

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In re Magnolia Manor Apartments, LLC

Case No. 10-10540

Debtor

**INITIAL MONTHLY OPERATING REPORT  
(SINGLE ASSET REAL ESTATE CASES)**

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief

Substitute FORM IR-1 (RE) for IR-1 if case is a Single Asset Real Estate Case.

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation.

Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession."

Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
12-Month Cash Flow Projection (Form IR-1)	X	
Certificates of Insurance:		
Workers Compensation	X	
Property	X	
General Liability	X	
Vehicle	X	
Other:		
Evidence of Debtor in Possession Bank Accounts		
Tax Escrow Account		
General Operating Account		
Other:		
Other:		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Authorized Individual\*

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Authorized Individual

\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re Magnolia Manor Apartments, LLC  
Debtor

Case No. 10-10540  
Reporting Period: February 22, 2010 - February 28, 2010

**STATEMENT OF OPERATIONS - Single Asset Real Estate Case**  
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

<b>INCOME</b>	<b>Month</b>	<b>Cumulative Filing to Date</b>
Rental Income	\$1,695.00	
Additional Rental Income	ZERO	
Common Area Maintenance Reimbursement	ZERO	
<b>Total Income (attach Rent Roll)</b>		
<b>EXPENSES</b>		
Advertising	\$347.50	
Auto Expense	ZERO	
Cleaning and Maintenance	ZERO	
Commissions	ZERO	
Insider Compensation*	ZERO	
Insurance	ZERO	
Management Fees	\$67.80	
Other Interest		
Repairs		
Supplies		
Taxes - Real Estate		
Travel and Entertainment		
Utilities		
Other: (List Below)		
Site Employees & Payroll Taxes	\$1,022.33	
<b>Total Operating Expenses Before Depreciation</b>	<b>\$1,437.63</b>	
Depreciation/Depletion/Amortization	N/A	
<b>Net Income (Loss) Before Other Income &amp; Expenses</b>	<b>\$257.37</b>	
<b>OTHER INCOME AND EXPENSES</b>	<b>ZERO</b>	
Other Income: (List Below)		
Interest Expense		
Other Expense: (List Below)		
<b>Net Income (Loss) Before Reorganization Items</b>		
<b>REORGANIZATION ITEMS</b>		
Professional Fees		
U. S. Trustee Quarterly Fees		
Interest Earned on Accumulated Cash from Chapter 11**		
Gain (Loss) from Sale of Property		
Other Reorganization Expense: (List Below)		
<b>Total Reorganization Expenses</b>	<b>ZERO</b>	
Income Taxes	ZERO	
<b>Net Income (Loss)</b>	<b>\$257.37</b>	

\*"Insider" is defined in 11 U.S.C. Section 101(31).

\*\*Interest Earned on Accumulated Cash from Chapter 11: Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

RC SOONER HOLDINGS, LLC  
12 Month Cash Flow Forecast  
March 2010 - February 2011

**Magnolia Manor**  
4747 South Darlington Ave  
Tulsa, OK 74135  
89 Units

	March	April	May	June	July	August	September	October	November	December	January	February	TOTAL
<b>INCOME</b>													
Rent	41,383	41,884	42,002	42,220	43,384	43,885	43,994	44,002	44,100	43,994	43,223	43,554	517,625
Late Charges	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Laundry/Misc. Income	200	200	200	200	200	200	200	200	200	200	200	200	2,400
<b>TOTAL INCOME</b>	<b>41,783</b>	<b>42,284</b>	<b>42,402</b>	<b>42,620</b>	<b>43,784</b>	<b>44,285</b>	<b>44,394</b>	<b>44,402</b>	<b>44,500</b>	<b>44,394</b>	<b>43,623</b>	<b>43,954</b>	<b>522,425</b>
<b>EXPENSE</b>													
Maintenance Personnel	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	23,400
On Call/Overtime/Emergency Response	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Management Fee	1,671	1,691	1,696	1,705	1,751	1,771	1,776	1,776	1,780	1,776	1,745	1,758	20,897
Electric/Utilities	2,605	2,675	2,676	2,675	2,725	2,725	2,750	2,760	2,900	2,900	2,900	2,900	33,191
Gas/Utilities	4,385	3,958	3,885	3,750	3,659	3,557	3,659	3,670	3,900	4,401	4,401	4,401	47,626
Water/Utilities	2,257	2,389	2,490	2,490	2,510	2,550	2,580	2,690	2,701	2,800	2,800	2,800	31,057
Marketing/Advertising	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Tenant Promotions	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Locator/Referral Fees	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Lawn Maintenance	375	375	375	375	375	375	375	375	375	375	375	375	4,500
Legal/Evictions	400	350	350	300	300	300	300	300	300	300	300	300	3,800
Insurance	1,006	1,006	1,006	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	15,168
Keys/Locks/Mailboxes	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Pest Control	550	550	550	550	550	550	550	550	550	550	550	550	6,600
Water Treatment	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Make-Ready Expense	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Postage/Express Mail	95	95	95	95	95	95	95	95	95	95	95	95	1,140
Trash Service	650	650	650	650	650	650	650	650	650	650	650	650	7,800
Real Estate Taxes	3,175	3,175	3,175	3,175	3,175	3,175	3,175	3,175	3,175	3,175	3,175	3,175	38,100
Maintenance Supplies	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Workers Compensation/Disability	435	435	435	435	435	435	435	435	435	435	435	435	5,220
Payroll Taxes	348	348	348	348	348	348	348	348	348	348	348	348	4,176
Employee Benefits	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Office Supplies	100	100	100	100	100	100	100	100	100	100	100	100	1,200
On-Site Manager/Agents	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Outside Vendors/Subs	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Security Patrol	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Telephone/Internet	300	300	300	300	300	300	300	300	300	300	300	300	3,600
<b>TOTAL EXPENSE</b>	<b>26,602</b>	<b>26,347</b>	<b>26,381</b>	<b>26,548</b>	<b>26,573</b>	<b>26,531</b>	<b>26,693</b>	<b>26,824</b>	<b>27,209</b>	<b>27,805</b>	<b>27,774</b>	<b>27,787</b>	<b>323,075</b>
<b>NET OPERATING INCOME</b>	<b>15,181</b>	<b>15,937</b>	<b>16,021</b>	<b>16,072</b>	<b>17,211</b>	<b>17,754</b>	<b>17,701</b>	<b>17,578</b>	<b>17,291</b>	<b>16,589</b>	<b>15,849</b>	<b>16,167</b>	<b>199,350</b>



# EVIDENCE OF COMMERCIAL PROPERTY INSURANCE

DATE (MM/DD/YYYY)  
03/09/2010

THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

PRODUCER NAME CONTACT PERSON AND ADDRESS Mitchell Trotter III Insurance Agency, Inc. 3745 E 31st Street Tulsa, OK 74135		PHONE (A/C No. Ext.) 918-747-4000	COMPANY NAME AND ADDRESS Mid-Century Insurance Company	NAIC NO:
FAX (A/C No.) 918-747-7100	E-MAIL ADDRESS: billjordan@swbell.net	IF MULTIPLE COMPANIES, COMPLETE SEPARATE FORM FOR EACH		
CODE:	SUB CODE:	POLICY TYPE Habitational Business Owners Package Policy - BOP		
AGENCY CUSTOMER ID #:		LOAN NUMBER 285000021	POLICY NUMBER 604659896	
NAMED INSURED AND ADDRESS Magnolia Manor Apartments, LLC 1515 Broadway, 11th Fl New York, NY 10036		EFFECTIVE DATE 06/26/2009	EXPIRATION DATE 06/26/2010	<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED
ADDITIONAL NAMED INSURED(S) RC Magnolia Owner, LLC		THIS REPLACES PRIOR EVIDENCE DATED:		

