

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

DELAWARE SPORTS COMPLEX, LLC,

Debtor.

Chapter 11

Case No. _____

**DEBTOR'S MOTION FOR ENTRY OF AN ORDER PURSUANT TO
11 U.S.C. §§ 105 AND 364 AUTHORIZING THE DEBTOR TO OBTAIN
POSTPETITION SECURED FINANCING AND GRANTING RELATED RELIEF**

Delaware Sports Complex, LLC (the "Debtor"), debtor and debtor in possession, by its undersigned proposed attorney, files this Motion For Entry Of An Order Pursuant To 11 U.S.C. §§ 105 And 364 Authorizing The Debtor To Obtain Postpetition Secured Financing And Granting Related Relief, and in support hereof states as follows:

JURISDICTION

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334.
2. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

3. On May 23, 2017 (the "Petition Date"), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtor has managed its affairs as a debtor in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

4. The Debtor was formed in 2015 to acquire, develop, and operate a 319.69 acre tract of land in Middletown, Delaware (the "Property") intended to include (among other things) a large outdoor and indoor sports complex and related improvements. The Debtor's interest in

the property was acquired from the Town of Middletown Delaware (the “Town”) in the form of a 99-year lease pursuant to which the Debtor is obligated to make payment of \$1.00 per year (the “Lease”). Pursuant to design work performed by a civil engineering firm drawn before the Debtor’s lease of the Property, the Town reviewed and approved a “Major Site Plan” for 170 acres of the property in August 2015, and on or about September 29, 2015 authorized commencement of construction on a portion of its land. The Debtor executed the Lease and acquired its leasehold interest in the Property on February 24, 2016 and accepted the leased premises in its then “AS IS” condition on that date.

5. Before the Debtor executed the Lease and acquired its leasehold interest in the Property, the Town caused (or at least permitted) extensive excavation and grading work on the Property. After the Lease was executed, the Debtor, by prior management, continued construction on the Property. Eventually, six (6) outdoor full size soccer fields were built out enough to begin operations, although further additional work is needed. This represents a small fraction of the usable land on the Property.

6. In addition to the land on which athletic facilities are built or contemplated, the Property subject to the Lease also includes a park, a dog park, and related land (collectively, the “Park”), representing about 45% of the leased space. The Debtor’s current principal has been told by the Town that the Park was mistakenly included in the Lease, but the Debtor’s current principal was not involved in those negotiations and had no personal knowledge of the alleged mistake when he acquired his interests in the Debtor. The Debtor’s management that executed the Lease on behalf of the Debtor managed the Debtor for approximately a year before selling their interests.

7. When the Debtor's current principal acquired his interests in the Debtor on or about March 1, 2017, he became aware that various contractors and engineers were asserting that they held claims against the Debtor for work done either fully or partially before the Debtor acquired an interest in the Property. One of them filed suit against the Debtor shortly before the Petition Date to recover for alleged work it performed. Moreover, the Debtor does not have copies of contracts with certain contractors and engineers and, upon information and belief, there were never any signed contracts evidencing a commercial relationship, even though the work allegedly performed is now valued in the tens—or even hundreds—of thousands of dollars. The Debtor estimates that general unsecured claims asserted against the Debtor will total over \$1 million, but once these claims are adjudicated, the Debtor believes that they will be allowed in much lower amounts (and in some cases disallowed in their entirety).

8. The Debtor has virtually no cash, and while the Debtor's principal has expressed a willingness to invest limited additional capital to fund a reorganization, his willingness to do so is understandably conditioned upon an orderly restructuring, either by reorganization or sale of the Property.

9. Apparently unhappy with the progress of the Debtor's development of the Property, the Town declared a groundless default on the Lease and brought summary ejectment proceedings against the Debtor in the Justice of the Peace Court for New Castle County on March 17, 2017. The filing of the Debtor's Chapter 11 petition stayed those proceedings.

RELIEF REQUESTED

10. By this motion, the Debtor seeks entry of an order:

- A. Authorizing the Debtor to (A) obtain postpetition, secured debtor-in-possession financing in an aggregate principal amount of up to \$278,750 (the "DIP Facility") pursuant to the terms and conditions of the Interim Order and the DIP Credit Agreement (as defined below) by and between

the Debtor, as borrower, and Daniel Watson (the “Lender”), and (B) incur the obligations under the DIP Credit Agreement (the “DIP Obligations”) and any related agreements, documents, certificates and instruments delivered or executed from time to time in connection therewith, as amended, restated, or otherwise modified from time to time in accordance with the terms thereof and hereof, collectively, the “DIP Documents”);

- B. Authorizing the Debtor to execute and enter into the DIP Documents and to perform their respective obligations thereunder and such other and further acts as may be required in connection with the DIP Documents as such amounts become due and payable;
- C. Subordinating the reversionary interest of the Town to the liens created by the DIP Facility in accordance with Section 7.2 of the Lease; and
- D. Authorizing the Debtor to obtain credit secured by property of the estate in accordance with § 364 of the Bankruptcy Code and to give administrative priority status to the amounts borrowed in accordance with §§ 503(a) and 507(a)(2) of the Bankruptcy Code.

GROUND FOR RELIEF

I. The Proposed Financing

11. The Debtor has property of significant value, the benefit of which it hopes to maximize for the benefit of its creditors. Unfortunately, only a small portion of the Property is operational at the moment, and even with proper marketing, the Debtor could not reasonably generate enough revenue from operations to meet its ongoing obligations. The Debtor has virtually no cash on hand.

12. To fund its obligations in this reorganization, the Debtor’s principal Daniel Watson has agreed to extend financing to the Debtor on a secured basis on terms that are believed to be much more competitive than any financing available in the traditional markets. This financing would be interest-free, not subject to any fees or charges, and accessible to the Debtor in accordance with an agreed budget. Mr. Watson’s rights in connection with this financing will be protected by an administrative claim and a lien on all of the Debtor’s assets,

and there will be no roll-up of any prepetition obligations. A form of agreement memorializing these terms is attached hereto as **Exhibit A** (the “DIP Credit Agreement”).

