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Attorney for Debtor

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
LUBBOCK DIVISION

In Re: §
PSH Properties, LLC, § Case No. 17-50102-rjl11
Debtor. § Chapter 11 Proceeding

**MOTION FOR AUTHORIZATION OF CASH COLLATERAL USE
AND PROVISION FOR ADEQUATE PROTECTION**

IMPORTANT NOTICE

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT ROOM 306, FEDERAL BUILDING, 1205 TEXAS AVENUE, LUBBOCK, TEXAS 79401 ON THE **12th DAY OF MAY, 2017**, WHICH IS TWENTY-FOUR (24) DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE MUST BE IN WRITING AND FILED WITH THE CLERK, AND A COPY MUST BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE SET FORTH HEREIN. IF A RESPONSE IS FILED, A HEARING WILL BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

HEARINGS: IF A FINAL HEARING IS HELD, THE DATE OF THE HEARING WILL BE ON MAY 24, 2017 AT 1:30 P.M. AN EXPEDITED HEARING WILL BE CONDUCTED ON APRIL 26, 2017 AT 1:30 P.M. BOTH HEARINGS, IF CONDUCTED, WILL BE HELD IN THE LUBBOCK BANKRUPTCY COURTROOM, FEDERAL BUILDING, 3RD FLOOR, 1205 TEXAS AVENUE, LUBBOCK, TEXAS.

TO THE HONORABLE JUDGE Robert L. Jones, Bankruptcy Judge:

COMES NOW, PSH Properties, LLC, ("Debtor"), the Debtor-in-Possession in the above-entitled and numbered bankruptcy proceeding, and files this its *Motion for Authorization of Cash Collateral Use and Provision For Adequate Protection*, and in support of its motion would respectfully show the Court as follows:

1. PSH Properties, LLC, the debtor in possession (hereinafter "Debtor" or "PSH"), filed for relief under Chapter 11 of the Bankruptcy Code on April 10, 2017, and is currently operating as a debtor in possession.

2. The Debtor owns eighteen pieces of real property, all located in Lubbock County, Texas, and leases each property to various tenants. Tenants pay a monthly rent to Debtor for each property.

3. The cash and inventory may be subject to the lien of the Internal Revenue Service and to Platinum Bank, Aim Bank, Home Tax Solutions, and the Lubbock Central Appraisal District. The value of the assets subject to the claim of cash collateral is as follows:

Cash:	-581.45
Inventory (rental property):	<u>1,136,537.00</u>
Total:	\$1,135,955.55

An analysis of the income and expenses of the various properties is attached hereto as Exhibit "A".

The counsel of the Debtor has not had the opportunity to analyze the security position of the IRS and the Platinum Bank and can reach no conclusion as to their validity or perfection at this time.

4. A statement of Debtor's properties, showing the respective claimants, loan balances and lien positions is attached as Exhibit "B".

5. Continued use of cash and the funds collected from rents is essential for payment of current operating expenses and continuation of the estate's business.

6. David Hodges, manager and president of the Debtor, is prepared to testify at a cash collateral hearing, if one is held, that the Debtor does not anticipate that the value of the collateral will decrease significantly during the Plan period.

7. As adequate protection for the use of cash collateral, PSH proposes to grant a lien on postpetition assets of the same class as those in which there exists a properly perfected prepetition security interest, which would secure the allowed secured claims of claimants. The Debtor also agrees to send copies of its monthly operating reports as well as copies of its monthly financial statements to the secured claimants. Should a creditor's secured amount be diminished by Debtor's use of cash collateral, the claimant will be allowed an administrative claim in the amount that the claimant secured claim was diminished.

8. The Debtor also agrees to file all tax returns as they come due and pay any liability due. If the Debtor defaults on the payment or the returns are not timely filed, the Debtor's use of cash collateral is terminated upon notice of default and it is not cured in 10 days. Only one default will be allowed.

9. The Debtor is requesting emergency/interim relief as well as final relief. The Debtor understands that upon the interim request approved (if approved), the Court will determine a time and date for a final hearing.

