



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed March 8, 2019

United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

IN RE

KAIROS HOMES, L.L.C. XX-XXX2131

3345 Western Center Blvd, Ste 160
Fort Worth, TX 76137

DEBTOR(S)

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CASE NO. 18-43969-MXM

CHAPTER 11

**INTERIM AGREED ORDER FOR USE OF CASH COLLATERAL
PURSUANT TO SECTION 363 OF THE BANKRUPTCY CODE AND PROVIDING
ADEQUATE PROTECTION AND GRANTING LIENS AND SECURITY INTERESTS**

Came on to be considered Kairos Homes, L.L.C., Debtor's Motion to Use Cash
Collateral. The Court finds that notice was given to all affected parties.

IT IS THEREFORE ORDERED that the Motion to Use Cash Collateral shall be
GRANTED on an interim basis.

IT IS FURTHER ORDERED that Brian Frazier, President of Kairos Homes, L.L.C. has
the authority to sign the closing and conveyance documents.

IT IS FURTHER ORDERED closing costs are allowed. All expenses are to be paid out of seller's proceeds, including all title company charges and for such additional costs of closing as the Bankruptcy Trustee or Debtor-in-Possession may authorize in writing and their discretion.

IT IS FURTHER ORDERED that the Debtor-in-Possession in the interim may use the net proceeds from the sale of the listed properties to satisfy post-petition payroll, materials, subcontractors, rent, bills and other miscellaneous expenses.

IT IS FURTHER ORDERED that the Debtor-in-Possession submit to the Internal Revenue Service a payment in the amount of \$50,000.00 upon the closing of Lot 1, a payment in the amount of \$25,000.00 upon the closing of Lot 3, in addition to a payment in the amount of \$87,500.00 upon the closing of Lot 6 for a total payment in the amount of \$162,500.00 as adequate payment for the use of the cash collateral specifically from the sale of listed properties in Springtown, Texas. Such payment shall be made payable to the Department of Justice and sent to the United States Attorney's Office, 1100 Commerce St. Ste. 300, Dallas, Texas 75242.

IT IS FURTHER ORDERED that the Internal Revenue Service's liens now attach to the proceeds from the sale, and not the real property.

IT IS FURTHER ORDERED that the properties which are to be sold are described as:

**739 County Road 3696, Springtown, TX 76082;
Lot 1, Keeter Springs Addition, City of Springtown,
Wise County, Texas.
Closing on March 8, 2019**

**693 County Road 3696, Springtown, TX 76082;
Lot 3, Keeter Springs Addition, City of Springtown,
Wise County, Texas.
Closing on March 20, 2019**

**637 County Road 3696, Springtown, TX 76082;
Lot 6, Keeter Springs Addition, City of Springtown,
Wise County, Texas.
Closing on April 10, 2019**

may be sold **free and clear of all judgment liens**, claims, and encumbrances except purchase money, and all unpaid ad valorem property tax liens. Any changes to a contract requires the approval of the Trustee or Debtor-in-Possession

IT IS FURTHER ORDERED that all ad valorem property taxes for year 2019 and all prior years shall be paid in full at the sale closing with the liens that secure all amounts owed for any unpaid years remaining attached to the property and becoming the responsibility of the purchaser. The title company shall issue a check for the ad valorem taxes directly to **Laurie A. Spindler**, Linebarger Goggan Blair & Sampson, LLP , 2777 N. Stemmons Frwy Ste 1000, Dallas, TX 75207, including the address of the property and the case number on the memo line of the check.