13. Because there are no employees and only nominal operational expenses, the Debtor does not project significant expenses in this case. The Debtor does require some maintenance in connection with the Property for its ongoing operations. The main expenses that the Debtor expects to incur in this case are professional fees and statutory fees owing to the United States Trustee. Due to the cost of filing subsequent motions, the Debtor proposes an 18-month budget.

14. The Debtor is not aware of any party that may assert a claim secured by assets of the Debtor, and therefore, there are no issues about obtaining priority over other secured claims.

15. Given the amount in question and the favorable terms offered by Mr. Watson, the Debtor is confident that it would be unable to match, much less beat, such terms through financing from an outside lender. It is axiomatic that institutional lenders would seek a reasonable rate of interest as compensation for the value and risk of a loan, and most lenders would be expected to require the Debtor to pay fees and other charges. Because the proposed financing by Mr. Watson does not require the payment of fees or charges, the Debtor has not attempted to shop the loan around.

16. Consistent with the disclosure requirements of Fed. R. Bankr. P. 4001 and Del. Bankr.LR 4001-2(b), the following table summarizes the significant terms of the DIP Facility and the Interim Order:¹

¹ This summary, including the use of defined terms herein (whether or not defined within the summary), is qualified in its entirety by the provisions of the DIP Documents and the Interim Order, as applicable. To the extent there are any conflicts between this summary, on the one hand, and any DIP Document or the Interim Order, as applicable, on the other, the terms of such DIP Document or the Interim Order, as applicable, shall govern.

Summary of Relevant Provisions	
Material Terms	DIP Facility
Borrower	Delaware Sports Complex, LLC, debtor in possession
Lender	Daniel Watson
Purpose and Limitation on Use of Proceeds	Proceeds of the loans shall be used to fund the Debtor's postpetition obligations in accordance with the budget attached to the proposed order as Exhibit A.
Security	A first-priority lien on all assets of the Debtor
Interest Rate	None.
Maturity Date	Unless otherwise agreed by Mr. Watson, the DIP Financing shall be repayable upon the earliest of (a) 5 days after a written demand for repayment is filed by Mr. Watson with the Court and served upon the Debtor and the Debtor's attorney, (b) entry of an order dismissing this case or converting this case to a case under Chapter 7, and (c) the occurrence of the effective date under a confirmed plan in this case.
Fees	None, except that (1) Lender's legal fees for preparation of the Post Petition Credit Agreement, not to exceed \$1000, and (2) any amounts necessary or appropriate, in Lender's sole discretion, to perfect its interests hereunder (including but not limited to Lender's legal fees associated with preparation of related documents and fees for the recordation of a UCC-1 financing statement and/or mortgage instrument and related Subordination and Non-Disturbance Agreements) will be deemed advances to the Debtor and must be repaid.
Conditions Precedent to Lending	None.
Priority of Claims	The obligations under the DIP Facility will constitute administrative claims, <i>pari passu</i> with other administrative claims in this case except voluntarily subordinated to any claims of the Debtor's professionals.
Provisions that grant cross-collateralization protection (other than replacement liens or other adequate protection) to the prepetition secured creditors	None.

<p>Provisions or findings of fact that bind the estate or other parties in interest with respect to the validity, perfection or amount of the secured creditor's prepetition lien or the waiver of claims against the secured creditor without first giving parties in interest at least seventy-five (75) days from the entry of the order and the creditors' committee, if formed, at least sixty (60) days from the date of its formation to investigate such matters</p>	<p>The proposed relief includes a provision waiving claims against Mr. Watson except for actions brought within 45 days after entry of the Final Order, along with certain protections to Mr. Watson in the event any such actions may be brought.</p>
<p>Provisions that seek to waive, without notice, whatever rights the estate may have under 11 U.S.C. § 506(c)</p>	<p>None.</p>
<p>Provisions that immediately grant to the prepetition secured creditor liens on the debtor's claims and causes of action arising under 11 U.S.C. §§ 544, 545, 547, 548 and 549</p>	<p>The proposed order contains a provision immediately granting to Mr. Watson liens on all of the Debtor's causes of action arising under Chapter 5 of the Bankruptcy Code, to secure his claims under the DIP Credit Facility.</p>
<p>Provisions that deem prepetition secured debt to be postpetition debt or that use postpetition loans from a prepetition secured creditor to pay part or all of that secured creditor's prepetition debt, other than as provided in 11 U.S.C. § 552(b)</p>	<p>None.</p>

Provisions that provide disparate treatment for the professionals retained by a creditors' committee from those professionals retained by the debtor with respect to a professional fee carve-out	None.
Provisions that prime any secured lien without the consent of that lienor.	None, except that the reversionary interest of the Town in the Property shall be subordinated to the liens created by the DIP Facility in accordance with Section 7.2 of the Lease.
Provisions that seek to affect the Court's power to consider the equities of the case under 11 U.S.C. § 552(b)(1)	None.

17. Given the current state of the Debtor's financial affairs, the Debtor does not believe that it could possibly obtain financing on better terms. The only cost to the Debtor of the proposed financing is the waiver and transfer of certain claims by the Debtor to Mr. Watson, which he indicated he would require so that he does not finance a successful sale or reorganization of the Debtor's assets and afterwards be attacked by another representative of the estate. The Debtor is not aware of any facts that might give rise to a claim against Mr. Watson, so it is unclear whether the proposed waiver would have any effect on the estate.²

18. The Debtor does not believe that the economics of the case will support an Official Committee Of Unsecured Creditors (the "Committee") and/or other committees in this case.

19. The Debtor qualifies for relief under § 364 of the Bankruptcy Code, which provides, in relevant part:

² Mr. Watson received a single payment from the Debtor before the Petition Date, in the amount of \$5,326, which is below the \$6,425 minimum for avoidance as a preferential transfer in accordance with § 547(c)(9) of the Bankruptcy Code.

