

**UNITED STATES BANKRUPTCY COURT FOR THE  
WESTERN DISTRICT OF NORTH CAROLINA  
STATESVILLE DIVISION**

IN RE: )  
 )  
Sloop Properties, LLC, )  
Debtor ) **Case Number: 17-50728**  
 ) **Chapter 11**  
 ) **Notice of Hearing on Motion to**  
 ) **to Use Cash Collateral**  
\_\_\_\_\_ )

The debtor has filed documents with the Court to request the use of cash collateral. A copy of the motion accompanies this notice.

**Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.**

The Hearing will be held on December 13, 2017, at 9:30 a.m. in Judge Beyers Courtroom, United States Bankruptcy Court, Charles Jonas Federal Building, 401 West Trade Street, Charlotte, NC 28202.

This the 5 day of December, 2017.

/s/Robert P. Laney  
Robert P. Laney  
Attorney for Debtor  
NC Bar #7850  
906 Main Street  
North Wilkesboro, NC 28659  
Telephone: (336) 838-1111  
Facsimile: (336) 838-5069  
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**CERTIFICATE OF SERVICE**

This is to certify that the undersigned has this date served this Notice and Motion to Use Cash Collateral in the above entitled action by depositing a copy of it in a postpaid envelope to the United States Post Office, properly addressed to the party or attorney as follows:

Lisa Sloop, Debtor-in-Possession  
PO Box 655  
Wilkesboro, NC 28697  
And  
via email

Shelley Abel,  
Bankruptcy Administrator  
402 West Trade Street, Suite 200  
Charlotte, NC 28202-1669  
And  
via email and ECF

First National Bank of PA  
110 West Market St.  
Elkin, NC 28621

W. Walt Petit, attorney for First National  
Hutchens Law Firm  
PO Box 12497  
Charlotte, NC 28220  
And  
via email

Attached matrix of 20 largest creditors holding unsecured claims

This is the 5 day of December, 2017.

/s/Robert P. Laney  
Robert P. Laney, Attorney

**UNITED STATES BANKRUPTCY COURT FOR THE  
WESTERN DISTRICT OF NORTH CAROLINA**

**STATESVILLE DIVISION**

**IN RE:** ) Bankruptcy #: 17-  
 ) Chapter: 11  
 ) Creditors: First National Bank of PA  
Sloop Properties, LLC, )  
Debtor ) **MOTION to USE CASH**  
 ) **COLLATERAL**

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**NOW COMES** the debtor-in-possession (DIP), Sloop Properties, LLC pursuant to 11 USC 363(c), FRBP 2002 and 4001(b), and LBR 1002-4 with Appendix B and moves the Court to approve the use the cash collateral under a lien to First National Bank of Pennsylvania. In support of this motion the DIP represents to the Court as follows:

1. On December 5, 2017, the DIP filed a Chapter 11 bankruptcy petition with this Court.
2. The DIP requests that this be the final hearing.
3. The DIP owns and operates a single asset real estate rental business.
4. The DIP executed a Promissory Note and Deed of Trust to First National Bank of Pennsylvania (formerly Yadkin Valley Bank and Trust Company) on May 15, 2012.
5. The interim payments have been made. The balloon Promissory Note was not renewed in May 2017 and the balance is due of approximately \$438,000. The property is subject to a pending foreclosure.
6. The DIP owns 3.53 acres with multiple commercial rental buildings in Wilkes County subject to the above cited lien. The property has a county tax value of \$1,433,020. The property is worth more than the debt to this creditor by \$995,020, which provides adequate protection to the creditor.
7. For additional adequate protection to the creditor, the DIP proposes to pay interest on the loan balance at the annual rate of 5% in the amount of \$1,827 per month commencing in January 2018 and continuing until the Plan is confirmed.
8. The property is currently leased by multiple tenants and is the sole source of income for the DIP. All the DIP's income is subject this creditor's cash collateral lien.
9. Approximately in the summer of 2016, this creditor contacted the lease tenants and instructed them to forward their payments directly to this creditor. In accordance with the 11 USC 362 stay order, this creditor's collection of rents must be terminated and the tenants instructed to pay the DIP their rent.