**PROPERTY INFORMATION (Use REMARKS on page 2, if more space is required)** ☒ BUILDING OR ☐ BUSINESS PERSONAL PROPERTY**LOCATION/DESCRIPTION**

Magnolia Manor Apartments located at 4747 S Darlington Ave, Tulsa, OK 74135

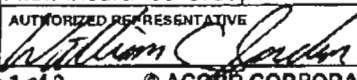
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION		PERILS INSURED	BASIC	BROAD	<input checked="" type="checkbox"/> SPECIAL	
COMMERCIAL PROPERTY COVERAGE AMOUNT OF INSURANCE: \$ 3,710,000						DED: 10,000
<input checked="" type="checkbox"/> BUSINESS INCOME	<input type="checkbox"/> RENTAL VALUE	YES	NO	N/A		
BLANKET COVERAGE					<input checked="" type="checkbox"/> If YES, LIMIT:	<input checked="" type="checkbox"/> Actual Loss Sustained; # of months: 18
TERRORISM COVERAGE					<input checked="" type="checkbox"/> If YES, indicate value(s) reported on property identified above: \$	
IS THERE A TERRORISM-SPECIFIC EXCLUSION?					Attach Disclosure Notice / DEC	
IS DOMESTIC TERRORISM EXCLUDED?						
LIMITED FUNGUS COVERAGE					<input checked="" type="checkbox"/> If YES, LIMIT:	DED:
FUNGUS EXCLUSION (If "YES", specify organization's form used)						
REPLACEMENT COST					<input checked="" type="checkbox"/>	
AGREED VALUE					<input checked="" type="checkbox"/>	
COINSURANCE					<input checked="" type="checkbox"/> If YES, %	
EQUIPMENT BREAKDOWN (If Applicable)					<input checked="" type="checkbox"/> If YES, LIMIT: Included in building limit	DED: 10,000
ORDINANCE OR LAW - Coverage for loss to undamaged portion of bldg					<input checked="" type="checkbox"/>	
- Demolition Costs					<input checked="" type="checkbox"/> If YES, LIMIT: 257,600	DED: 10,000
- Incr. Cost of Construction					<input checked="" type="checkbox"/> If YES, LIMIT: 257,600	DED: 10,000
EARTH MOVEMENT (If Applicable)					<input checked="" type="checkbox"/> If YES, LIMIT:	DED:
FLOOD (If Applicable)					<input checked="" type="checkbox"/> If YES, LIMIT:	DED:
WIND / HAIL (If Subject to Different Provisions)					<input checked="" type="checkbox"/> If YES, LIMIT:	DED:
PERMISSION TO WAIVE SUBROGATION IN FAVOR OF MORTGAGE HOLDER PRIOR TO LOSS						

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE ADDITIONAL INTEREST NAMED BELOW, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

**ADDITIONAL INTEREST**

MORTGAGEE LENDERS LOSS PAYABLE <input checked="" type="checkbox"/>	CONTRACT OF SALE Certificate Holder	LENDER SERVICING AGENT NAME AND ADDRESS Fannie Mae, Its Successors & Assigns c/o Wachovia Multifamily Capital, Inc. ATIMA PO Box 563956 Charlotte, NC 28256-3956 Attn: Insurance Group
NAME AND ADDRESS Office of the United States Trustee District of Delaware 844 King Street, Suite 2207 Wilmington, DE 19801		AUTHORIZED REPRESENTATIVE 

**EVIDENCE OF COMMERCIAL PROPERTY INSURANCE REMARKS - Including Special Conditions (Use only if more space is required)**

In addition to 30 day notice of policy reduction or cancellation, policy will have 10 day notice for non-payment of premium.

Wind/hail is a covered cause of loss. Deductible for Wind/Hail is included in Property deductible of \$10,000 per occurrence.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
03/09/2010PRODUCER Fax# 918-747-7100 Phone# 918-747-4000  
Mitchell Trotter III Insurance Agency, Inc.  
3745 E 31st Street

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

Tulsa, OK 74135

## INSURERS AFFORDING COVERAGE

NAIC #

INSURED Fax# Phone#  
Magnolia Manor Apartments, LLC  
1515 Broadway, 11th Fl  
New York, NY 10036

INSURER A: Mid-Century Insurance Company

INSURER B:

INSURER C:

INSURER D:

INSURER E:

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/>	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC	604659896	06/26/2009	06/26/2010	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/>	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	604659896	06/26/2009	06/26/2010	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/>	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	<input type="checkbox"/>	EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	<input type="checkbox"/>	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below Y/N <input type="checkbox"/>				WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	<input type="checkbox"/>	OTHER				

## DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Loan #: 285000021, Location: Magnolia Manor Apartments, 4747 S Darlington Ave, Tulsa, OK 74135.  
Fannie Mae, ISAOA c/o Wachovia Multifamily Capital, Inc. ATIMA is listed as Additional Insured with respect to General Liability and Hired & Non-Owned Automobile Liability. Terrorism is included on policy.  
In addition to 30 day notice of policy reduction or cancellation, policy will have 10 day notice for non-payment of premium.

## CERTIFICATE HOLDER Fax#

Phone#

## CANCELLATION

Office of the United States Trustee  
District of Delaware  
844 King Street, Suite 2207  
Wilmington, DE 19801

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

## **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
Magnolia Manor Apartments, LLC,	)	Case No. 10-10540 (BLS)
	)	
Debtor.	)	

**INITIAL MONTHLY OPERATING REPORT  
(SINGLE ASSET REAL ESTATE CASES)  
NON-OPERATING DEBTORS AND UTILITY DEPOSIT ACCOUNT**

No Initial Monthly Operating Reports have been filed for RC Sooner Holdings, LLC, RC Brixton Square Owner, LLC, RC Cedar Crest Owner, LLC, RC Fulton Plaza Owner, LLC, RC Magnolia Owner, LLC, RC Pomeroy Park Owner, LLC, RC Salida Owner, LLC, RC Savannah South Owner, LLC, or RC Southern Hills Owner, LLC as these entities are not operating entities.

RC Sooner Holdings, LLC has established an escrow deposit account (the "Utility Deposit Account") pursuant to this Court's Final Order (A) Prohibiting Utility Providers from Altering Refusing or Discontinuing Service, (B) Deeming Utilities Adequately Assured of Future Payment, and (C) Establishing Procedures for Determining Adequate Assurance of Payment [Docket No. 72]. The Utility Deposit Account contains \$27,206, and is held by Capital One Bank, Account No. 8307546761.