WHEREFORE, the Debtor requests that the Court enter a interim order authorizing the estate to use cash collateral (consisting of rents received from Debtor's tenants) during the pendency of this case and to approve the proposed adequate protection provided for Internal Revenue Service, and for such other and further relief as the Court deems just and proper. The Debtor also requests that the Court set a final hearing on this matter.

Date: April 18, 2017

Respectfully submitted,

TARBOX LAW, P.C.
2301 Broadway
Lubbock, Texas 79401
806/686-4448; 806/368-9785 (FAX)

By: /s/Max R. Tarbox
Max R. Tarbox
SBN 19639950
Attorney for Debtor

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of April, 2017, a true and correct copy of the foregoing *Motion* was served upon the following listed parties either by enabled electronic filing or via first class United States mail:

1. U.S. Trustee
1100 Commerce, Suite 976
Dallas, TX 75242
2. All parties in interest registered with the
the U. S. Bankruptcy Court to receive
electronic notices in this case.
3. All creditors and parties in interest
listed on the attached mailing matrix.

/s/ Max R. Tarbox
Max R. Tarbox

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Exhibit "A"

2310 AVE T PLATINUM BANK \$138,458.15

INCOME

	CURRENT	FULL
2310 AVE T - A	\$450.00	\$450.00
2310 AVE T - B	\$0.00	\$450.00
2312 AVE T - A	\$425.00	\$425.00
2312 AVE T - B	\$450.00	\$450.00
2312 AVE T REAR	\$0.00	\$450.00

TOTAL INCOME \$1,325.00 \$2,225.00

EXPENSES

INSURANCE	\$137.35	\$137.35
TAXES	\$287.00	\$287.00

TOTAL EXPENSES \$424.35 \$424.35

NET INCOME BEFORE DEBT SERVICE \$900.65 \$1,800.65

CURRENT DEBIT SERVICE \$1,227.17 \$1,227.17

NET INCOME -\$326.52 \$573.48

7521 19TH

AIMBANK

INCOME

	CURRENT	FULL
APT A	\$525.00	\$525.00
APT B	\$0.00	\$525.00
APT C	\$0.00	\$400.00
APT D	\$0.00	\$400.00
APT E	\$525.00	\$525.00
APT F	\$450.00	\$450.00
APT G	\$450.00	\$450.00
APT H	\$300.00	\$300.00
APT I	\$400.00	\$400.00
APT J	\$400.00	\$400.00
APT K	\$400.00	\$400.00
APT L	\$425.00	\$425.00

TOTAL INCOME	\$3,875.00	\$5,200.00
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EXPENSES

LPL	\$400.00	\$400.00
SPEC	\$1,000.00	\$1,000.00
ATMOS	\$300.00	\$300.00
CAPROCK WASTE	\$150.00	\$150.00
INSURANCE	\$155.00	\$155.00
TAXES	\$300.00	\$300.00

TOTAL EXPENSES	\$2,305.00	\$2,305.00
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NET INCOME BEFORE DEBT SERVICE	\$1,570.00	\$2,895.00
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CURRENT DEBIT SERVICE	\$1,400.00	\$1,400.00
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NET INCOME	\$170.00	\$1,495.00
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512 ZENITH
2619 E CORNELL
2434 E 28TH
2407 E 10TH

AIMBANK

INCOME

	CURRENT	FULL
512 ZENITH	\$550.00	\$550.00
2619 E CORNELL	\$500.00	\$500.00
2434 E 28TH	\$500.00	\$500.00
2407 E 10TH	\$500.00	\$500.00

TOTAL INCOME	\$2,050.00	\$2,050.00
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EXPENSES

INSURANCE - 512 ZENITH	\$19.94	\$19.94
INSURANCE - 2619 E CORNELL	\$25.70	\$25.70
INSURANCE - 2434 E 28TH	\$20.82	\$20.82
INSURANCE - 2407 E 10TH	\$19.49	\$19.49
TAXES - 512 ZENITH	\$41.00	\$41.00
TAXES - 2619 E CORNELL	\$53.00	\$53.00
TAXES - 2434 E 28TH	\$34.00	\$34.00
TAXES - 2407 E 10TH	\$41.00	\$41.00

