36,000.00	
Payroll fees	450.00	
Insurances	3,000.00	
Utilities	1,400.00	
Fuel for Busses .	600.00	
Vehicle Repairs	500.00	
Telephone	600.00	
Media	700.00	
Ministry allocation	1,700.00	
Parsonage	4,300.00	
Florist	300.00	
Church expenses	1,100.00	
Garbage removal	80.00	
Chapter 11 fees	975.00	
Mortgage	26,000.00	
Legal fees	3,000.00	
Alarm service	150.00	
Total expenses		\$81,493.00
Retained earnings		\$6507.00