- (b) [t]he Court, after notice and a hearing, may authorize the trustee to obtain unsecured credit or to incur unsecured debt other than under subsection (a) of this Section, allowable under Section 503(b)(1) of this title as an administrative expense.
- (c) If the trustee is unable to obtain unsecured credit allowable under section 503(b)(1) of this title as an administrative expense, the court, after notice and a hearing, may authorize the obtaining of credit or the incurring of debt—

* * *

- (2) secured by a lien on property of the estate that is not otherwise subject to a lien; or

11 U.S.C. § 364.

A. Alternative Financing Is Not Available to the Debtor.

20. While the Debtor has not shopped for any other loan, the Debtor respectfully submits that it could not possibly obtain financing on terms more favorable than the DIP Facility. The economic reality is that no potential lender would loan money to the Debtor to pay administrative claims without requiring security, interest, and fees. The Debtor does not believe that it has assets that would provide the security and liquidity to a third-party lender in order to obtain the financing provided in the DIP Facility. Most lenders use fees and charges to generate their profit, and this loan has none of those. Furthermore, in light of the economics of this case, most lenders require a more substantial borrowing than the amounts the Debtor is seeking in financing, in order for lenders to justify the risk and value of advances to be made. Accordingly, the Debtor respectfully submits that the DIP Facility is the best available postpetition financing for the Debtor.

B. The Terms of the DIP Facility are Fair, Reasonable, and Adequate under the Circumstances.

21. In considering whether the terms of postpetition financing are fair and reasonable, courts consider the terms in light of the relative circumstances of both the debtor and potential

lender. *In re Farmland Indus., Inc.*, 294 B.R. 855, 886 (Bankr. W.D. Mo. 20013); *see also Unsecured Creditors' Comm. Mobil Oil Corp. v. First Nat'l Bank & Trust Co. (In re Ellingsen MacLean Oil Co.)*, 65 B.R. 358, 365 (W.D. Mich. 1986) (a debtor may have to enter into hard bargains to acquire funds).

22. The Debtor believes that its assets have tremendous value, but preserving that value will require a relatively small outlay of expenditures until the value can be realized either by sale or reorganization. The real property at issue is operational and may still need occasional physical care, such as mowing and routine maintenance, as well as payment of property insurance, postpetition property taxes, and the like. Even though these obligations are relatively low, if they are not met on a current basis the Debtor believes it is possible that its assets may become worthless. The terms of the DIP Facility are not only fair but represent the most cost-effective solution for meeting these ongoing obligations until such time as the Debtor may sell or reorganize its assets. The relief sought is appropriate, reasonable, and in the best interests of the Debtor, its estate, and its creditors.

C. Entering into the DIP Facility Reflects the Debtors' Reasonable Business Judgment and Is Consistent with the Entire Fairness Doctrine.

23. Courts ordinarily view a debtor's proposed DIP loan under the business-judgment rule. *See In re All Land Investments, LLC*, No. 09-13790, 2009 WL 7226974, at *3 (Bankr. D. Del. Dec. 2, 2009) ("The terms of the proposed financing appear fair and reasonable, reflect the Debtor's exercise of prudent business judgment and are supported by reasonably equivalent value and fair consideration."); *In re QHB Holdings LLC*, No. 09-14312, 2009 WL 7226979, at *7 (Bankr. D. Del. Dec. 22, 2009.) Under the applicable business-judgment rule, courts defer to a debtor's decision to borrow money unless such decision is arbitrary and capricious. *See In re Trans World Airlines, Inc.*, 163 B.R. 964, 974 (Bankr. D. Del 1994).

24. Consistent with this authority, the Debtor's decision to enter into the DIP Facility is the culmination of the Debtor's good faith efforts to procure the best available financing under the circumstances. Here, in the exercise of its business judgment, the Debtor has determined that entry into the DIP Facility is necessary to preserve the assets of its estate and is in the best interests of creditors.

25. In a transaction between the estate and an insider of the debtor, however, courts may use the more rigorous standard of the entire fairness doctrine. See *In re Los Angeles Dodgers LLC*, 457 B.R. 308, 313 (Bankr. D.Del. 2011). This test requires the Debtor to show proof of fair dealing and fair price and terms. *Id.* (citing *Moran v. Household Int'l, Inc.*, 500 A.2d 1346 (Del. Supr.1985)). Even under this more stringent standard, the Debtor is confident that the terms and price are fair and that there has been no unfair dealing. Because the proposed financing will impose no virtually no expense to the estate, it is difficult to fathom that any other source of financing could match the proposed terms, much less improve upon them.

11. The DIP Facility does not purport to prime other liens or security interests in the Debtor's assets, but it does subordinate the reversionary interest of the Town in the Property to the liens created by the DIP Facility in accordance with Section 7.2 of the Lease (the "Town Interests Subordination"). Section 364(d) permits the Court to authorize a priming lien but refers only to "property of the estate that is subject to a lien." The statute does not expressly provide (or reject) authority to incur debt secured by a lien with priority over another kind of interest in property besides a lien, however, so the Debtor must rely on other provisions of the Bankruptcy Code.

12. The Debtor asserts that the Town Interests Subordination provision is justified in accordance with §§ 105, 363, and 510 of the Bankruptcy Code. The cornerstone to this authority

is a provision in the Lease whereby the Town agreed “to execute a commercially reasonable Subordination and Non-Disturbance Agreement or similar agreement with Tenant’s lender.” Lease § 7.2. With this indication of consent, the Court may authorize the Town Interests Subordination under §§ 363(f) (sale of property free and clear), § 363(h) (sale of interest of non-debtor co-owner), or 510(a) (enforcing subordination agreements) of the Bankruptcy Code. In addition, because of the gap in the Bankruptcy Code’s provisions regarding priming interests that are not liens, even though the proposed relief is wholly compatible with relief required by the Debtor, the Court may rely upon § 105(a) of the Bankruptcy Code. Under any of these authorities, the Court is permitted to grant the relief requested.

13. Notice of this Motion will be given to: (i) the Office of the United States Trustee; (ii) any parties who have filed requests for notice under Fed. R. Bankr. P. 2002 as of the date of service of such notice; (iii) the twenty (20) largest unsecured creditors of the Debtor at their last known addresses; and (iv) all known secured parties (of which there are presently none).

WHEREFORE, the Debtor respectfully requests that the Court enter an order:

- (A) Authorizing the Debtor to obtain postpetition financing in accordance with the terms of the DIP Credit Agreement and the proposed order submitted herewith, and

(B) Granting the Debtor such other and further relief as the Court may deem proper.