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
RC SOONER HOLDINGS, LLC, <u>et al.</u> <sup>1</sup>	)	Case No. 10-10528 (BLS)
	)	
Debtors.	)	(Jointly Administered)

*Docket Ref. # 5, 62*

**FINAL ORDER AUTHORIZING MAINTENANCE AND UTILIZATION OF  
DEBTORS' CASH MANAGEMENT SYSTEM AND BANK ACCOUNTS,  
AND CONTINUED USE OF EXISTING BUSINESS FORMS**

Upon the motion (the "Motion") of RC Sooner Holdings, LLC and the above-captioned debtors and debtors in possession (collectively, the "Debtors"), under sections 105(a), 345, and 363 of the Bankruptcy Code,<sup>2</sup> Bankruptcy Rule 6003 and Local Rule 2015-2 for an order (i) authorizing the Debtors' continued use of their existing cash management system, maintenance of their existing bank accounts and continued use of their existing business forms, and (ii) authorizing the Debtors to utilize their existing bank deposit accounts without the need for the bond or other collateral otherwise required by section 345 of the Bankruptcy Code; and upon the Affidavit of Daniel Gordon in Support of Chapter 11 Petitions and First Day Pleadings; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary to grant the relief requested in the

<sup>1</sup> The Debtors and the last four digits of their taxpayer identification numbers are: RC Sooner Holdings, LLC (7904); RC Brixton Square Owner, LLC (8002); RC Cedar Crest Owner, LLC (7914); RC Fulton Plaza Owner, LLC (8011); RC Magnolia Owner, LLC (7998); RC Pomeroy Park Owner, LLC (7939); RC Salida Owner, LLC (7947); RC Savannah South Owner, LLC (7983); RC Southern Hills Owner, LLC (7958); Brixton Square Apartments, LLC (1844); CC Apartments, LLC (1798); Fulton Plaza Apartments, LLC (4344); Magnolia Manor Apartments, LLC (4486); Pomeroy Park Apartments, LLC (1649); Salida Apartments, LLC (1915); Savannah South Apartments, LLC (8586); and Southern Hills Villa Apartments, LLC (1721). The business address for each of the Debtors to which notices should be sent is 1515 Broadway, 11th Floor, New York, New York 10036-8901.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Motion on a final basis; and the Court having determined that granting the relief sought in the motion on a final basis is in the best interest of the Debtors, their creditors and all the parties in interest; and, for the reasons stated in the Motion and on the record, it appearing that granting the relief requested by the Motion on a final basis is necessary to avoid immediate and irreparable harm to the Debtors and their estates; and good, adequate and sufficient cause being shown to justify the immediate entry of this Final Order; and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is GRANTED in all respects on a final basis.
2. Pursuant to sections 105(a), 345(a), and 363 of the Bankruptcy Code, the Debtors are authorized to continue to manage their cash pursuant to their cash management system and maintain their Bank Accounts in connection with that system, subject to the provisions of this Final Order.
3. The Debtors are authorized to (i) designate, maintain, and continue to use, with the same account numbers, all of their Bank Accounts in existence on the Petition Date; (ii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; and (iii) if necessary, open new accounts wherever they are needed regardless of whether such banks are designated depositories in the District of Delaware.
4. The Bank where the Debtors maintain the Bank Accounts is authorized to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the usual and ordinary course, and to receive, process, and honor and pay any and all checks, drafts, wires or other transfers issued or initiated by the

Debtors, and drawn on the Bank Accounts, after the Petition Date by the holders or makers thereof, as the case may be.

5. Except as set forth in paragraph 6 of this Final Order, the Bank is prohibited and enjoined from honoring or paying any and all checks, drafts, wires or other transfers issued or initiated by the Debtors on or against the Bank Accounts prior to the Petition Date.

6. Notwithstanding anything contained in paragraph 5 of this Final Order to the contrary, the Bank is authorized to accept, process, honor and pay any and all checks, drafts, wires or other transfers drawn on or issued on the Bank Accounts prior to the Petition Date that are subject to an order of this Court that specifically authorizes their payment, whether presented, drawn or issued before or after the Petition Date by the holders or makers thereof; provided, however, that (i) the Debtors shall identify by check number or other appropriate means the specific checks, drafts, wires or other transfers that are authorized to be paid pursuant to orders of this Court, and (ii) sufficient funds, whether deposited prior or subsequent to the Petition Date, are in the requisite Bank Account, or otherwise available to cover and permit payment thereof.

7. The Debtors are authorized to continue to use their existing checks and other business forms, which existing checks and business forms shall not be required to bear the legend "Debtors in Possession" or a "debtor in possession number"; provided, however, upon depletion of the Debtors' paper check stock and/or business forms stock, the Debtors will obtain new check stock and/or business forms stock and update their electronic check stock reflecting their status as debtors in possession.

8. The Debtors may disburse funds by check, drafts, wires, debits or any other means.

9. Nothing contained herein shall prevent the Debtors from opening such additional bank accounts, or closing such existing Bank Accounts, as the Debtors deem necessary and appropriate, and the bank is authorized to honor the Debtors' request to open or close, as the case may be, such Bank Accounts or additional bank accounts; provided, however, that any new account shall be with a bank that is insured with the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and that is organized under the laws of the United States or any state therein.

10. Any and all accounts opened by the Debtors on or after the Petition Date at any bank shall, for all purposes under this Final Order, be deemed a Bank Account (as if it had been opened prior to the Petition Date and listed in the Motion), and any and all banks at which such accounts are opened shall be subject to the rights and obligations of this Final Order.

11. The Debtors and the Bank are authorized to continue to perform pursuant to the terms of any prepetition agreements governing the Bank Accounts that may exist between them, except and to the extent otherwise directed by the terms of this Final Order. Nothing in this Final Order shall in any way alter or impair the rights and remedies of the parties to the account agreements in effect with respect to the Bank Accounts, including, without limitation, the Bank's ability to close any of the Bank Accounts pursuant to the terms of such agreements upon at least thirty (30) day prior written notice to the Debtors of any such proposed closure, except to the extent specifically modified by the terms of this Final Order or by operation of the Bankruptcy Code. The amounts payable by Debtors to any bank for or in connection with the cash management and related services provided by such bank to the Debtors shall be allowed as an administrative expense pursuant to section 503 of the Bankruptcy Code and shall be paid by the Debtors to such bank as and when due.

12. The Debtors are authorized to continue to use their existing cash management system as described in the Motion.

13. So long as the Bank Accounts are insured by the Federal Deposit Insurance Corporation, the Debtors are authorized pursuant to section 345(a) of the Bankruptcy Code to deposit funds in the Bank Accounts in accordance with their prepetition practices, without the need for a bond or other collateral as required by section 345(b) of the Bankruptcy Code or to seek a waiver of such requirements and restrictions under section 345(b)(2) of the Bankruptcy Code and Local Rule 2015-2.

14. Nothing in this Final Order shall be deemed to constitute an assumption or adoption by the Debtors of any contracts or agreements, and the Debtors retain their rights to assume, reject or modify any contracts or agreements to the extent they are entitled to under existing contracts or agreements or applicable law.

15. As promptly as possible, but in no event later than five (5) business days after entry of this Final Order, the Debtors shall serve a copy of this Final Order on the Bank whose Bank Accounts are listed in the Motion.

16. For banks that are party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, the Debtors are directed to contact the banks, within fifteen (15) days from the date of entry of this Final Order, to request that they internally code each of the Debtors' bank accounts as "debtor in possession" accounts, and the Debtors are directed to provide any such correspondence and any response thereto to the U.S. Trustee.

17. For banks that are not a party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, the Debtors shall use their good

faith efforts to cause the bank to execute a Uniform Depository agreement in a form prescribed by the Office of the United States Trustee within forty-five (45) days of the date of entry of this Final Order.

18. The requirements set forth in Rule 6003(b) of the Federal Rules of Bankruptcy Procedure are satisfied by the contents of the Motion or otherwise deemed waived.

19. Notwithstanding the potential applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry.

20. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Final Order and will retain jurisdiction to enforce this Final Order according to its terms.