10. The DIP intends to propose a Reorganization Plan that will continue to operate the property as commercial leases and pay the creditors over a period of years. This case will not include liquidating or selling any property to fund the Plan.
11. The cash collateral will be used to pay operating expenses, management fees, independent contractors and other necessary expenses for the DIP's operations. The DIP must use cash collateral in order to continue operations during the Chapter 11 proceeding.
12. See attached as **Exhibit A**, the DIP's projected Business Income and Expenses by category, for the subsequent four months. See attached as **Exhibit B** the DIP's list of rental clients showing its sources of income by tenant.
13. It is in the best interest of the Chapter 11 estate to allow the DIP to operate and use cash collateral.

**WHEREFORE** the DIP moves the court to enter an order allowing the DIP's use of cash collateral during the Chapter 11 proceeding, subject to the above cited payment of interest to First National Bank; and to terminate this creditor's collection of rent payments from the tenants.

This the 5 day of December, 2017.

/s/Robert P. Laney

Robert P. Laney, Attorney for Debtor  
State Bar No. 7850

OF COUNSEL:

McELWEE FIRM, PLLC

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North Wilkesboro, NC 28659

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**United States Bankruptcy Court  
 WDNC Statesville Div. Chap. 11**

In re Sloop Properties, LLC

Debtor(s)

Case No.  
 Chapter

11

**BUSINESS INCOME AND EXPENSES**

FINANCIAL REVIEW OF THE DEBTOR'S BUSINESS (NOTE: ONLY INCLUDE information directly related to the business operation.)

**PART A - GROSS BUSINESS INCOME FOR PREVIOUS 12 MONTHS:**

1. Gross Income For 12 Months Prior to Filing: \$ 124,512.00

**PART B - ESTIMATED AVERAGE FUTURE GROSS MONTHLY INCOME:**

2. Gross Monthly Income \$ 10,376.00

**PART C - ESTIMATED FUTURE MONTHLY EXPENSES:**

3. Net Employee Payroll (Other Than Debtor)	\$ <u>0.00</u>
4. Payroll Taxes	<u>0.00</u>
5. Unemployment Taxes	<u>0.00</u>
6. Worker's Compensation	<u>0.00</u>
7. Other Taxes	<u>883.00</u>
8. Inventory Purchases (Including raw materials)	<u>0.00</u>
9. Purchase of Feed/Fertilizer/Seed/Spray	<u>0.00</u>
10. Rent (Other than debtor's principal residence)	<u>0.00</u>
11. Utilities	<u>500.00</u>
12. Office Expenses and Supplies	<u>0.00</u>
13. Repairs and Maintenance	<u>500.00</u>
14. Vehicle Expenses	<u>0.00</u>
15. Travel and Entertainment	<u>0.00</u>
16. Equipment Rental and Leases	<u>0.00</u>
17. Legal/Accounting/Other Professional Fees	<u>0.00</u>
18. Insurance	<u>840.00</u>
19. Employee Benefits (e.g., pension, medical, etc.)	<u>0.00</u>

20. Payments to Be Made Directly By Debtor to Secured Creditors For Pre-Petition Business Debts (Specify):

DESCRIPTION	TOTAL
debtor proposed adequate protection payment to First National Bank of PA	1,827.00

21. Other (Specify):

DESCRIPTION	TOTAL
Property Management fees to Lisa Sloop	2,000.00

22. Total Monthly Expenses (Add items 3-21) \$ 6,550.00

**PART D - ESTIMATED AVERAGE NET MONTHLY INCOME:**

23. AVERAGE NET MONTHLY INCOME (Subtract item 22 from item 2) \$ 3,826.00



SLOOP PROPERTIES, LLC RENTAL INCOME

TENANT	MONTHLY RENT
Millers Creek Pawn Shop (Quarterly payment of \$1945)	\$486.25
Misson Thrift Store	\$2,300.00
Misson Thrift Store (storage)	\$300.00
Big T's	\$700.00
Java Hills	\$300.00
Little's Heating & Air (Yearly payment of \$4,000)	\$333.33
3 C Powersports	\$500.00
Claudines Restaurant	\$900.00
United States Post Office	\$1,515.00
Capital One Bank	\$2,142.00
Millers Creek Pharmacy	\$900.00
Total monthly rent	\$10,376.58