Dated: May 23, 2017
Wilmington, Delaware

Respectfully submitted,

HILLER LAW, LLC

/s/ Adam Hiller

Adam Hiller (DE No. 4105)
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Proposed Attorney for the Debtor

EXHIBIT A

POST-PETITION CREDIT AGREEMENT

THIS POST-PETITION CREDIT AGREEMENT, dated as of May 23, 2017 (this “Agreement”), is by and between Dan Watson, an individual residing in Easton, Maryland (“Lender”), and Delaware Sports Complex, LLC, a Delaware limited liability company (“Borrower” or the “Debtor”) that is the debtor-in-possession in a Chapter 11 bankruptcy case, Case No. 17-_____ (the “Case”), in the United States Bankruptcy Court for the District of Delaware

RECITALS

A. Borrower requires financing in order to satisfy its cash needs after the commencement of the Case.

B. Subject to the terms hereof, and to the entry by the Court of an order approving the extension of post-petition financing to Borrower, Lender is willing to extend financing to Borrower.

C. This financing is necessary to preserve the going-concern value of the Borrower’s assets for the benefit of creditors and Borrower’s bankruptcy estate.

D. Capitalized terms used herein but not defined above or in this Agreement have the meanings assigned in Section 7.1 hereof.

AGREEMENT

Now, therefore, in consideration of the foregoing recitals, which are incorporated herein by reference, and for additional consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1
EXTENSION OF CREDIT

1.1 Loan.

Subject to Borrower's compliance with the terms and provisions of this Agreement, and after entry of an interim or final DIP Order, Lender shall make a Loan (the "Loan") in an amount not in excess of TWO HUNDRED SEVENTY EIGHT THOUSAND SEVEN HUNDRED FIFTY Dollars (\$278,750) (the "Loan Amount") available to Borrower until the Maturity Date or until such earlier date as the Loan may become due and payable under the terms hereof. Lender shall transfer proceeds to Borrower upon request made by Borrower to Lender (a "Disbursement Request"), and the Proceeds shall be used solely for the purposes set forth in the Budget or as otherwise permitted by the Bankruptcy Court.

1.2 Borrowing under the Loan.

Borrower may obtain an advance under the Loan provided that: (i) no Event of Default has occurred hereunder (except as waived by Lender), and (ii) after giving effect to such advance, the amount of the Obligations would not exceed the Maximum Availability. In order to obtain an advance, the Debtor and Lender shall create a funding memorandum (a "Funding Request") stating or describing the amount(s) to be borrowed and the payee(s) to which such monies will be delivered. So long as the Funding Request is consistent with the Budget (or as otherwise authorized by this order) Lender shall advance the funds to the Debtor within two business days after the Funding Request is created, and such funds shall be deposited into the Debtor's debtor in possession bank account. The Debtor shall use the funds borrowed in accordance with this order only for the purposes set forth in the Budget or any order of the Court, and only in the amounts authorized therein (subject to a 15% variance).

Any amounts advanced by the Lender but not used for the purposes set forth herein shall be repaid to the Lender, subject to the following exceptions:

(i) if, in connection with any month(s), Borrower shall create one or more Funding Requests which, in the aggregate, total less than the amount appearing on the Budget for any specific line item, then Borrower may (but shall not be required) nevertheless include in another Funding Request up to the full budgeted amount for that line item in that month, so long as the advance is used to pay other line items on the Budget whose expense exceeds the budgeted amount; and

(ii) if, in connection with any month(s), Borrower shall create one or more Funding Requests which, in the aggregate, total less than the amount appearing on the Budget for that specific month, then Borrower may (but shall not be required) nevertheless carry over the unfunded amount into subsequent months and include all or any part of such amount in another Funding Request, so long as the advance is used to pay other line items on the Budget whose expense exceeds the budgeted amount.

1.3 Repayment of Financing; Demand Loan.

The Lender may, at any time and at its sole discretion, terminate the Loan (the date of any such termination, the "Termination Date") and declare all amounts due under the Loan (the "Obligations") to be immediately due and payable, effective five (5) business days after notice of such termination has been filed with the Court and served upon the Debtor, counsel for the Debtor, any trustee appointed in connection with this case (or such trustee's counsel if any), counsel for the United States Trustee, and other parties entitled to notice in this case. Lender shall have no further obligation to make new advances on the Loan once the Termination Date has occurred.

1.4 Interest and Fees.

Provided that no Event of Default has occurred, no interest shall be payable on the outstanding principal balance of the Loan. On and after an Event of Default has occurred, interest shall accrue at the Default Rate. Borrower shall pay Lender interest accrued and unpaid on the Maturity Date. No other fees or charges shall come due, except (1) Lender's legal fees for preparation of this Post Petition Credit Agreement, not to exceed \$1000, and (2) any amounts necessary or appropriate, in Lender's sole discretion, to perfect its interests hereunder (including but not limited to Lender's legal fees associated with preparation of related documents and fees for the recordation of a UCC-1 financing statement and/or mortgage instrument and related Subordination and Non-Disturbance Agreements) shall be charged to Borrower and become payable on or before the Maturity Date.

1.5 Evidence of Indebtedness.

No further evidence of Borrower's Obligations to Lender shall be necessary, and this Agreement shall serve as the promissory note and security agreement pursuant to which the Obligations may be enforced.

1.6 Collateral.

(a) Grant of Security Interest. Subject to the Carveout, Borrower hereby grants to Lender a lien and security interest in and upon all real and personal property of the Borrower (including its estate in the Middletown Lease, hereinafter defined) and any other estate of any kind or nature whatsoever, tangible, intangible or mixed, now existing or hereafter acquired or created, whether existing before or arising after the commencement of the Case, including Borrower's cash and including all proceeds, products, replacements, additions, substitutions, renewals, and accessions of any of the foregoing (collectively, the "Collateral").

(b) Collateral Security Perfection. Subject to the Carveout, Borrower agrees that Lender's interest in the Collateral shall be perfected immediately upon the entry of the DIP Order without any further action by Lender. Notwithstanding the foregoing, Borrower agrees to take all action that Lender may reasonably request as a matter of non-bankruptcy law to perfect and protect Lender's liens upon the Collateral and for such liens to obtain the priority therefor contemplated hereby, including, without limitation, executing and delivering such financing statements, providing such notices and assents of third parties, obtaining such governmental approvals and providing such other instruments and documents in recordable form as the Lender may reasonably request; provided, however, that the failure to provide documentation and other arrangements to perfect Lender's interests in the Collateral shall not affect the validity and perfection of the Lender's liens upon the Collateral as provided in the DIP Order. Borrower agrees that financing statements filed hereunder shall be sufficient notwithstanding that the collateral description contained therein refers to "all assets" of Borrower or similar language.