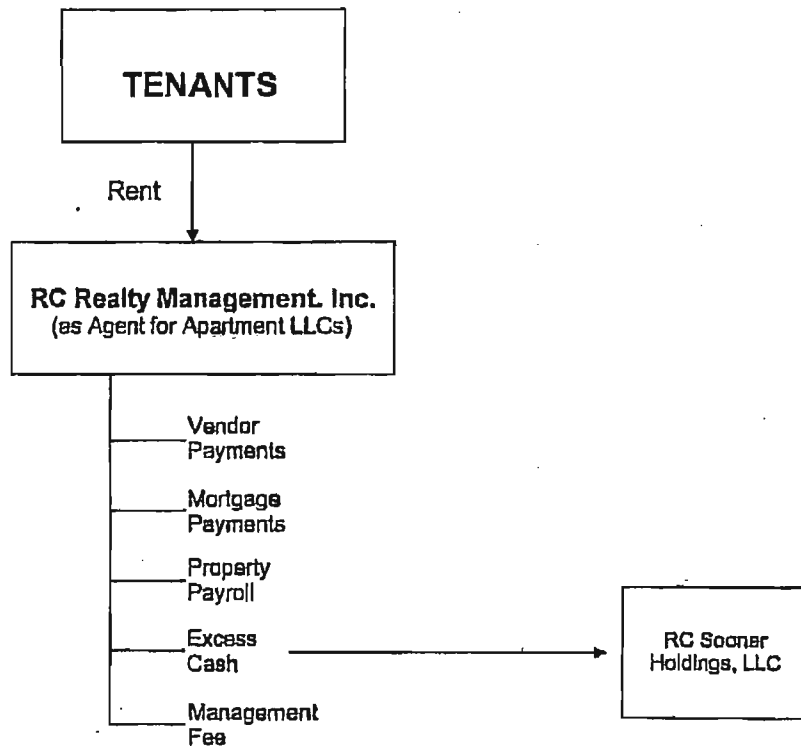
Dated: March 22, 2010  
Wilmington, Delaware



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UNITED STATES BANKRUPTCY JUDGE

Bank Account  
JP Morgan Chase  
225 5<sup>th</sup> Avenue  
New York, NY 10001  
  
Op Account: 840312849  
Payroll Account: 840312765



Bank Account  
JP Morgan Chase  
225 5<sup>th</sup> Avenue  
New York, NY 10001  
  
Account: 831173883  
Account: 840312748

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In re Pomeroy Park Apartments, LLC

Debtor

Case No. 10-10541

**INITIAL MONTHLY OPERATING REPORT  
(SINGLE ASSET REAL ESTATE CASES)**

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief

Substitute FORM IR-1 (RE) for IR-1 if case is a Single Asset Real Estate Case.

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation.

Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession."

Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
12-Month Cash Flow Projection (Form IR-1)	X	
Certificates of Insurance:		
Workers Compensation	X	
Property	X	
General Liability	X	
Vehicle	X	
Other:		
Evidence of Debtor in Possession Bank Accounts		
Tax Escrow Account		
General Operating Account		
Other:		
Other:		

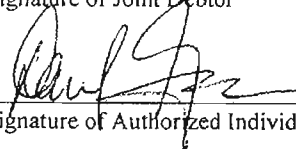
I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Signature of Authorized Individual\*

3/29/2010  
\_\_\_\_\_  
Date

DANIEL GORDON  
\_\_\_\_\_  
Printed Name of Authorized Individual

MANAGER  
\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.



**STATEMENT OF OPERATIONS - Single Asset Real Estate Case**  
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

<b>INCOME</b>	<b>Month</b>	<b>Cumulative Filing to Date</b>
Rental Income	ZERO	
Additional Rental Income	ZERO	
Common Area Maintenance Reimbursement	ZERO	
Total Income (attach Rent Roll)		
<b>EXPENSES</b>		
Advertising	\$347.50	
Auto Expense	ZERO	
Cleaning and Maintenance		
Commissions	ZERO	
Insider Compensation*	ZERO	
Insurance		
Management Fees	ZERO	
Other Interest		
Repairs		
Supplies		
Taxes - Real Estate		
Travel and Entertainment		
Utilities		
Other: (List Below)		
Site Employees & Payroll Taxes	\$2,647.30	
Total Operating Expenses Before Depreciation	\$2,994.80	
Depreciation/Depletion/Amortization	N/A	
Net Income (Loss) Before Other Income & Expenses	(\$2,994.80)	
<b>OTHER INCOME AND EXPENSES</b>	<b>ZERO</b>	
Other Income: (List Below)		
Interest Expense		
Other Expense: (List Below)		
Net Income (Loss) Before Reorganization Items		
<b>REORGANIZATION ITEMS</b>		
Professional Fees		
U. S. Trustee Quarterly Fees		
Interest Earned on Accumulated Cash from Chapter 11**		
Gain (Loss) from Sale of Property		
Other Reorganization Expense: (List Below)		
Total Reorganization Expenses	ZERO	
Income Taxes	ZERO	
Net Income (Loss)	(\$2,994.80)	

\*"Insider" is defined in 11 U.S.C. Section 101(31).

\*\*Interest Earned on Accumulated Cash from Chapter 11: Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

RC SOONER HOLDINGS, LLC  
12 Month Cash Flow Projection  
March 2010 - February 2011

**Pomeroy Park**  
6805 South Lewis Avenue  
Tulsa, OK 74136  
230 Units

	March	April	May	June	July	August	September	October	November	December	January	February	TOTAL
<b>INCOME</b>													
Rent	97,665	99,223	102,330	104,445	105,001	105,550	106,102	106,773	107,334	108,001	108,663	108,001	1,259,088
Late Charges	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Laundry/Misc. Income	400	400	400	400	400	400	400	400	400	400	400	400	4,800
<b>TOTAL INCOME</b>	<b>98,465</b>	<b>100,023</b>	<b>103,130</b>	<b>105,245</b>	<b>105,801</b>	<b>106,350</b>	<b>106,902</b>	<b>107,573</b>	<b>108,134</b>	<b>108,801</b>	<b>109,463</b>	<b>108,801</b>	<b>1,268,688</b>
<b>EXPENSE</b>													
Maintenance Personnel	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	63,600
On Call/Overtime/Emergency Response	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Management Fee	3,939	4,001	4,125	4,210	4,232	4,254	4,276	4,303	4,325	4,352	4,379	4,352	50,748
Electric/Utilities	4,800	5,000	5,200	5,300	5,500	5,400	5,500	5,500	5,500	5,500	5,500	5,500	64,200
Gas/Utilities	15,000	14,500	13,500	11,000	10,000	10,500	11,000	12,000	13,500	15,445	15,445	15,445	157,335
Water/Utilities	8,800	8,900	8,900	9,000	9,010	9,300	9,400	9,500	9,900	9,900	9,900	9,900	112,410
Marketing/Advertising	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Tenant Promotions	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Locator/Referral Fees	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Lawn Maintenance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Legal/Evictions	2,000	2,000	1,850	1,500	1,300	1,200	850	500	500	500	500	500	13,200
Insurance	3,355	3,355	3,355	3,355	4,750	4,750	4,750	4,750	4,750	4,750	4,750	4,750	51,420
Keys/Locks/Mailboxes	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Pest Control	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Water Treatment	280	280	280	280	280	280	280	280	280	280	280	280	3,360
Make-Ready Expense	5,856	5,584	5,595	4,200	3,500	3,200	2,900	2,600	2,600	2,600	2,600	2,600	43,835
Postage/Express Mail	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Trash Service	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
Real Estate Taxes	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750	8,750	105,000
Maintenance Supplies	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	38,880
Workers Compensation/Disability	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	13,200
Payroll Taxes	904	904	904	904	904	904	904	904	904	904	904	904	10,848
Employee Benefits	600	600	600	600	600	600	600	600	600	600	600	600	7,200
Office Supplies	250	250	250	250	250	250	250	250	250	250	250	250	3,000
On-Site Manager/Agents	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	5,200	62,400
Outside Vendors/Subs	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Security Patrol	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Telephone/Internet	350	350	350	350	350	350	350	350	350	350	350	350	4,200
<b>TOTAL EXPENSE</b>	<b>79,174</b>	<b>78,764</b>	<b>77,949</b>	<b>73,989</b>	<b>73,716</b>	<b>74,028</b>	<b>74,100</b>	<b>74,577</b>	<b>76,499</b>	<b>78,471</b>	<b>78,498</b>	<b>78,471</b>	<b>918,236</b>
<b>NET OPERATING INCOME</b>	<b>19,291</b>	<b>21,259</b>	<b>25,181</b>	<b>31,256</b>	<b>32,085</b>	<b>32,322</b>	<b>32,802</b>	<b>32,996</b>	<b>31,635</b>	<b>30,330</b>	<b>30,965</b>	<b>30,330</b>	<b>350,452</b>



# CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)  
03/11/2010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

If this certificate is being prepared for a party who has an insurable interest in the property, do not use this form. Use ACORD 27 or ACORD 28.

