

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 11
)
111 Busse Partners, LLC) Case No. 18-152
)
Debtor) Judge Carol A. Doyle

NOTICE OF HEARING

DEBTOR'S MOTION FOR USE OF THE CASH COLLATERAL OF LAKESIDE BANK

To: The attached service list

PLEASE TAKE NOTICE that on **Thursday, January 18, 2018**, at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, we shall appear before Judge Doyle in Courtroom 742 of the United States Bankruptcy Court, Everett McKinley Dirksen Building, 219 S. Dearborn St., Chicago, Illinois, at which time and place the court will hold a hearing on the **DEBTOR'S MOTION FOR USE OF THE CASH COLLATERAL OF LAKESIDE BANK**. You may appear if you so choose.

PLEASE TAKE FURTHER NOTICE that a copy of the Order Authorizing the Debtor's Use of Cash Collateral is attached to this Motion as Exhibit A. Debtor will seek entry of the Order at the hearing on January 18, 2018. If no written objections to the entry of the Order are filed with the court and served on Debtor's counsel before the hearing, the court may enter the Order without a hearing and without further notice to you. The court may also continue the hearing on cash collateral from time to time without further notice to you.

CERTIFICATE OF SERVICE

I, Karen J. Porter, an attorney, certify that I caused a true and correct copy of this Notice and the attached Motion to be served on the parties listed on the attached service list as indicated on the attached service list from my offices located at 230 West Monroe, Suite 240, Chicago, IL 60606 on January 11, 2018.

By:/s/Karen J. Porter
(Atty No. 6188626)
PORTER LAW NETWORK
230 West Monroe, Suite 240
312-372-4400
Fax 312-372-4160

111 E. Busse Partners, LLC

Case No. 18-152

Service List

Via ECM electronic filing

U.S. Trustee Patrick S. Lang
Office of the U.S. Trustee, Region 11
219 S. Dearborn Street, Room 873
Chicago, Illinois 60604

Scott B. Kitei
Honigman Miller Schwartz and Cohn LLP
660 Woodward Avenue, Suite 2290
Detroit, Michigan 48226

Edmund Burke
Miriam R. Stein
Chuhak & Tecson, PC
30 South Wacker Drive, Suite 2600
Chicago, Illinois 60606

Via regular mail

Intelligent Systems Services
371 Balm Ct
Wood Dale, IL 60191-1253

RYCO Landscaping
8595 Pyott Rd Ste C
Lake in the Hills, IL 60156-9701

Suburban Elevator Company
130 Prairie Lake Rd Ste D
East Dundee, IL 60118-9130

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In re:)	Chapter 11
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Debtor)	Judge Carol A. Doyle

**DEBTOR'S MOTION FOR USE OF THE CASH COLLATERAL
OF LAKESIDE BANK**

111 Busse Partners LLC (the "Debtor or Busse") debtor and debtor-in-possession herein moves this court pursuant to 11 U.S.C. §§361, 363 to authorize the use of the cash collateral of Lakeside Bank and in support thereof respectfully represents as follows:

1. Debtor commenced a voluntary Chapter 11 bankruptcy case by filing a voluntary petition for relief under Chapter 11 of title 11 of the United States Code, 11 U.S.C. §101 *et seq.* (the "Code") on January 3, 2018, in the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division (the "Court").
2. The Court has jurisdiction of this matter pursuant to 28 U.S.C. §1334. Venue is proper pursuant to 28 U.S.C. §1409. This matter is a core proceeding pursuant to 28 U.S.C. 157(b)(A) and (M).
3. Debtor is a debtor-in-possession with the right to operate its business and manage its financial affairs, pursuant to sections 1107 and 1108 of the Code. No trustee or creditor's committee has been appointed in this case.

FACTUAL BACKGROUND

4. Debtor is an Illinois limited liability company. Debtor owns and operates the commercial property located at 111 E. Busse Avenue in Mount Prospect, Illinois (the "Property").

5. Debtor secured a \$2,512,500.00 first mortgage on the property from Lakeside Bank. The mortgage was recorded in the Office of the Cook County Recorder of Deeds as Document No. 1433647019 on December 2, 2014.

6. On December 2, 2014, Lakeside Bank also recorded an assignment of rents in the Office of the Cook County Recorder of Deeds as Document No. 1433647020.

7. BC29, LLC holds mortgages and assignment of leases on the Property that were recorded in June of 2015 and are subordinate to the mortgage held by Lakeside Bank.

8. Debtor is generating revenue from the leases of the tenants that occupy the Property. The revenue generated by the Property is cash collateral in which Lakeside Bank has an interest pursuant to section 363(a) of the Code.

9. Debtor seeks this court's authority to use the cash collateral of Lakeside Bank.

DEBTOR'S IMMEDIATE NEED TO USE CASH COLLATERAL

10. Debtor has an immediate need to use the cash collateral of Lakeside Bank to operate and maintain the Property. Debtor also needs to use the cash collateral to finance its chapter 11 reorganization.

11. Debtor will make the expenditures set forth on the Budget which is attached to this Motion as Exhibit B.

12. Debtor does not have funds on hand that are sufficient to pay the monthly expenses of operating the Property that are not the cash collateral of Lakeside Bank.

13. Debtor is unable to obtain unsecured credit allowable only under §503(b)(1) of the Code as an administrative expense to permit Debtor to operate the Property. Debtor is also unable to incur debt or obtain credit to operate the Property.

14. If the Court does not authorize the Debtor to use Lakeside Bank's cash collateral to operate the Property, Debtor will be unable pay the expenses required to operate and maintain the property. The failure to operate and maintain the Property will jeopardize the Debtor's ability to continue to generate revenue at its present levels. If the Debtor is unable to use its revenues to operate and maintain the Property, the Property will fall into a state of disrepair and the value of this chapter 11 estate will be diminished.