(c) The parties acknowledge that Borrower purports to lease certain real property with an address of 955 Levels Rd, Middletown DE (the "Property") to which the Town of Middletown (the "Town") purports to be the landlord (the "Middletown Lease"). Under the purported lease of Property, the Town has agreed to execute "a commercially reasonable Subordination and Non-Disturbance Agreement or similar agreement with Tenant's lender." Lender hereby requires that the Town's interest in the Property be subordinated to the liens and security interests of Lender hereunder (the "Town's Interest Subordination").

(d) All liens and security interests of Lender hereunder shall be subject to and limited by the "Carveout," which means and includes: (a) any and all amounts due to the Clerk of the Court and to the United States Trustee pursuant to 28 U.S.C. § 1930(a); and (b) the aggregate accrued and

unpaid fees and expenses payable under §§ 330 and 331 of the Bankruptcy Code to professionals of the Debtor. The Carve-Out shall survive the termination or expiration of the DIP Order, and the United States Trustee and the professionals whose fees and expenses are subject to the Carveout shall have standing to enforce the Carveout.

1.7 Waiver of Notice, Demand or Presentment.

Borrower hereby waives, to the maximum extent allowed by law, any requirement that Lender provide Borrower demand, presentment, protest or any notice whatsoever in respect of Borrower's obligation to pay Lender the Obligations on or after the first to occur of the Maturity Date or a Termination Date.

ARTICLE 2

CONDITIONS

2.1 Closing Conditions.

The obligation of Lender to enter into this Agreement and to fund any advance shall be subject to the prior satisfaction of the following conditions:

(a) Executed Credit Documents. Receipt by Lender or its counsel of duly executed copies of this Agreement and such other documents and instruments as Lender may reasonably request.

(b) DIP Order. The Bankruptcy Court shall have entered an order in form and substance acceptable to Lender which order incorporates this Agreement and is in no way inconsistent herewith, approving the Loan (the "DIP Order"). The DIP Order will, among other things, adjudicate Lender's claims hereunder to be fully secured under §§ 364(c) and (d) of the Bankruptcy Code, with liens and security interests on all of the Collateral (subject to the Carveout).

Without limiting the foregoing in any way, the DIP Order will include, among other things, the following provisions: (i) except as otherwise expressly agreed by Lender, advances under the Loan may not be used to create, to support, or provide evidence of any claim against the Lender; and (ii) all claims and causes of action of any kind or nature that exist by the Debtor against Lender shall be deemed waived and released without further order of the Court, except for claims or causes of action brought within 45 days after entry hereof (or such further time as Lender may agree in writing).

2.2 Conditions for Advances.

The obligation of Lender to make any advance under the Loan shall be subject to the following conditions as of the date on which such advance is required to be made hereunder, except as Lender shall consent otherwise (and so consenting as to any particular advance(s) shall not waive any condition regarding other advances):

- (i) the Town's Interest Subordination shall occur, either by agreement of the Town or by order of the Court;
- (ii) no Event of Default shall have occurred;
- (iii) such advance is in accordance with the Budget (subject to a 15% variance);
- (iv) the Obligations, after giving effect to the proposed advance, will not exceed the Maximum Availability; and
- (v) Borrower shall be in compliance with the representations and warranties as of the date of such advance.

Notwithstanding the foregoing or any other provision hereunder, if Lender makes any advance(s) under the Loan believing in good faith that all of the foregoing conditions have been met, Lender shall be entitled to all of the protections hereunder and under the DIP Order in connection with enforcement and repayment of such advance(s).

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

3.1 Borrower Representations and Warranties.

Borrower represents and warrants to Lender, and acknowledges that Lender has relied upon such representations and warranties, and Lender represents and warrants to Borrower, that: (i) it has full power and authority, and has taken all action necessary to execute and deliver this Agreement, and all documents required to be executed and delivered by it hereunder, and to fulfill its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby; (ii) the making and performance by it of this Agreement, and all documents required to be executed by it hereunder, and to fulfill its obligations hereunder and thereunder, does not and will not violate any law or regulation of the jurisdiction under which it exists, any other law or regulation applicable to it or any other agreement to which it is a party or by which it is bound; (iii) this Agreement, and all documents required to be executed by it hereunder have been duly executed and delivered by it and constitute its legal, valid and binding obligations, enforceable in accordance with the respective terms hereunder or thereunder; and (iv) all approvals, authorizations or other actions by, or filings with, any governmental authority necessary for the validity or enforceability of its obligations under this Agreement, and all documents required to be executed and delivered by it hereunder have been obtained.

ARTICLE 4

BORROWER'S COVENANTS

4.1 Affirmative Covenants of Borrower.

So long as any Obligation remains unsatisfied, Borrower covenants that it shall timely perform the following obligations:

(a) Compliance with Law. Borrower shall materially and substantially comply with applicable provisions of federal, state and local laws applicable to Borrower and its business.

(b) Compliance with Bankruptcy Code. Borrower shall materially and substantially comply with the provisions of Chapter 11 and all other applicable provisions of the Bankruptcy Code as well as any applicable orders of the Court.

(c) Payment of Post-Petition Taxes and Indebtedness. Borrower shall pay, as and when due or as may be ordered by the Court, all post-petition taxes, postpetition indebtedness, and the allowed fees and expenses of its postpetition professionals, incurred by or chargeable against Borrower; provided, however, that Borrower shall not be required to pay any post-petition indebtedness as and when due if: (i) such indebtedness is not entitled to payment as an administrative expense in the Case under the provisions of § 503(b)(1)(A) of the Bankruptcy Code; or (ii) Borrower, in good faith and with due diligence, contests the amount or validity of such indebtedness, and Borrower promptly notifies Lender of such indebtedness and details regarding the dispute (Borrower shall nevertheless pay the undisputed portion of such indebtedness).

(d) Financial Reporting. Lender shall have the right to require Borrower to provide financial reports, statements, budgets, and cash flow projections as required by Lender. Lender shall have the right to conduct inspections of the books and records of the Borrower upon reasonable notice.