IT IS FURTHER ORDERED that the Debtor shall comply with the following with the Internal Revenue Service as follows;

The Debtors shall be entitled to utilize the asserted Cash Collateral of the IRS and to utilize the property in which the IRS has asserted a secured interest subject to the provisions of this Agreed Order under the following terms and conditions:

As adequate protection of the IRS's interest in the cash collateral and property, the IRS shall be granted replacement liens on post-petition cash collateral and property of the Debtors, including inventory, accounts receivable, cash, cash equivalents, intangibles, and all other post-petition property of the Debtors which would constitute the IRS' pre-petition collateral, including proceeds and products thereof to the same validity, extent and priority of the IRS' liens prior to the Petition Date. These liens, if any, shall be in addition to the liens that the IRS had in the assets of the Debtor as of the petition date. The replacement liens shall not extend to Chapter 5 causes of action and shall be limited to the decline, if any, in the value of the IRS' collateral by virtue of the Debtor's use. To the extent that any applicable non-bankruptcy law would restrict the granting, enforceability, or attachment of the liens and security interest authorized or created by this paragraph, of otherwise would impose filing registration requirements with respect to such replacement liens, such law is preempted to the maximum extent

permitted by the Bankruptcy Code, other applicable federal law, and the judicial power of the U.S. Bankruptcy Code.

The Debtors shall file all past due tax returns, if any, (including, but not limited to, income, excise, employment, and unemployment returns) within 60 days of the entry of this Order and shall file such return with Leo Carey, Bankruptcy Specialist, IRS, Insolvency Group II, Stop: MC5026DAL, 1100 Commerce St., Dallas, Texas 75242. This deadline may be extended with the approval of Leo Carey for cause shown without need for further order of the court.

The Debtors shall file all post-petition federal tax returns on or before the due date, and shall pay any balance due upon filing of the return. Copies of these returns, during the pendency of this case, shall be sent to: **IRS, Insolvency Group II, Stop: MC5026DAL, 1100 Commerce St., Dallas, Texas 75242**, telephone (214) 413-5375.

The Debtors shall, during the pendency of this bankruptcy case, provide proof of deposit of all federal trust fund taxes within seven (7) days from the date on which they are deposited. Proof of said deposit shall be sent to the IRS at: **IRS, Insolvency Group II, Stop: MC5026DAL, 1100 Commerce St., Dallas, Texas 75242**, telephone (214) 413-5375, facsimile (888) 851-1227.

Upon reasonable notice, the Debtors will, during the pendency of this case, permit the IRS to inspect, review, and copy any financial records of the Debtor.

The Debtors shall be entitled to utilize cash collateral of the IRS only for ordinary business expenses, consistent with the cash flow projections of the Debtor. Such cash flow projections will be used for all purposes associated with this Order, and the use of the cash shown on such projections may exceed the line item in the cash flow projection by not more than ten percent (10%) without a variance sought by the Debtor and approved by the IRS in writing (including email), or approved by order of the Court. The Debtors shall not prepay expenses except in the ordinary course of business. The Debtors shall not use cash collateral during the pendency of this case for any purpose which is not authorized by the Bankruptcy Code, this Agreed Order, or by other Order of the Court, or agreed to in writing by the IRS prior to such use.

Nothing herein shall constitute an admission by the IRS that the protection provided to it herein shall not at some time become inadequate to fully and properly protect its

interests, and at any time, the IRS may apply to the Court for additional adequate protection. Further, nothing in this stipulation shall bind the IRS, or constitute an agreement by it to treatment of its claim under any plan of reorganization. Nothing herein shall constitute an admission by Debtor or a ruling by the Court that the nominee liens asserted by the IRS in this bankruptcy proceeding are valid.

If the Debtor defaults in any of the requirements of this Agreed Order for IRS tax return filing and reporting to IRS and/or trust fund deposit and reporting to the IRS, then the IRS shall provide the Debtor and Debtor's counsel with written notice of such default. If the default has not been cured within ten (10) days after notice of default is mailed and/or transmitted by facsimile, the IRS may file a declaration with the Court as evidence of the default by the Debtor, then Debtor cannot use Cash Collateral anymore, without any further order of the Court.