TOTAL EXPENSES	\$254.95	\$254.95
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NET INCOME BEFORE DEBT SERVICE	\$1,795.05	\$1,795.05
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CURRENT DEBIT SERVICE	\$900.00	\$900.00
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NET INCOME	\$895.05	\$895.05
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1506 48TH-1308 48TH PLATINUM BANK \$209,263.23

1510 38TH-2101 AVE M-215 37TH

INCOME

	CURRENT	FULL
1506 48TH	\$800.00	\$800.00
1308 48TH	\$800.00	\$800.00
1510 38TH	\$500.00	\$500.00
2101 AVE M - UNIT A	\$500.00	\$500.00
2101 AVE M - UNIT B (1309 21ST)	\$300.00	\$300.00
2101 AVE M - UNIT A (1307 21ST)	\$350.00	\$350.00
215 37TH	\$500.00	\$500.00

TOTAL INCOME \$3,750.00 \$3,750.00

EXPENSES

LPL - WATER - 2101 AVE M	\$150.00	\$150.00
INSURANCE - 1506 48TH	\$48.73	\$48.73
INSURANCE -1308 48TH	\$45.19	\$45.19
INSURANCE -1510 38TH	\$21.37	\$21.37
INSURANCE - 2101 AVE M	\$47.14	\$47.14
INSURANCE - 215 37TH	\$17.75	\$17.75
TAXES - 1506 48TH	\$168.00	\$168.00
TAXES - 1308 48TH	\$140.00	\$140.00
TAXES - 1510 38TH	\$75.00	\$75.00
TAXES - 2101 AVE M	\$66.00	\$66.00
TAXES - 215 37TH	\$34.00	\$34.00

TOTAL EXPENSES \$813.18 \$813.18

NET INCOME BEFORE DEBT SERVICE \$2,936.82 \$2,936.82

CURRENT DEBIT SERVICE \$1,797.29 \$1,797.29

NET INCOME \$1,139.53 \$1,139.53

1717 39TH-1909 DIXIE-1314 27TH PLATINUM BANK \$124,308.14

INCOME

	CURRENT	FULL
1717 39TH	\$730.00	\$730.00
1909 DIXIE A	\$400.00	\$400.00
1909 DIXIE B	\$500.00	\$500.00
1909 DIXIE C	\$0.00	\$300.00
1314 27TH - A	\$350.00	\$350.00
1314 27TH - B	\$0.00	\$400.00
1314 27TH - C	\$350.00	\$350.00

TOTAL INCOME \$2,330.00 \$3,030.00

EXPENSES

LPL - WATER - 2101 AVE M	\$150.00	\$150.00
LPL - WATER - 1314 27TH	\$75.00	\$75.00
LPL - WATER - 1314 27TH	\$106.00	\$106.00
LPL - ELECTRIC / WATER - 1909 DIXIE	\$350.00	\$350.00
ATMOS - 1909 DIXIE	\$65.00	\$65.00
INSURANCE - 1717 39TH	\$44.30	\$44.30
INSURANCE -1909 DIXIE	\$37.90	\$37.90
INSURANCE -1314 27TH	\$27.75	\$27.75
TAXES - 1717 39TH	\$126.00	\$126.00
TAXES - 1909 DIXIE	\$77.00	\$77.00
TAXES - 1314 27TH	\$82.00	\$82.00