**DEBTOR IS ABLE TO PROVIDE LAKESIDE BANK
WITH ADEQUATE PROTECTION**

15. The Code provides that the Debtor may use Lakeside Bank's cash collateral if Lakeside Bank consents or if the Court authorizes the Debtor's use of the cash collateral. 11 U.S.C §363(a). The Debtor is also required to establish that the interests of Lakeside Bank are adequately protected. The adequate protection that Lakeside Bank receives is meant to assure that the value of the secured creditor's interest in the collateral does not decline. *United States Ass'n of Texas v. Timbers of Inwood Forest Assocs, Ltd.* 484 U.S. 365, 108 S.Ct. 626, 98 L.Ed. 2d. 740 (1988). *In re Addison Properties Limited Partnership*, 185 B.R. 766, 769, 770 (Bankr. N.D. Ill 1995).

16. The Debtor may provide Lakeside Bank with adequate protection for the Debtor's use of its cash collateral in several ways. A debtor may offer adequate protection in the form of periodic payments, replacements liens or the indubitable equivalent of the creditor's interest. A debtor may reinvest the cash in the operation and maintenance of the debtor's property to increase the value of the creditors interest in the collateral. A debtor may also demonstrate that the amount of cash on

hand will not diminish as the cash collateral is used. 11 U.S.C §361, *In re American Consolidated Transportation Companies*, No 09-26062, (Bankr. N.D. Ill.2009)(Schmetterer, J)(slip op.). The equity in the property that secures the creditors lien may provide adequate protection of its interest. See. *In re McKillips*, 81 B.R. 454 (Bankr N.D.Ill 1987)

17. In order to provide Lakeside Bank adequate protection pursuant to 11 U.S.C. §361, the Debtor has agreed to:

(A) grant Lakeside Bank replacement liens on the Property and the proceeds of the Property to the same extent and with the same priority as its prepetition liens on the Property and the proceeds of the Property;

(B) limit its expenditures to no more than 110% of the disbursements listed on the budget attached to this Motion as Exhibit B; and

(C) enter into the Order Authorizing the Debtor to Use Cash Collateral which will be substantially in the form of the Order which is attached to this Motion as Exhibit A.

18. The Debtor's use of the cash collateral in which Lakeside Bank asserts an interest will protect and preserve the Property and maintain the revenue it produces. The Debtor is able to adequately protect the interests of Lakeside Bank.

19. It is in the best interest of Lakeside Bank, the Debtor and the chapter 11 estate for the Court to authorize the Debtor to use the cash collateral of Lakeside Bank and to enter the Order Authorizing the Debtor to Use Cash Collateral which is attached to this Motion as Exhibit A.

NOTICE AND PROCEDURE

20. Debtor requests that the Court conduct a hearing pursuant to Bankruptcy Rule 4001(b)(2), enter the Order Authorizing The Debtor to Use Cash Collateral which is attached to this Motion as Exhibit A.

21. Debtor has provided as much notice of this motion to Lakeside Bank, BC29, LLC, parties that have requested notice and the list of creditors. Debtor requests that the Court permit it to issue any further or additional notice to creditors and parties in interest that the Court deems necessary.

WHEREFORE, 111 Busse Partners, LLC, debtor and debtor-in-possession herein, prays that the Court enter the Order Authorizing the Debtor to Use Cash Collateral and for any other relief the Court deems just and proper.

Respectfully submitted,
111 Busse Partners, LLC

By:/s/ Karen J. Porter
One of its Attorneys

Karen J. Porter
Atty No. 6188626
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Chicago, Illinois 60606
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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
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In re:) Chapter 11
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111 Busse Partners, LLC) Case No. 18-152
)
Debtor) Judge Carol A. Doyle

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

This cause comes on to be heard on the Debtor's Motion for Use of the Cash Collateral of Lakeside 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. Pursuant to 11 U.S.C. §§ 1107, 1108, an immediate need exists for the Debtor to use the cash collateral of Lakeside Bank to continue operating the Debtor's property located at 111 E. Busse Avenue in Mount Prospect, Illinois.
2. Lakeside 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 the Lakeside Bank for the time period of January ___ to February __, 2018.

B. The Debtor will be granted the right to use the cash collateral of Lakeside Bank to pay the expenses listed on the budget, which is attached to this Order as Exhibit A. 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 Lakeside Bank before making the expenditure.

C. To provide Lakeside Bank adequate protection of its interest in the cash collateral, Lakeside 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 Lakeside Bank on the day before this case was commenced.

D. 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 Lakeside Bank by this order.

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

F. This order will remain in effect until February ___, 2018. This matter will be set for status on February ___, 2018 at 10:30 am.

Enter:

United States Bankruptcy Judge

Karen J. Porter
Atty No. 6188626
PORTER LAW NETWORK
230 West Monroe, Suite 240
Chicago, Illinois 60606
312-372-4400
Fax 312-372-4160

111 BUSSE PARTNERS LLC
111 EAST BUSSE AVE
MOUNT PROSPECT IL 60056

INCOME STATEMENT FOR THE PERIOD 1/01/2018 - 01/31/2018

Rental income		\$ 34,248
GROSS PROFITS		\$ 34,248
OPERATING EXPENSES		
INSURANCE	\$ 950	
UTILITIES	\$ 14,250	
BUILDING ENGINEER	\$ 3,000	
GARBAGE	\$ 312	
REPAIRS & MAINT.	\$ 3,000	
LANDSCAPING	\$ 3,000	
CLEANING & JANITORIAL	\$ 6,689	
MANAGEMENT FEE	\$ 3,000	
TOTAL EXPENSES	\$ 34,201	
NET INCOME OR (LOSS)		\$ 47