ARTICLE 5

DEFAULT

5.1 Events of Default.

The occurrence of any of the following shall constitute an Event of Default under this Agreement:

(a) Failure to Make Payment. Borrower shall fail to pay Lender any amount, in full, when due hereunder.

(b) Breach of Covenants. Borrower shall fail to comply with its obligations set forth in the covenants set forth in Section 3.1.

(c) Representations and Warranties. Lender discovers or is notified that any representation and/or warranty set forth in Section 3.1 hereof was untrue as of the date such representation or warranty was made by Borrower.

(d) Occurrence of a Default under Financing Order. The occurrence of an Event of Default as stated in a DIP Order entered by the Court.

(e) Misuse of Funds. The use by Borrower of any funds advanced under the Loan for purposes of not set forth in the Budget;

(f) Change of Management. The resignation, termination, vacancy, or replacement of Dan Watson as officer of the Debtor;

(g) Dismissal or Conversion of Case. Entry of an order dismissing the Case or converting the Case to a case under Chapter 7 of the Bankruptcy Code; or

(h) Appointment of Trustee. Entry of an order appointing a trustee in the Case.

5.2 Rights and Remedies.

Immediately upon the occurrence of an Event of Default, Lender may, in its sole discretion, exercise any one or more of the following rights and remedies:

(a) Termination of Advances. Lender shall have no obligation to fund any further advances to Borrower under the Loan, and may, in its sole discretion, elect to not honor any request received from Borrower.

(b) Enforcement of Collateral. Lender, in its sole discretion, may enforce any and all remedies available to enforce the Obligations against any of the Collateral under applicable law; provided that if the Case is still pending, Lender shall first obtain permission from the Court.

5.3 Remedies Cumulative.

The rights and remedies available to Lender hereunder or under applicable law are cumulative and may be exercised from time to time, in Lender's sole discretion, on and after the occurrence of an Event of Default.

5.4 No Waiver.

Lender's election not to declare an Event of Default or to exercise any right or remedy hereunder on or after the occurrence of an Event of Default shall not be a waiver of such Event of Default or a waiver of any of Lender's rights and remedies. In that regard, no waiver of an Event of Default shall be binding on Lender unless such waiver is in writing and signed by Lender.

5.5 Borrower's Waiver of Notice.

Except as otherwise provided herein, Borrower hereby waives any rights it may have to require Lender to provide Borrower with demand, presentment or any other notice whatsoever, after the occurrence of an Event of Default, with respect to (i) the Obligations or (ii) the Lender's exercise of any right or remedy granted hereunder or under applicable law.

ARTICLE 6

MISCELLANEOUS PROVISIONS

6.1 Captions.

Captions used herein, whether underlined or in bold, are for ease of reference only and shall not be referred to or relied upon when interpreting any provision of this Agreement.

6.2 Choice of Law.

This Agreement, and the enforcement of rights and remedies hereunder, shall be governed by the laws of the State of Delaware, without giving effect to the choice of law provisions thereof.

6.3 Waiver of Setoff Rights.

As an inducement for Lender's agreement to extend credit to Borrower, Borrower hereby waives any and all rights of offset that it may have at any time in respect of any or all of the Obligations or the Lender.

6.4 Entire Agreement; Modification of Agreement.

This Agreement constitutes the full and final understanding between the parties hereto in respect of the subject matter hereof; and the terms of this Agreement may not be contradicted, amended or supplemented by any agreement or other writing, or any oral statement or agreement, made on or before the date of execution of this Agreement. This Agreement may not be modified or amended, in whole or in part, except by written agreement executed by the parties hereto and approved by entry of an order by the Court.

6.5 Notice.

Any notice, demand or request required or allowed to be given hereunder shall be deemed to have been received by the addressee of such notice, demand or receipt on the first Business Day following the date on which the other party sent such notice, demand or request by (1) first-class

United States mail, postage pre-paid, and (2) either (a) overnight delivery by a nationally recognized overnight delivery service or (b) email, addressed as follows:

If to Lender: Dan Watson
8404 Aveley Manor Ln
Easton MD 21601
danwatson123@verizon.net

With a copy to: Michael W. Arrington, Esquire
Parkowski, Guerke & Swayze, P.A.
1105 North Market Street, 19th Floor
Wilmington, Delaware 19801
marrington@pgslegal.com

If to Borrower: Delaware Sports Complex, LLC
Attn: Dan Watson
8404 Aveley Manor Ln
Easton MD 21601
danwatson123@verizon.net

With a copy to: Adam Hiller, Esquire
Hiller Law, LLC
1500 North French Street, 2nd Floor
Wilmington, Delaware 19801
ahiller@adamhillerlaw.com

6.6 Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to an executed original hereof and which, when together, shall be deemed to be but one and the same instrument.

6.7 Conflicts with Other Documents and Instruments.

The terms of this Agreement and any other document or instrument executed in connection herewith are intended to be consistent. As necessary, the provisions of any other document or instrument executed in connection herewith shall be harmonized with the provisions of this Agreement, which provisions shall control in the event of any inconsistency.

6.8 Binding Effect; Successors.

This Agreement is and shall be binding on, enforceable by, and inure to the benefit of the parties hereto and their respective successors, including, but not limited to, any Chapter 7 Trustee appointed in this case. This Agreement may not be assigned to any other person or entity by Borrower without Lender's prior written consent.

6.9 Bankruptcy Court Approval. This Agreement is subject to and contingent upon the approval of the Court.

ARTICLE 7

DEFINITIONS

7.1 Defined Terms.

The following capitalized terms shall have the meanings set forth below:

“*Bankruptcy Code*” means title 11 of the United States Code, as amended or modified from time to time hereafter.

“*Budget*” means the budget attached to the DIP Order in form approved by Lender.

“*Business Day*” means any day of the week, Monday through Friday, excluding any such day that is a legal holiday recognized by federal law or the State of Delaware.

“*Court*” or “*Bankruptcy Court*” means the United States Bankruptcy Court for the District of Delaware or any other federal court exercising subject matter jurisdiction over the Case.

“*Default Rate*” means a 7.5% rate of interest per annum.