PRODUCER	SAWYER-PHILLIPS & ASSOCIATES, Inc. 6666 S. SHERIDAN, STE. 220 TULSA OK 74133	CONTACT NAME:	
		PHONE (A/C, No., Ext): (918) 794-4000	FAX (A/C, No.): (918) 622-4477
INSURED	Pomeroy Park Apartments LLC 200 Trade Zone Drive Ronkonkoma NY 11779- (212)520-6212	E-MAIL ADDRESS:	
		PRODUCER CUSTOMER ID: 2801	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Westphalen	
		INSURER B:	
		INSURER C:	
INSURER D:			
INSURER E:			
INSURER F:			

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE		POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
A	<input checked="" type="checkbox"/>	PROPERTY	CPS 1083330	12/12/2009	12/12/2010	<input checked="" type="checkbox"/> BUILDING	\$ 38,935
		CAUSES OF LOSS				<input type="checkbox"/> PERSONAL PROPERTY	\$
		BASIC				<input type="checkbox"/> BUSINESS INCOME	\$
		BROAD				<input type="checkbox"/> EXTRA EXPENSE	\$
		SPECIAL				<input type="checkbox"/> RENTAL VALUE	\$
		EARTHQUAKE				<input type="checkbox"/> BLANKET BUILDING	\$
		WIND				<input type="checkbox"/> BLANKET PERS PROP	\$
		FLOOD				<input type="checkbox"/> BLANKET BLDG & PP	\$
							\$
							\$
		INLAND MARINE	TYPE OF POLICY				\$
		CAUSES OF LOSS	POLICY NUMBER				\$
		NAMED PERILS					\$
							\$
		CRIME					\$
		TYPE OF POLICY					\$
							\$
		BOILER & MACHINERY / EQUIPMENT BREAKDOWN					\$
							\$
							\$
							\$

SPECIAL CONDITIONS / OTHER COVERAGES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

## CERTIFICATE HOLDER

## CANCELLATION

AI 007488

Office of The United States Trustee  
District of Delaware  
844 King Street, suite 2207  
Wilmington

DE 19801-

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Fax: (302)573-6497

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# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
03/11/2010

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER SAWYER-PHILLIPS & ASSOCIATES, Inc. 6666 S. SHERIDAN, STE. 220 TULSA OK 74133	CONTACT NAME: PHONE (A/C, No, Ext): (918) 794-4000 FAX (A/C, No): (918) 622-4477 E-MAIL: ADDRESS: PRODUCER CUSTOMER ID #: 2801
	INSURER(S) AFFORDING COVERAGE INSURER A: Westphalen INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
INSURED Pomeroy Park Apartments LLC 200 Trade Zone Drive Ronkonkoma NY 11779-	NAIC #

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR W/O/D	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC		CPS 1083330	12/12/2009	12/12/2010	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DEDUCTIBLE RETENTION \$ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> Y/N N/A	UBS0000500	12/12/2009	12/12/2010	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$ \$ WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

## CERTIFICATE HOLDER

## CANCELLATION

AI 007488

Office of The United States Trustee  
District of Delaware  
844 King Street, suite 2207  
Wilmington

DE 19801-

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Fax: (302) 573-6497

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
Pomeroy Park Apartments, LLC,	)	Case No. 10-10541 (BLS)
	)	
Debtor.	)	

**INITIAL MONTHLY OPERATING REPORT  
(SINGLE ASSET REAL ESTATE CASES)  
NON-OPERATING DEBTORS AND UTILITY DEPOSIT ACCOUNT**

No Initial Monthly Operating Reports have been filed for RC Sooner Holdings, LLC, RC Brixton Square Owner, LLC, RC Cedar Crest Owner, LLC, RC Fulton Plaza Owner, LLC, RC Magnolia Owner, LLC, RC Pomeroy Park Owner, LLC, RC Salida Owner, LLC, RC Savannah South Owner, LLC, or RC Southern Hills Owner, LLC as these entities are not operating entities.

RC Sooner Holdings, LLC has established an escrow deposit account (the “Utility Deposit Account”) pursuant to this Court’s Final Order (A) Prohibiting Utility Providers from Altering Refusing or Discontinuing Service, (B) Deeming Utilities Adequately Assured of Future Payment, and (C) Establishing Procedures for Determining Adequate Assurance of Payment [Docket No. 72]. The Utility Deposit Account contains \$27,206, and is held by Capital One Bank, Account No. 8307546761.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
RC SOONER HOLDINGS, LLC, <u>et al.</u> <sup>1</sup>	)	Case No. 10-10528 (BLS)
	)	
Debtors.	)	(Jointly Administered)

*Docket Ref. # 5, 62*

**FINAL ORDER AUTHORIZING MAINTENANCE AND UTILIZATION OF  
DEBTORS' CASH MANAGEMENT SYSTEM AND BANK ACCOUNTS,  
AND CONTINUED USE OF EXISTING BUSINESS FORMS**

Upon the motion (the "Motion") of RC Sooner Holdings, LLC and the above-captioned debtors and debtors in possession (collectively, the "Debtors"), under sections 105(a), 345, and 363 of the Bankruptcy Code,<sup>2</sup> Bankruptcy Rule 6003 and Local Rule 2015-2 for an order (i) authorizing the Debtors' continued use of their existing cash management system, maintenance of their existing bank accounts and continued use of their existing business forms, and (ii) authorizing the Debtors to utilize their existing bank deposit accounts without the need for the bond or other collateral otherwise required by section 345 of the Bankruptcy Code; and upon the Affidavit of Daniel Gordon in Support of Chapter 11 Petitions and First Day Pleadings; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary to grant the relief requested in the

<sup>1</sup> The Debtors and the last four digits of their taxpayer identification numbers are: RC Sooner Holdings, LLC (7904); RC Brixton Square Owner, LLC (8002); RC Cedar Crest Owner, LLC (7914); RC Fulton Plaza Owner, LLC (8011); RC Magnolia Owner, LLC (7998); RC Pomeroy Park Owner, LLC (7939); RC Salida Owner, LLC (7947); RC Savannah South Owner, LLC (7983); RC Southern Hills Owner, LLC (7958); Brixton Square Apartments, LLC (1844); CC Apartments, LLC (1798); Fulton Plaza Apartments, LLC (4344); Magnolia Manor Apartments, LLC (4486); Pomeroy Park Apartments, LLC (1649); Salida Apartments, LLC (1915); Savannah South Apartments, LLC (8586); and Southern Hills Villa Apartments, LLC (1721). The business address for each of the Debtors to which notices should be sent is 1515 Broadway, 11th Floor, New York, New York 10036-8901.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Motion on a final basis; and the Court having determined that granting the relief sought in the motion on a final basis is in the best interest of the Debtors, their creditors and all the parties in interest; and, for the reasons stated in the Motion and on the record, it appearing that granting the relief requested by the Motion on a final basis is necessary to avoid immediate and irreparable harm to the Debtors and their estates; and good, adequate and sufficient cause being shown to justify the immediate entry of this Final Order; and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is GRANTED in all respects on a final basis.
2. Pursuant to sections 105(a), 345(a), and 363 of the Bankruptcy Code, the Debtors are authorized to continue to manage their cash pursuant to their cash management system and maintain their Bank Accounts in connection with that system, subject to the provisions of this Final Order.
3. The Debtors are authorized to (i) designate, maintain, and continue to use, with the same account numbers, all of their Bank Accounts in existence on the Petition Date; (ii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; and (iii) if necessary, open new accounts wherever they are needed regardless of whether such banks are designated depositories in the District of Delaware.
4. The Bank where the Debtors maintain the Bank Accounts is authorized to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the usual and ordinary course, and to receive, process, and honor and pay any and all checks, drafts, wires or other transfers issued or initiated by the

Debtors, and drawn on the Bank Accounts, after the Petition Date by the holders or makers thereof, as the case may be.

