

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:)	Case No. 17-10704-TPA
)	Chapter 11
FCBM, LLC,)	
Debtor)	
)	Docket No. _____
)	
FCBM, LLC,)	
Movant)	
)	
vs.)	
)	
JTS CAPITAL 2 LLC, ASSIGNEE)	
OF FIRST NATIONAL BANK OF)	
PENNSYLVANIA, MEADVILLE)	
REDEVELOPMENT AUTHORITY,)	
AND IMOGENE COCOLIN)	
Respondents)	

MOTION FOR ORDER AUTHORIZING USE OF CASH COLLATERAL

AND NOW, comes FCBM, LLC (hereinafter referred to as “Debtor-in-Possession” or “Debtor”), by and through its counsel, Knox McLaughlin Gornall & Sennett, P.C., 120 West Tenth Street, Erie, Pennsylvania 16501, with this Motion for Order Authorizing Use of Cash Collateral, as follows:

1. The Debtor filed a voluntary Petition for Relief under Chapter 11 of the Bankruptcy Code on July 5, 2017. The Debtor is represented by Knox McLaughlin Gornall & Sennett, P.C., Attention: John F. Kroto, Esquire, 120 West Tenth Street, Erie, Pennsylvania 16501.
2. Respondent JTS Capital 2, LLC Assignee of First National Bank of Pennsylvania (“JTS”) maintains a place of business at 3208 Greenleaf Drive, Waco, Texas 76710.
3. Respondent Meadville Redevelopment Authority (“Redevelopment Authority”) maintains a place of business at 894 Diamond Park, Meadville, Pennsylvania 16335.

4. Respondent Imogene Cocolin (“Cocolin”) maintains a place of business at c/o Watts and Pepicell, Attorneys, 916 Diamond Park, Meadville, Pennsylvania 16335.

5. The Debtor owns and operates two buildings located at 940 Park Avenue/964-966 Park Avenue, Meadville, Pennsylvania 16335 (the “Property”).

6. The Debtor is maintaining the Property and continues to made necessary repairs and improvements.

7. The Debtor attempted to enter into negotiations for a voluntary work-out agreement with the secured creditors, but was unable to reach such an agreement.

8. The Debtor seeks an opportunity in Chapter 11 to maximize the value of the Property, for the benefit of all creditors and interested parties, by establishing a sale process designed to promote competitive bidding, under the jurisdiction of this Court.

9. An effective reorganization which incorporates such a process will maximize the value of the Debtor’s assets for the benefit of the Respondent and the other creditors in the case.

10. Also, the continuation of the Debtor’s business will prevent the diminution in value of the Debtor’s assets which will occur if the business is forced to shut-down.

11. Under the protection of Chapter 11, the Debtor will be able to continue to operate and to pay its administrative expenses.

12. The Debtor’s accounts receivable, rent and cash constitute property of the estate under Section 541 of the Bankruptcy Code. The Debtor requires the use of its cash in order to operate.

13. The Debtor’s short-term, monthly cash budget is attached hereto as Exhibit A. The Debtor reserves the right to amend Exhibit A.

14. Unless the Debtor is authorized to use cash collateral, it may be forced to close down the business. If the Debtor is forced to close down the business, the going concern value of the Property will be lost.

15. The Debtor requests an order authorizing it to use of cash collateral to avoid immediate and irreparable harm to the Property and to the estate.

16. The Debtor proposes to provide adequate protection to the Respondents by transferring their liens and security interests to the Debtor's post-Petition assets with the same force and effect as the liens and security interests attached to the Debtor's pre-Petition assets.

17. By filing this motion, no party, including but not limited to the Debtor, waives any right to contest any lien or security interest; no party admits hereby that the Respondent, or any other creditors, hold valid, perfected, enforceable and/or unavoidable pre-Petition liens or security interests; and, no party waives the right to object to the characterization of any payments provided for herein.

18. The proposed order which is attached hereto, if approved by the Court, would be in the best interest of the Debtor, the estate and creditors.

WHEREFORE, the Debtor requests that it be authorized to use cash collateral in accordance with the foregoing; and, that the Debtor have such other and further relief as is reasonable and just.

Respectfully submitted,

KNOX McLAUGHLIN GORNALL &
SENNETT, P.C.
Attorneys for Debtor

By: /s/ John F. Kroto
John F. Kroto
PA I.D. No. 91208
120 West Tenth Street
Erie, Pennsylvania 16501-1461
(814) 459-2800
jkroto@kmgslaw.com