

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
WACO DIVISION

IN RE: Omni Lookout Ridge, L.P.  
Debtor

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CASE NO: 17-60447-RBK  
Chapter 11

**MOTION PURSUANT TO 11 U.S.C. § 363 FOR AUTHORITY TO USE, SELL,  
OR LEASE CASH COLLATERAL IN THE ORDINARY COURSE, PROVIDE  
ADEQUATE PROTECTION AND FOR PRELIMINARY AND FINAL  
HEARINGS**

TO THE HONORABLE RONALD B. KING, CHIEF BANKRUPTCY JUDGE:

Comes now Omni Lookout Ridge, L.P., Debtor and Debtor In Possession herein (“Debtor”), and files this Motion For Interim Order Authorizing Debtor’s Use of Cash Collateral, Granting Adequate Protection, and Setting Final Hearing and would respectfully show:

1. This Court has jurisdiction over this case and this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. §157(b)(2)(A) and (D). Venue is proper in this district pursuant to 28 U.S.C. § §1408 and 1409(a).

2. On June 5, 2017, (the “Petition Date”), the Debtor filed a voluntary petition for relief under Chapter 11, Title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Western District of Texas, Waco Division (the “Court”). Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Debtor is operating its business and managing its property as a debtor-in-possession. No trustee or examiner has been appointed, and no official committee of unsecured creditors has yet been formed.

3. The Debtor owns and operates a business known as Lookout Ridge Apartments, an apartment complex, located at 201 Lookout Ridge Blvd, Harker Heights, Bell County, TX 76548-7217 (“the business”).

4. Debtor is indebted to the following parties who may claim an interest in Cash Collateral. The Debtor reserves the right to contest any such interest.

(a) LB-UBS 2007-C2 Lookout Ridge Blvd LLC (“lender”) pursuant to deed of trust, assignment of rents, and other documents

5. Debtor uses Cash Collateral, namely rents from the Business, on a daily basis in the ordinary course of its business. The lender has consented in part to the use of cash collateral until June 27, 2017, when hearing on this matter is requested and when all parties are available. The lender’s consent and allowed cash collateral budget is attached hereto as Exhibit A. The Debtor will supplement this motion prior to the hearing with its longer-term proposed budget.

6. Until a plan of reorganization is confirmed in this case, Debtor must obtain approval for the use of its proceeds. It is critical for Debtor to have access to its cash and other business property to continue to operate in the ordinary course of business and to pay normal operating expenses.

7. An immediate need exists for the Debtor to obtain approval of this motion which seeks authority to use Cash Collateral in order to pay the kinds of expenses on the attached budget in the ordinary course of the business. Without the immediate ability to use the Cash Collateral for an interim period, the Debtor’s ability to operate its business will be severely impaired. The Debtor will have to close its business, which would have a severe negative impact upon the Debtor’s going concern value and ability to successfully create value for all creditors and preserve the jobs of its employees. The Debtor’s

business, as a going concern, has a value far in excess of any value that might be obtained in a Chapter 7 liquidation. A complete shutdown of the Debtor's business, even for a short period, would result in the loss of employees and renters, and eventually the unsecured creditors would have no hope of receiving any distribution from this case after the liquidation of all of the assets. Accordingly, it is imperative that a preliminary hearing be set immediately.

8. The immediate and temporary approval for the use of the Cash Collateral is consistent with (i) Bankruptcy Code requirements for maintaining the going concern of a debtor's business operations; (ii) the law under 11 U.S.C. §§ 363 and 361 as to the use of cash collateral and adequate protection; and (iii) facilitating a successful reorganization under chapter 11 of the Bankruptcy Code.

9. Under 11 U.S.C. §363(c)(2), the Debtor may not use, sell, or lease the Cash Collateral without the Court's authority or consent. Section 363(e) allows the Court to grant this authority upon the provision of adequate protection to the secured parties.

10. Through this Motion, Debtor seeks to grant each lien holder a postpetition security interest in the Debtor's rents to the same extent, priority and validity as their pre-petition liens as adequate protection. In no instance will the postpetition security interests sought herein be used to enhance or improve the position of any lien holder.

11. Debtor in this case has also satisfied the secured parties' entitlement to adequate protection of its respective interest in Debtor's assets because of the benefits which will be obtained from continued operation of Debtor's business.

12. The Debtor is requesting that the Court set a preliminary hearing on the use of Cash Collateral on an expedited basis, and that at such preliminary hearing, the Court authorize the use of Cash Collateral consistent with the Interim Cash Collateral

Budget, in order to avoid immediate and irreparable harm to this estate pending a final hearing.

13. The Debtor also requests a final hearing as soon as the Court's schedule permits in compliance with the Rules.

WHEREFORE, PREMISES CONSIDERED, the Debtor prays that this Court:

- (1) authorize the use of Cash Collateral on an interim basis;
- (2) grant certain replacement liens and other rights to the lien holders as adequate protection for the use of the Cash Collateral;
- (3) at a final hearing, authorize the use of Cash Collateral and the granting of postpetition replacement liens during the pendency of this case; and
- (4) grant such other and further relief as may be just and equitable both at law and in equity.

Respectfully submitted,

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L.P.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on June 14, 2017, a true and correct copy of the foregoing was served via e-mail on the following parties in interest.

The undersigned further certifies that as soon as he has obtained a hearing date and time from the Court for the preliminary hearing on this Motion, he will serve copies of this Motion upon all other parties entitled to notice under the local rules of this Court, and that he will serve all such parties, including the affected creditor, with notice of the time, date and place of such preliminary hearing, and that promptly thereafter he will file an Amended Certificate of Service to identify the parties served and the means by which they were served.

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