IT IS FURTHER ORDERED that the sale(s) are for full value of the property and the buyers are unrelated parties, and the Court waives the appeal period of fourteen (14) days upon entry of this Interim Agreed Order.

end of order

Respectfully submitted by:

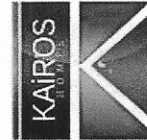
/s/ John Park Davis

JOHN PARK DAVIS
DAVIS LAW FIRM
P.O. BOX 123918
FORT WORTH, TX 76121
TBN 05517000
(817) 735-1171 TELEPHONE
(817) 735-1167 FAX
davi7000@gmail.com

/s/ Donna K. Webb (with permission)

Donna K. Webb
U.S. Attorney Office
1100 Commerce Street Suite 300
Dallas, TX 75242
donna.webb@usdoj.gov
On Behalf of the Internal Revenue Service

Kairos Homes, LLC
 3345 Western Center Blvd
 Suite 160
 Fort Worth, TX 76137
 817.847.7850
 Kairoshomesllc.com



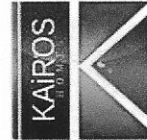
Projected Budget

IRS	\$87,500.00
Projected Payroll	\$106,028.87
Materials	\$45,000.00
Subs	\$24,100.00
Miscellaneous	\$4,600.00
Rent and Bills	\$4,000.00
Total	\$271,228.87

Projected Payroll Details

Name				Total
Alma Escoto	467.22	467.22	467.22	1,401.66
Ana K Diaz	501.16	501.16	501.16	1,503.48
Andrea Vernon	1,915.75	1,915.75	1,915.75	5,747.25
Anibal Quintero	663.92	663.92	663.92	1,991.76
Angel Medrano	760.68	760.68	760.68	2,282.04
Antonio Gonzalez	945.24	945.24	945.24	2,835.72
Bibiana Aguilar	549.57	549.57	549.57	1,648.71
Cameron Peck	462.16	462.16	462.16	1,386.48
Carmelo Ramirez	572.57	572.57	572.57	1,717.71
Devon White	1,011.20	1,011.20	1,011.20	3,033.60
Doris Lopez	847.50	847.50	847.50	2,542.50
Edgar Gonzalez	558.98	558.98	558.98	1,676.94
Evelia Diaz	517.10	517.10	517.10	1,551.30
Ferdinand Perez	642.86	642.86	642.86	1,928.58
Fernando Luna	754.74	754.74	754.74	2,264.22
Fernando Rosales	558.98	558.98	558.98	1,676.94
Frances Nail	463.09	463.09	463.09	1,389.27
Francisco Leon	703.80	703.80	703.80	2,111.40
Gilberto Alvarado	484.16	484.16	484.16	1,452.48
Guadalupe Viernes	514.10	514.10	514.10	1,542.30
Jacob Manahan	510.57	510.57	510.57	1,531.71
Julio Lopez	665.72	665.72	665.72	1,997.16

Kairos Homes, LLC
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Juan Hernandez	738.80	738.80	738.80	2,216.40
Kendall Schober	654.80	654.80	654.80	1,964.40
Liliana Murillo	475.22	475.22	475.22	1,425.66
Lorenzo la Rosa	516.16	516.16	516.16	1,548.48
Luis Alvarado	606.92	606.92	606.92	1,820.76
Manuel Garcia	627.98	627.98	627.98	1,883.94
Manuel Gonzalez	1,499.13	1,499.13	1,499.13	4,497.39
Maria Figueroa	503.03	503.03	503.03	1,509.09
Mauricio Gonzalez	549.10	549.10	549.10	1,647.30
Miguel Roldan	770.68	770.68	770.68	2,312.04
Milano Rangel	705.80	705.80	705.80	2,117.40
Modesto Cabrera	557.57	557.57	557.57	1,672.71
Olga Luna	581.51	581.51	581.51	1,744.53
Ramon Molina-	1,470.13	1,470.13	1,470.13	4,410.39
Raul Vital	475.22	475.22	475.22	1,425.66
Ricardo Hernandez	819.09	819.09	819.09	2,457.27
Silverio Rosales	721.80	721.80	721.80	2,165.40
Victorina Morales	532.64	532.64	532.64	1,597.92
Virgil Aycox	2,500.00	2,500.00	2,500.00	7,500.00
Net Payroll	30,376.65	30,376.65	30,376.65	91,129.95
Payroll Taxes	7439.46	7439.46	7439.46	14898.92
Total Payroll				106,028.87