“*Maturity Date*” means the first to occur of (a) 5 days after a written demand for repayment is filed by Mr. Watson with the Court and served upon the Debtor, the Debtor's attorney, and parties entitled to notice in this case, (b) 30 days after an Event of Default hereunder, unless Lender waives such Event of Default in Lender's sole discretion, (c) entry of an order dismissing this case or

converting this case to a case under Chapter 7, and (d) the occurrence of the effective date under a confirmed plan in this case.

“*Maximum Availability*” means the Loan Amount, plus such further amounts as Lender shall agree, subject to approval of the Court.

“*Middletown Lease*” means that purported lease agreement dated February 24, 2016 by and between the Town of Middletown DE as purported Landlord and Borrower as purported Tenant.

“*Obligations*” means all indebtedness, obligation and liability of Borrower to Lender under this Agreement.

“*Petition Date*” means the date on which Borrower filed its petition, seeking relief under Chapter 11 of the Bankruptcy Code, with the Court.

7.2 Herein; hereof.

Words such as “hereof,” “herein,” “hereto,” “herewith” and “hereunder” signify reference to this Agreement as a whole, and not to any specific Article or Section of this Agreement.

7.3 Singular and Plural.

Any word defined in the plural in this Agreement shall be deemed to include the singular, and any word defined in the singular in this Agreement shall be deemed to include the plural.

7.4 Including.

The word “including” is not limiting, and may be interpreted as “including but not limited to.”

[signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the date first set forth above.

BORROWER:

DELAWARE SPORTS COMPLEX, LLC

By: _____
Print Name & Title: _____

LENDER:

Dan Watson

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

DELAWARE SPORTS COMPLEX, LLC,

Debtor.

Chapter 11

Case No. _____

Re Docket No(s):

**ORDER PURSUANT TO
11 U.S.C. §§ 105 AND 364 AUTHORIZING THE DEBTOR TO OBTAIN
POSTPETITION SECURED FINANCING AND GRANTING RELATED RELIEF**

UPON CONSIDERATION OF the Motion For Entry Of An Order Pursuant To 11 U.S.C. §§ 105 And 364 Authorizing The Debtor To Obtain Postpetition Secured Financing And Granting Related Relief (the “Motion”) filed by the debtor in possession Delaware Sports Complex, LLC (the “Debtor”), and all responses thereto; the Court finding that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) venue is proper in this district pursuant to 28 U.S.C. § 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and (iv) notice of the Motion was sufficient under the circumstances; and after due deliberation the Court having determined that the relief requested in the Motion is in the best interests of the Debtor, its estate, and its creditors; the Court having considered the Motion and the form of DIP Credit Agreement attached to the Motion (the “DIP Credit Agreement”), and the evidence offered at any hearing(s) held on the Motion, notice of which having been proper in accordance with Fed. R. Bankr. P. 2002, 4001, and 9014; and any objections to the relief requested in the Motion having been withdrawn, resolved, or overruled by the Court; the Court having found that the terms of the DIP Credit Agreement are reasonable, entirely fair to, and in the best interests of, the Debtor, its estate, and its creditors, and are essential for the continued maintenance of the Debtor’s assets; and it further appearing that the Debtor is unable to obtain

unsecured credit for money borrowed allowable on better terms than those provided under the DIP Credit Agreement; it is HEREBY ORDERED as follows:

1. The Motion is GRANTED. All capitalized terms not otherwise defined herein shall have the respective meanings set forth in the Motion.

2. The Debtor is authorized to enter into the DIP Credit Agreement attached as Exhibit A to the Motion, and the terms of the DIP Credit Agreement shall govern, subject to the terms of this order. The Debtor shall be entitled to borrow up to \$278,750, subject to the budget attached hereto as Exhibit A (as amended from time to time, the "Budget"); provided that the Debtor may vary from the terms of the Budget by up to 15% in its sole discretion based upon the needs of the estate. The Debtor may borrow up to \$278,750 in accordance with this order, without prejudice to the Debtor's right to request authority to borrow further amounts. The amounts borrowed hereunder in the aggregate shall be referred to as the "Postpetition Financing."

3. In order to borrow funds hereunder, the Debtor and the DIP Lender shall create a funding memorandum (a "Funding Request") stating or describing the amount(s) to be borrowed and the payee(s) to which such monies will be delivered. So long as the Funding Request is consistent with the Budget (or as otherwise authorized by this order) the DIP Lender shall advance the funds to the Debtor within two business days after the Funding Request is created, and such funds shall be deposited into the Debtor's debtor in possession bank account. The Debtor shall use the funds borrowed in accordance with this order only for the purposes set forth herein and only in the amounts authorized herein. Any amounts advanced by the DIP Lender but not used for the purposes set forth herein shall be repaid to the DIP Lender, except as otherwise provided in the DIP Credit Agreement. The Debtor shall retain all executed Funding Requests

until 90 days after the earliest of (i) the effective date under any confirmed plan in this case, (ii) conversion of this case to a case under Chapter 7 of the Bankruptcy Code, and (iii) dismissal of this case.

4. In accordance with § 364(c)(1) and (c)(2) of the Bankruptcy Code, the DIP Lender shall have a claim against the Debtor's estate (the "DIP Claim") for any of the unpaid Obligations with the following protections:

A. The DIP Claim shall be entitled to administrative expense priority and shall be treated *pari passu* with all other administrative claims; except that the DIP Claim shall be subordinate to administrative claims of the Debtor's professionals and the United States Trustee's right to receive statutory fees.

B. Subject to the Carveout (defined below), the DIP Lender shall be deemed to hold a fully perfected lien upon all of the Debtor's assets, including but not limited to any avoidance actions existing or arising under Chapter 5 of the Bankruptcy Code ("Avoidance Actions"), to secure the Debtor's obligation to repay the DIP Claim.

C. In accordance with §§ 105, 363, and 510 of the Bankruptcy Code, the interests, if any, of the Town of Middletown in the Property shall be deemed subordinated to the liens created by the DIP Facility in accordance with Section 7.2 of the Lease. Upon enforcing such liens against the Property, the fee simple interest in the Property shall serve as collateral for the DIP Facility and the priority of the DIP Lender's interest shall be senior to the interest of the Town of Middletown.