TOTAL EXPENSES \$1,140.95 \$1,140.95

NET INCOME BEFORE DEBT SERVICE \$1,189.05 \$1,889.05

CURRENT DEBIT SERVICE \$1,095.90 \$1,095.90

NET INCOME \$93.15 \$793.15

1903 41st PLATINUM BANK \$50,958.24

INCOME

	CURRENT	FULL
APT A	\$500.00	\$500.00
APT B	\$500.00	\$500.00

TOTAL INCOME \$1,000.00 \$1,000.00

EXPENSES

LPL - WATER	\$150.00	\$150.00
INSURANCE	\$70.43	\$70.43
TAXES	\$112.00	\$112.00

TOTAL EXPENSES \$332.43 \$332.43

NET INCOME BEFORE DEBT SERVICE \$667.57 \$667.57

CURRENT DEBIT SERVICE \$461.77 \$461.77

NET INCOME \$205.80 \$205.80

2208 AVE T	PLATINUM BANK	\$121,289.67
	PLATINUM BANK	\$15,000.00

INCOME

	CURRENT	FULL
2208 AVE T - A	\$400.00	\$400.00
2208 AVE T - B	\$350.00	\$350.00
2208 AVE T - C	\$300.00	\$300.00
2208 AVE T - D	\$350.00	\$350.00
2212 AVE T	\$0.00	\$500.00

TOTAL INCOME	\$1,400.00	\$1,900.00
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EXPENSES

LPL - 2208 AVE T D	\$165.00	\$165.00
INSURANCE	\$118.09	\$118.09
TAXES	\$247.00	\$247.00

TOTAL EXPENSES	\$530.09	\$530.09
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NET INCOME BEFORE DEBT SERVICE	\$869.91	\$1,369.91
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CURRENT DEBIT SERVICE	\$1,092.25	\$1,092.25
CURRENT DEBIT SERVICE	\$455.07	\$455.07

NET INCOME	-\$677.41	-\$177.41
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Exhibit "B"

FINANCIAL STATEMENT				as of 4/10/2017	
PSH PROPERTIES LLC					
STATEMENT OF ASSETS, LIABILITIES AND NET WORTH					
ASSETS			LIABILITIES		
CASH (SCHEDULE A)			-\$581.45	MORTGAGES PAYABLE (SCHEDULE C)	\$1,107,535.40
REAL ESTATE OWNED (SCHEDULE B)			\$1,136,537.00	OTHER LIABILITIES (SCHEDULE D)	\$51,497.26
				TOTAL LIABILITIES	\$1,159,032.66
				NET WORTH	-\$23,077.11
TOTAL ASSETS			\$1,135,955.55	TOTAL	\$1,135,955.55

FINANCIAL STATEMENT							as of 4/10/2017
FOR PSH PROPERTIES LLC							
SCHEDULE A (CASH)							
NAME & LOCATION OF BANK		TYPE OF ACCOUNT		SIGNATURES ON ACCOUNT		CASH BALANCE	
AIM BANK 3004 SLIDE ROAD		CHECKING 757578		DAVID HODGES KIM HODGES		\$250.00	
PLATINUM BANK 6502 SLIDE ROAD		CHECKING 198595		DAVID HODGES KIM HODGES		-\$831.45	
TOTAL CASH BALANCES						-\$581.45	
SCHEDULE B (REAL ESTATE OWNED)							
LOCATION / TYPE OF PROPERTY		DATE ACQUIRED		ANNUAL GROSS RENTAL INCOME	ANNUAL NET RENTAL INCOME	VALUE	
7521 W 19TH		11/13/2002		\$53,340.00	\$12,600.00	\$134,556.00	
4215 41ST		2/2/2009		\$11,700.00	\$1,200.00	\$111,793.00	
2104 48TH		2/2/2009		\$8,400.00	\$1,200.00	\$49,526.00	
1510 38TH		8/7/2006		\$6,000.00	\$1,200.00	\$39,592.00	
1506 48TH		6/1/2006		\$9,600.00	\$1,000.00	\$89,222.00	
1308 48TH		8/1/2006		\$9,600.00	\$1,000.00	\$74,242.00	
2101 AVE M		7/1/2005		\$12,600.00	\$6,000.00	\$35,044.00	
215 37TH		7/1/2005		\$6,000.00	\$1,800.00	\$17,776.00	
1717 39TH		3/1/2004		\$8,400.00	\$1,300.00	\$67,164.00	
1909 DIXIE		12/15/2011		\$15,900.00	\$5,040.00	\$41,036.00	
1314 27TH		12/15/2011		\$13,200.00	\$6,780.00	\$43,420.00	
2208 AVE T		3/1/2012		\$19,500.00	\$7,500.00	\$131,515.00	
2310 AVE T		3/1/2012		\$24,780.00	\$7,500.00	\$152,741.00	
1903 41ST		3/1/2012		\$12,000.00	\$2,400.00	\$59,358.00	
2434 E 28TH		6/1/2013		\$6,600.00	\$1,200.00	\$18,021.00	
2407 E 10TH		6/1/2013		\$7,200.00	\$1,200.00	\$21,860.00	
2619 E CORNELL		6/1/2013		\$6,600.00	\$1,200.00	\$28,006.00	
512 ZENITH		6/1/2013		\$6,600.00	\$1,200.00	\$21,665.00	
TOTAL REAL ESTATE OWNED:						\$1,136,537.00	
FINANCIAL STATEMENT							as of 4/10/2017
FOR PSH PROPERTIES LLC							