Materials Details

Materials	
Plumbing	\$5,000.00
Cabinets	\$7,000.00
Sand	\$1,600.00
Brick	\$10,000.00
Stone	\$2,800.00
Trim	\$6,000.00
Granite	\$3,600.00
Electrical	\$1,500.00
Paint	\$4,000.00

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Home Depot	\$3,500.00
Total	\$45,000.00

Subs Details

Subs	
North Texas Water Works	\$5,000.00
Ronald Vallin	\$6,000.00
Concrete	\$11,200.00
Sheetrock	\$1,900.00
Total	\$24,100.00

Miscellaneous Details

Miscellaneous	
Gas/Diesel	\$ 3,600.00
Tool replacements	\$ 500.00
Tool repair	\$ 500.00
Total	\$ 4,600.00

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Projected Budget

IRS	\$100,000.00
Projected Payroll	\$75,652.22
Lot Purchase	\$50,000.00
Materials	\$93,200.00
Miscellaneous	\$4,600.00
Total	\$323,452.22

Projected Payroll Details

Name			Total
Alma Escoto	467.22	467.22	934.44
Ana K Diaz	501.16	501.16	1,002.32
Andrea Vernon	1,915.75	1,915.75	3,831.50
Anibal Quintero	663.92	663.92	1,327.84
Angel Medrano	760.68	760.68	1,521.36
Antonio Gonzalez	945.24	945.24	1,890.48
Bibiana Aguilar	549.57	549.57	1,099.14
Cameron Peck	462.16	462.16	924.32
Carmelo Ramirez	572.57	572.57	1,145.14
Devon White	1,011.20	1,011.20	2,022.40
Doris Lopez	847.50	847.50	1,695.00
Edgar Gonzalez	558.98	558.98	1,117.96
Evelia Diaz	517.10	517.10	1,034.20
Ferdinand Perez	642.86	642.86	1,285.72
Fernando Luna	754.74	754.74	1,509.48
Fernando Rosales	558.98	558.98	1,117.96
Frances Nail	463.09	463.09	926.18
Francisco Leon	703.80	703.80	1,407.60
Gilberto Alvarado	484.16	484.16	968.32
Guadalupe Viernes	514.10	514.10	1,028.20

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Jacob Manahan	510.57	510.57	1,021.14
Julio Lopez	665.72	665.72	1,331.44
Juan Hernandez	738.80	738.80	1,477.60
Kendall Schober	654.80	654.80	1,309.60
Liliana Murillo	475.22	475.22	950.44
Lorenzo la Rosa	516.16	516.16	1,032.32
Luis Alvarado	606.92	606.92	1,213.84
Manuel Garcia	627.98	627.98	1,255.96
Manuel Gonzalez	1,499.13	1,499.13	2,998.26
Maria Figueroa	503.03	503.03	1,006.06
Mauricio Gonzalez	549.10	549.10	1,098.20
Miguel Roldan	770.68	770.68	1,541.36
Milano Rangel	705.80	705.80	1,411.60
Modesto Cabrera	557.57	557.57	1,115.14
Olga Luna	581.51	581.51	1,163.02
Ramon Molina-	1,470.13	1,470.13	2,940.26
Raul Vital	475.22	475.22	950.44
Ricardo Hernandez	819.09	819.09	1,638.18
Silverio Rosales	721.80	721.80	1,443.60
Victorina Morales	532.64	532.64	1,065.28
Virgil Aycox	2,500.00	2,500.00	5,000.00
Net Payroll	30,376.65	30,376.65	60,753.30
Payroll Taxes	7439.46	7439.46	14898.92
Total Payroll			75,652.22