5. Except as set forth in paragraph 6 of this Final Order, the Bank is prohibited and enjoined from honoring or paying any and all checks, drafts, wires or other transfers issued or initiated by the Debtors on or against the Bank Accounts prior to the Petition Date.

6. Notwithstanding anything contained in paragraph 5 of this Final Order to the contrary, the Bank is authorized to accept, process, honor and pay any and all checks, drafts, wires or other transfers drawn on or issued on the Bank Accounts prior to the Petition Date that are subject to an order of this Court that specifically authorizes their payment, whether presented, drawn or issued before or after the Petition Date by the holders or makers thereof; provided, however, that (i) the Debtors shall identify by check number or other appropriate means the specific checks, drafts, wires or other transfers that are authorized to be paid pursuant to orders of this Court, and (ii) sufficient funds, whether deposited prior or subsequent to the Petition Date, are in the requisite Bank Account, or otherwise available to cover and permit payment thereof.

7. The Debtors are authorized to continue to use their existing checks and other business forms, which existing checks and business forms shall not be required to bear the legend "Debtors in Possession" or a "debtor in possession number"; provided, however, upon depletion of the Debtors' paper check stock and/or business forms stock, the Debtors will obtain new check stock and/or business forms stock and update their electronic check stock reflecting their status as debtors in possession.

8. The Debtors may disburse funds by check, drafts, wires, debits or any other means.



9. Nothing contained herein shall prevent the Debtors from opening such additional bank accounts, or closing such existing Bank Accounts, as the Debtors deem necessary and appropriate, and the bank is authorized to honor the Debtors' request to open or close, as the case may be, such Bank Accounts or additional bank accounts; provided, however, that any new account shall be with a bank that is insured with the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and that is organized under the laws of the United States or any state therein.

10. Any and all accounts opened by the Debtors on or after the Petition Date at any bank shall, for all purposes under this Final Order, be deemed a Bank Account (as if it had been opened prior to the Petition Date and listed in the Motion), and any and all banks at which such accounts are opened shall be subject to the rights and obligations of this Final Order.

11. The Debtors and the Bank are authorized to continue to perform pursuant to the terms of any prepetition agreements governing the Bank Accounts that may exist between them, except and to the extent otherwise directed by the terms of this Final Order. Nothing in this Final Order shall in any way alter or impair the rights and remedies of the parties to the account agreements in effect with respect to the Bank Accounts, including, without limitation, the Bank's ability to close any of the Bank Accounts pursuant to the terms of such agreements upon at least thirty (30) day prior written notice to the Debtors of any such proposed closure, except to the extent specifically modified by the terms of this Final Order or by operation of the Bankruptcy Code. The amounts payable by Debtors to any bank for or in connection with the cash management and related services provided by such bank to the Debtors shall be allowed as an administrative expense pursuant to section 503 of the Bankruptcy Code and shall be paid by the Debtors to such bank as and when due.

12. The Debtors are authorized to continue to use their existing cash management system as described in the Motion.

13. So long as the Bank Accounts are insured by the Federal Deposit Insurance Corporation, the Debtors are authorized pursuant to section 345(a) of the Bankruptcy Code to deposit funds in the Bank Accounts in accordance with their prepetition practices, without the need for a bond or other collateral as required by section 345(b) of the Bankruptcy Code or to seek a waiver of such requirements and restrictions under section 345(b)(2) of the Bankruptcy Code and Local Rule 2015-2.

14. Nothing in this Final Order shall be deemed to constitute an assumption or adoption by the Debtors of any contracts or agreements, and the Debtors retain their rights to assume, reject or modify any contracts or agreements to the extent they are entitled to under existing contracts or agreements or applicable law.

15. As promptly as possible, but in no event later than five (5) business days after entry of this Final Order, the Debtors shall serve a copy of this Final Order on the Bank whose Bank Accounts are listed in the Motion.

16. For banks that are party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, the Debtors are directed to contact the banks, within fifteen (15) days from the date of entry of this Final Order, to request that they internally code each of the Debtors' bank accounts as "debtor in possession" accounts, and the Debtors are directed to provide any such correspondence and any response thereto to the U.S. Trustee.

17. For banks that are not a party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, the Debtors shall use their good

faith efforts to cause the bank to execute a Uniform Depository agreement in a form prescribed by the Office of the United States Trustee within forty-five (45) days of the date of entry of this Final Order.

18. The requirements set forth in Rule 6003(b) of the Federal Rules of Bankruptcy Procedure are satisfied by the contents of the Motion or otherwise deemed waived.

19. Notwithstanding the potential applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry.

20. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Final Order and will retain jurisdiction to enforce this Final Order according to its terms.

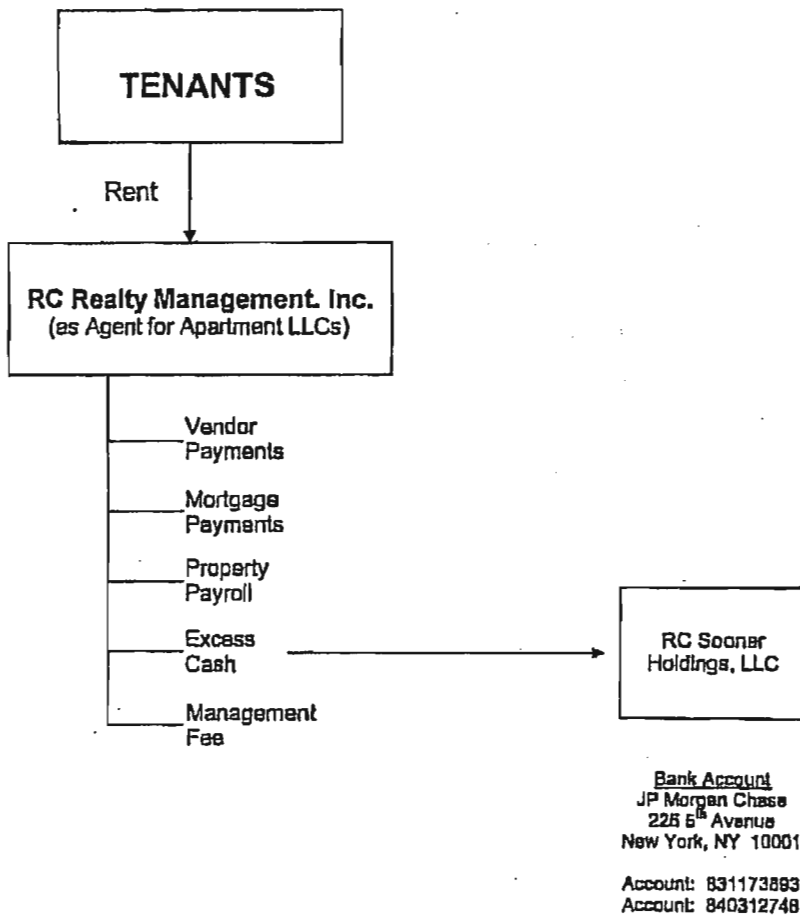
Dated: March 22, 2010  
Wilmington, Delaware



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UNITED STATES BANKRUPTCY JUDGE

Bank Account  
JP Morgan Chase  
225 6<sup>th</sup> Avenue  
New York, NY 10001  
Op Account: 840312849  
Payroll Account: 840312755



UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In re Salida Apartments, LLC  
Debtor

Case No. 10-10542

INITIAL MONTHLY OPERATING REPORT  
(SINGLE ASSET REAL ESTATE CASES)

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief

Substitute FORM IR-1 (RE) for IR-1 if case is a Single Asset Real Estate Case.