SCHEDULE C (MORTGAGES PAYABLE)						
NAME OF CREDITOR	DESCRIPTION	LOAN #	TYPE OF LIEN	TITLE IN NAME OF	MTG PAYMENT	BALANCE
					DUE IN ONE YEAR	
AIM BANK	7521 W 19TH	***4392	1ST	PSH PROPERTIES LLC	\$16,800.00	\$90,370.05
AIM BANK	7521 W 19TH	***5507	2ND	PSH PROPERTIES LLC	\$6,000.00	\$38,007.45
PLATINUM BANK	4215 41ST	****981	1ST	PSH PROPERTIES LLC	\$13,400.40	\$129,652.92
	2104 48TH					
PLATINUM BANK	1506 48TH	****791	1ST	PSH PROPERTIES LLC	\$21,567.48	\$210,984.34
	1308 48TH					
	1510 38TH					
	2101 AVE M					
	215 37TH					
AIM BANK	2434 E 28TH	***1980	1ST	PSH PROPERTIES LLC	\$10,800.00	\$89,076.35
	2407 E 10TH					
	2619 E CORNELL					
	512 ZENITH					
PLATINUM BANK	1717 39TH	****641	1ST	PSH PROPERTIES LLC	\$13,150.80	\$124,779.47
	1909 DIXIE					
	1314 27TH					
PLATINUM BANK	2208 AVE T	****831	1ST	PSH PROPERTIES LLC	\$13,107.00	\$121,749.56
PLATINUM BANK	2310 AVE T	****741	1ST	PSH PROPERTIES LLC	\$14,726.04	\$140,624.34
PLATINUM BANK	1903 41ST	****931	1ST	PSH PROPERTIES LLC	\$5,541.24	\$51,151.46
PLATINUM BANK	2208 AVE T	****391	2ND	PSH PROPERTIES LLC	\$455.07	\$14,674.09
TMT INVESTMENTS	2310 AVE T	111	2ND	PSH PROPERTIES LLC	\$890.00	\$36,465.37
TMT INVESTMENTS	7521 19TH/2104 48TH	222	3RD,2ND	PSH PROPERTIES LLC		\$60,000.00
TOTAL LOANS PAYABLE: \$1,107,535.40						
PERSONAL FINANCIAL STATEMENT						
FOR DAVID AND KIM HODGES						
SCHEDULE F (OTHER LIABILITIES)						

as of 4/10/2017

CREDITOR		DESCRIPTION		COLLATERAL			BALANCE
CITICARD		CREDIT CARD					\$20,891.40
HOME TAX SIOOLUTIONS		2016 TAXES	TAX LEVY ON PROPERTIES ABOVE WITH **			\$4,352.64	\$24,733.67
LCAD		2016 TAXES		7521 W 19TH			\$3,675.16
LCAD		2016 TAXES		2619 E CORNELL			\$687.09
LCAD		2016 TAXES		512 ZENITH			\$531.50
LCAD		2016 TAXES		2434 E 28TH			\$442.11
LCAD		2016 TAXES		2407 E 10TH			\$536.33
						TOTAL OTHER LIABILITIES:	\$51,497.26