Materials Details

Materials	
Lumber	\$100,000.00
Sand	\$1,600.00
Brick	\$5,000.00
Stone	\$1,400.00
Trim	\$3,000.00
Granite	\$1,800.00
Electrical	\$900.00

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Paint	\$2,000.00
Home Depot	\$2,500.00
Total	\$93,200.00

Miscellaneous Details

Miscellaneous	
Gas/Diesel	\$ 3,600.00
Tool replacements	\$ 500.00
Tool repair	\$ 500
Total	\$ 4,600.00

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Projected Budget

IRS	\$25,000.00
Projected Payroll	\$76,652.22
Lot Purchase	\$25,000.00
Materials	\$47,200.00
Subs	\$36,600.00
Miscellaneous	\$4,600.00
Rent and Bills	\$4,000.00
Total	\$218,052.22

Projected Payroll Details

Name			Total
Alma Escoto	467.22	467.22	934.44
Ana K Diaz	501.16	501.16	1,002.32
Andrea Vernon	1,915.75	1,915.75	3,831.50
Anibal Quintero	663.92	663.92	1,327.84
Angel Medrano	760.68	760.68	1,521.36
Antonio Gonzalez	945.24	945.24	1,890.48
Bibiana Aguilar	549.57	549.57	1,099.14
Cameron Peck	462.16	462.16	924.32
Carmelo Ramirez	572.57	572.57	1,145.14
Devon White	1,011.20	1,011.20	2,022.40
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Evelia Diaz	517.10	517.10	1,034.20
Ferdinand Perez	642.86	642.86	1,285.72
Fernando Luna	754.74	754.74	1,509.48
Fernando Rosales	558.98	558.98	1,117.96
Frances Nail	463.09	463.09	926.18
Francisco Leon	703.80	703.80	1,407.60
Gilberto Alvarado	484.16	484.16	968.32
Guadalupe Viernes	514.10	514.10	1,028.20

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Juan Hernandez	738.80	738.80	1,477.60
Kendall Schober	654.80	654.80	1,309.60
Liliana Murillo	475.22	475.22	950.44
Lorenzo la Rosa	516.16	516.16	1,032.32
Luis Alvarado	606.92	606.92	1,213.84
Manuel Garcia	627.98	627.98	1,255.96
Manuel Gonzalez	1,499.13	1,499.13	2,998.26
Maria Figueroa	503.03	503.03	1,006.06
Mauricio Gonzalez	549.10	549.10	1,098.20
Miguel Roldan	770.68	770.68	1,541.36
Milano Rangel	705.80	705.80	1,411.60
Modesto Cabrera	557.57	557.57	1,115.14
Olga Luna	581.51	581.51	1,163.02
Ramon Molina-	1,470.13	1,470.13	2,940.26
Raul Vital	475.22	475.22	950.44
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Silverio Rosales	721.80	721.80	1,443.60
Victorina Morales	532.64	532.64	1,065.28
Virgil Aycox	2,500.00	2,500.00	5,000.00
Net Payroll	30,376.65	30,376.65	60,753.30
Payroll Taxes	7439.46	7439.46	14898.92
Total Payroll			75,652.22

Materials Details

Materials	
Lumber	\$25,000.00
Plumbing	\$5,000.00
Sand	\$1,600.00
Brick	\$5,000.00
Stone	\$1,400.00
Trim	\$3,000.00
Granite	\$1,800.00

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Dumpster	\$2,000.00
Electrical	\$900.00
Paint	\$2,000.00
Home Depot	\$2,500.00
Total	\$122,200.00

Subs Details

Subs	
North Texas Water Works	\$10,000.00
Oscar Martinez	\$3,000.00
JA Installations	\$4,500.00
Ronald Vallin	\$6,000.00
Concrete	\$11,200.00
Sheetrock	\$1,900.00
Total	\$36,600.00

Miscellaneous Details

Miscellaneous	
Gas/Diesel	\$ 3,600.00
Tool replacements	\$ 500.00
Tool repair	\$ 500.00
Total	\$ 4,600.00