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation.

Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession."

Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
12-Month Cash Flow Projection (Form IR-1)	X	
Certificates of Insurance:		
Workers Compensation	X	
Property	X	
General Liability	X	
Vehicle	X	
Other:		
Evidence of Debtor in Possession Bank Accounts		
Tax Escrow Account		
General Operating Account		
Other:		
Other:		

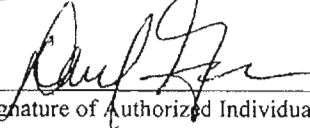
I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Signature of Authorized Individual\*

3/24/2010  
\_\_\_\_\_  
Date

DANIEL GORDON  
\_\_\_\_\_  
Printed Name of Authorized Individual

MANAGER  
\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**STATEMENT OF OPERATIONS - Single Asset Real Estate Case**  
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

<b>INCOME</b>	<b>Month</b>	<b>Cumulative Filing to Date</b>
Rental Income	\$4,991.50	
Additional Rental Income	ZERO	
Common Area Maintenance Reimbursement	ZERO	
Total Income (attach Rent Roll)		
<b>EXPENSES</b>		
Advertising	\$347.50	
Auto Expense	ZERO	
Cleaning and Maintenance	\$500.00	
Commissions	ZERO	
Insider Compensation*	ZERO	
Insurance	ZERO	
Management Fees	\$199.66	
Other Interest		
Repairs		
Supplies		
Taxes - Real Estate		
Travel and Entertainment		
Utilities		
Other: (List Below)		
Site Employees & Payroll Taxes	\$1,438.49	
Total Operating Expenses Before Depreciation	\$2,485.65	
Depreciation/Depletion/Amortization	N/A	
Net Income (Loss) Before Other Income & Expenses	\$2,505.85	
<b>OTHER INCOME AND EXPENSES</b>	<b>ZERO</b>	
Other Income: (List Below)		
Interest Expense		
Other Expense: (List Below)		
Net Income (Loss) Before Reorganization Items		
<b>REORGANIZATION ITEMS</b>		
Professional Fees		
U. S. Trustee Quarterly Fees		
Interest Earned on Accumulated Cash from Chapter 11**		
Gain (Loss) from Sale of Property		
Other Reorganization Expense: (List Below)		
Total Reorganization Expenses	ZERO	
Income Taxes	ZERO	
Net Income (Loss)	\$2,505.85	

\*"Insider" is defined in 11 U.S.C. Section 101(31).

\*\*Interest Earned on Accumulated Cash from Chapter 11: Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

RC SOONER HOLDINGS, LLC  
12 Month Cash Flow Forecast  
March 2010 - February 2011

**Salida Creek**

10149 East 32nd Street  
Tulsa, OK 74146  
114 Units

	March	April	May	June	July	August	September	October	November	December	January	February	TOTAL
<b>INCOME</b>													
Rent	51,202	52,002	52,884	53,002	53,440	53,560	54,003	54,885	54,995	54,485	54,223	54,455	643,136
Late Charges	145	145	145	145	145	145	145	145	145	145	145	145	1,740
Laundry/Misc. Income	145	145	145	145	145	145	145	145	145	145	145	145	1,740
<b>TOTAL INCOME</b>	51,492	52,292	53,174	53,292	53,730	53,850	54,293	55,175	55,285	54,775	54,513	54,745	646,616
<b>EXPENSE</b>													
Maintenance Personnel	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300	39,600
On Call/Overtime/Emergency Response	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Management Fee	2,060	2,092	2,127	2,132	2,149	2,154	2,172	2,207	2,211	2,191	2,181	2,190	25,865
Electric/Utilities	1,125	952	982	794	1,123	979	1,276	1,088	1,401	1,368	1,368	1,368	13,824
Gas/Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Water/Utilities	4,305	4,565	4,660	4,690	4,750	4,770	4,790	4,881	4,884	4,850	4,850	4,850	56,845
Marketing/Advertising	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Tenant Promotions	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Locator/Referral Fees	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Lawn Maintenance	225	225	225	225	225	225	225	225	225	225	225	225	2,700
Legal Evictions	450	400	350	350	350	350	350	350	350	350	350	350	4,350
Insurance	1,860	1,860	1,860	1,860	2,205	2,205	2,205	2,205	2,205	2,205	2,205	2,205	25,080
Keys/Locks/Mailboxes	120	120	120	120	120	120	120	120	120	120	120	120	1,440
Pest Control	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Water Treatment	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Make-Ready Expense	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	13,800
Postage/Express Mail	95	95	95	95	95	95	95	95	95	95	95	95	1,140
Trash Service	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Real Estate Taxes	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	50,400
Maintenance Supplies	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Workers Compensation/Disability	320	320	320	320	320	320	320	320	320	320	320	320	3,840
Payroll Taxes	508	508	508	508	508	508	508	508	508	508	508	508	6,096
Employee Benefits	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Office Supplies	100	100	100	100	100	100	100	100	100	100	100	100	1,200
On-Site Manager/Agents	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	31,800
Outside Vendors/Subs	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	16,200
Security Patrol	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Telephone/Internet	300	300	300	300	300	300	300	300	300	300	300	300	3,600
<b>TOTAL EXPENSE</b>	28,268	28,337	28,447	28,294	29,045	28,926	29,261	29,199	29,519	29,432	29,422	29,431	347,580
<b>NET OPERATING INCOME</b>	<b>23,224</b>	<b>23,955</b>	<b>24,727</b>	<b>24,998</b>	<b>24,685</b>	<b>24,924</b>	<b>25,032</b>	<b>25,976</b>	<b>25,766</b>	<b>25,343</b>	<b>25,091</b>	<b>25,314</b>	<b>299,036</b>



# EVIDENCE OF COMMERCIAL PROPERTY INSURANCE

DATE (MM/DD/YYYY)

03/09/2010

THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

PRODUCER NAME CONTACT PERSON AND ADDRESS Mitchell Trotter III Insurance Agency, Inc. 3745 E 31st Street Tulsa, OK 74135		PHONE (A/C, No, Ext): 918-747-4000	COMPANY NAME AND ADDRESS Mid-Century Insurance Company	NAIC NO:
FAX (A/C, No): 918-747-7100	E-MAIL ADDRESS: billjordan@swbell.net		IF MULTIPLE COMPANIES, COMPLETE SEPARATE FORM FOR EACH	
CODE:	SUB CODE:		POLICY TYPE Habitation BOP - Business Owners Package Policy	
AGENCY CUSTOMER ID #:			LOAN NUMBER 285000048	POLICY NUMBER 604699693
NAMED INSURED AND ADDRESS Salida Apartments, LLC 1515 Broadway, 11th Fl New York, NY 10036			EFFECTIVE DATE 12/02/2009	EXPIRATION DATE 12/02/2010
ADDITIONAL NAMED INSURED(S) RC Salida Owner, LLC			CONTINUED UNTIL TERMINATED IF CHECKED	
THIS REPLACES PRIOR EVIDENCE DATED:				