D. All liens by the DIP Lender shall be subject to and limited by the "Carveout," which means and includes: (a) any and all amounts due to the Clerk of the Court and to the United States Trustee pursuant to 28 U.S.C. § 1930(a); and (b) the aggregate accrued and

unpaid fees and expenses payable under §§ 330 and 331 of the Bankruptcy Code to professionals of the Debtor. The Carve-Out shall survive the termination or expiration of this order. So long as this order shall remain in effect, the Debtor shall be permitted to pay administrative expenses allowable and payable under §§ 330 and 331 of the Bankruptcy Code, as the same may be due and payable pursuant to any orders of this Court.

5. Except as otherwise expressly agreed by the DIP Lender, the Postpetition Financing may not be used to create, to support, or provide evidence of any claim against the DIP Lender. All claims and causes of action of any kind or nature that exist by the Debtor against the DIP Lender shall be deemed waived and released without further order of the Court, except for claims or causes of action brought within 45 days after entry hereof (or such further time as the DIP Lender may agree in writing).

6. (A) The “Maturity Date” means the first to occur of (a) five (5) days after a written demand for repayment is filed by Mr. Watson with the Court and served upon the Debtor, the Debtor’s attorney, and parties entitled to notice in this case, (b) entry of an order dismissing this case or converting this case to a case under Chapter 7, and (c) the occurrence of the effective date under a confirmed plan in this case.

(B) On or after the Maturity Date, the DIP Lender may terminate the Postpetition Financing (the date of any such termination, the “Termination Date”) and declare amounts advanced under the Postpetition Financing (together with any interest thereon, the “Obligations”) to be immediately due and payable, effective five (5) business days after notice of such declaration has been filed with the Court and served upon the Debtor, counsel for the Debtor, any trustee appointed in connection with this case (or such trustee’s counsel if any), counsel for the United States Trustee, and other parties entitled to notice in this case.

(C) Notwithstanding any other provisions in this order to the contrary, the Debtor (or if converted, the Chapter 7 trustee) shall borrow, and the DIP Lender shall make advances, all sums required to pay professionals of the Debtor and statutory fees owed to the United States Trustee. This provision shall survive dismissal of the case and/or conversion to Chapter 7 of the Bankruptcy Code; provided that any claim arising in favor of the DIP Lender after conversion of the case shall be entitled to priority as a pre-conversion administrative claim.

7. Notwithstanding any state law or applicable non-bankruptcy law to the contrary, all liens created by this order shall be treated as perfected without the further filing or recordation of any financing statements or other documents with any agency, through and including the 30th day after the Debtor's case is closed or dismissed. Notwithstanding the foregoing, the DIP Lender is authorized (but not required) to file or record any financing statements or other documents evidencing the foregoing perfection, and the automatic stay is modified solely for that purpose.

8. The Debtor is authorized to perform all acts, and execute and comply with the terms of such other documents, instruments, and agreements as the DIP Lender may reasonably require, as evidence of and for the protection of the DIP Claim to effectuate the terms and conditions of this order. The Debtor and the DIP Lender are hereby authorized to implement any modifications of the Postpetition Financing which are not material and adverse to the Debtor or its estate without further order of this Court.

9. The provisions of this order and any actions taken pursuant hereto shall survive entry of any order (a) confirming any plan in this case (and the Obligations shall not be discharged by the entry of any such order or pursuant to § 1141(d)(4) of the Bankruptcy Code); (b) converting this Chapter 11 case to a case under Chapter 7 of the Bankruptcy Code; or (c)

dismissing this Chapter 11 case. If an order is entered converting this case to a case under Chapter 7 of the Bankruptcy Code, the trustee shall create a Funding Request for all unpaid amounts due for pre-conversion compensation and out-of-pocket expenses owing to any professionals of the Debtor within 14 days after such amounts are approved by the Court in accordance with § 330 of the Bankruptcy Code, and the trustee may use the Postpetition Financing advanced on account of such Funding Request only for that purpose.

10. The provisions of this order shall be binding upon and inure to the benefit of the Debtor, the Debtor's estate, the DIP Lender, and their respective successors and assigns, including but not limited to any trustee or other fiduciary hereafter appointed in these cases as a legal representative of the Debtor or its estate.

11. Notwithstanding Fed. R. Bankr. P. 7062, the terms and conditions of this order shall: (a) be immediately enforceable pursuant to Fed. R. Bankr. P. 8005; and (b) not be stayed absent (1) an application by a party in interest for such stay in accordance with Fed. R. Bankr. P. 8005, and (2) entry of an order after hearing on notice to the Debtor, the DIP Lender, and the United States Trustee staying the effect hereof.

12. This Court shall retain exclusive jurisdiction over any and all matters arising from or related to the interpretation and/or enforcement of this order.

13. The Debtor is authorized and empowered to take all actions necessary to implement the relief granted in this order.

Dated: _____, 2017
Wilmington, Delaware

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

ADMINISTRATIVE BUDGET THROUGH OCTOBER 2018

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	THRU 10/18		
REVENUES																				
Revenue from field rentals	-	1,200	-	1,000	-	1,000	-	2,400	-	2,400	-	2,400	-	2,400	-	1,200	-	2,400	-	23,600
EXPENSES																				
Office of US Trustee			650		650			650			650			650			650			3,900
Professional Fees																				
Legal	10,000	7,500	7,500	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	95,000
Accounting		3,000	200	200	200	1,200	200	200	200	200	1,200	200	200	200	200	200	200	200	200	8,000
Bond			5,000																	5,000
Other Consultants			10,000					10,000					5,000							25,000
Normal Property Maintenance																				
mowing	2,000	2,000	2,000	2,000	2,000	2,000					2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	26,000
other field care	1,800		2,600		14,300						3,650	13,000			2,600		14,300			52,250
irrigation operations	400	400	400	400	400	400					400	400	400	400	400	400	400	400	400	5,200
Minimal Project Work																				
clean up common areas					15,000															25,000
signage		10,000																		2,000
Marketing																				
materials				3,000																3,000
signage				1,000																1,000
real estate broker (payable from closing proceeds)																				-
Miscellaneous	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	51,000
Total Outlays	16,000	27,550	29,700	12,200	38,150	10,400	8,200	18,850	8,200	8,200	13,500	21,200	13,200	10,050	12,000	8,200	23,150		278,750	