**PROPERTY INFORMATION (Use REMARKS on page 2, if more space is required)** ☒ BUILDING OR ☐ BUSINESS PERSONAL PROPERTY

## LOCATION/DESCRIPTION

Buildings and Premises comprising Salida Apartments located at: 10149 E 32nd Street, Tulsa, OK 74146

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

## COVERAGE INFORMATION

## PERILS INSURED

## BASIC

## BROAD

☒ SPECIAL

COMMERCIAL PROPERTY COVERAGE AMOUNT OF INSURANCE: \$ 8,333,000


DED: 10,000

	YES	NO	N/A	
<input checked="" type="checkbox"/> BUSINESS INCOME <input type="checkbox"/> RENTAL VALUE	<input checked="" type="checkbox"/>			If YES, LIMIT: <input checked="" type="checkbox"/> Actual Loss Sustained, # of months: 18
BLANKET COVERAGE	<input checked="" type="checkbox"/>			If YES, indicate value(s) reported on property identified above: \$
TERRORISM COVERAGE	<input checked="" type="checkbox"/>			Attach Disclosure Notice / DEC
IS THERE A TERRORISM-SPECIFIC EXCLUSION?				
IS DOMESTIC TERRORISM EXCLUDED?				
LIMITED FUNGUS COVERAGE	<input checked="" type="checkbox"/>			If YES, LIMIT: DED:
FUNGUS EXCLUSION (if "YES", specify organization's form used)	<input checked="" type="checkbox"/>			
REPLACEMENT COST	<input checked="" type="checkbox"/>			
AGREED VALUE	<input checked="" type="checkbox"/>			
COINSURANCE	<input checked="" type="checkbox"/>			If YES, %
EQUIPMENT BREAKDOWN (If Applicable)	<input checked="" type="checkbox"/>			If YES, LIMIT: Bldg Limit DED: 10,000
ORDINANCE OR LAW - Coverage for loss to undamaged portion of bldg	<input checked="" type="checkbox"/>			
- Demolition Costs	<input checked="" type="checkbox"/>			If YES, LIMIT: 50,000 DED:
- Incr. Cost of Construction	<input checked="" type="checkbox"/>			If YES, LIMIT: 25,000 DED:
EARTH MOVEMENT (If Applicable)	<input checked="" type="checkbox"/>			If YES, LIMIT: DED:
FLOOD (If Applicable)	<input checked="" type="checkbox"/>			If YES, LIMIT: DED:
WIND / HAIL (If Subject to Different Provisions)				If YES, LIMIT: DED:
PERMISSION TO WAIVE SUBROGATION IN FAVOR OF MORTGAGE HOLDER PRIOR TO LOSS				

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE ADDITIONAL INTEREST NAMED BELOW, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

## ADDITIONAL INTEREST

MORTGAGEE LENDERS LOSS PAYABLE	CONTRACT OF SALE <input checked="" type="checkbox"/> Certificate Holder	LENDER SERVICING AGENT NAME AND ADDRESS Fannie Mae, Its Successors & Assigns C/O Wachovia Multifamily Capital, Inc., ATIMA PO Box 563956 Charlotte, NC 28256-3956
NAME AND ADDRESS Office of the United States Trustee District of Delaware 844 King Street, Suite 2207 Wilmington, DE 19801		AUTHORIZED REPRESENTATIVE 



**EVIDENCE OF COMMERCIAL PROPERTY INSURANCE REMARKS - Including Special Conditions (Use only if more space is required)**

In addition to 30 day notice of policy reduction or cancellation, policy will have 10 day notice for non-payment of premium.

Wind/hail is a covered cause of loss. Deductible for Wind/Hail is included in Property deductible of \$10,000 per occurrence.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
03/09/2010PRODUCER  
Mitchell Trotter III Insurance Agency, Inc.  
3745 E 31st Street  
Tulsa, OK 74135

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED  
Salida Apartments, LLC  
1515 Broadway, 11th Fl  
New York, NY 10036INSURERS AFFORDING COVERAGE  
INSURER A: Mid-Century Insurance Company  
INSURER B:  
INSURER C:  
INSURER D:  
INSURER E:

NAIC #

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	604699693	12/02/2009	12/02/2010	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	604699693	12/02/2009	12/02/2010	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	<input type="checkbox"/> EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	OTHER				

### DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Loan# 285000048 Location: Salida Apartments, 10149 E 32nd St, Tulsa, Ok 74146  
Fannie Mae, ISAOA c/o Wachovia Multifamily Capital, Inc., ATIMA is listed as Additional Insured with respect to General Liability and Hired & Non-Owned Automobile Liability. Terrorism is included on policy.  
Cancellation Provision: 30 Day notice of policy reduction or cancellation; 10 day notice for non-pay cancellation

CERTIFICATE HOLDER Fax#

Phone#

CANCELLATION

Office of the United States Trustee  
District of Delaware  
844 King Street, Suite 2207  
Wilmington, DE 19801

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

## **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
Salida Apartments, LLC,	)	Case No. 10-10542 (BLS)
	)	
Debtor.	)	

**INITIAL MONTHLY OPERATING REPORT  
(SINGLE ASSET REAL ESTATE CASES)  
NON-OPERATING DEBTORS AND UTILITY DEPOSIT ACCOUNT**

No Initial Monthly Operating Reports have been filed for RC Sooner Holdings, LLC, RC Brixton Square Owner, LLC, RC Cedar Crest Owner, LLC, RC Fulton Plaza Owner, LLC, RC Magnolia Owner, LLC, RC Pomeroy Park Owner, LLC, RC Salida Owner, LLC, RC Savannah South Owner, LLC, or RC Southern Hills Owner, LLC as these entities are not operating entities.

RC Sooner Holdings, LLC has established an escrow deposit account (the "Utility Deposit Account") pursuant to this Court's Final Order (A) Prohibiting Utility Providers from Altering Refusing or Discontinuing Service, (B) Deeming Utilities Adequately Assured of Future Payment, and (C) Establishing Procedures for Determining Adequate Assurance of Payment [Docket No. 72]. The Utility Deposit Account contains \$27,206, and is held by Capital One Bank, Account No. 8307546761.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
RC SOONER HOLDINGS, LLC, <u>et al.</u> , <sup>1</sup>	)	Case No. 10-10528 (BLS)
	)	
Debtors.	)	(Jointly Administered)

*Decret Ref. # 5, 62*

**FINAL ORDER AUTHORIZING MAINTENANCE AND UTILIZATION OF  
DEBTORS' CASH MANAGEMENT SYSTEM AND BANK ACCOUNTS,  
AND CONTINUED USE OF EXISTING BUSINESS FORMS**

Upon the motion (the "Motion") of RC Sooner Holdings, LLC and the above-captioned debtors and debtors in possession (collectively, the "Debtors"), under sections 105(a), 345, and 363 of the Bankruptcy Code,<sup>2</sup> Bankruptcy Rule 6003 and Local Rule 2015-2 for an order (i) authorizing the Debtors' continued use of their existing cash management system, maintenance of their existing bank accounts and continued use of their existing business forms, and (ii) authorizing the Debtors to utilize their existing bank deposit accounts without the need for the bond or other collateral otherwise required by section 345 of the Bankruptcy Code; and upon the Affidavit of Daniel Gordon in Support of Chapter 11 Petitions and First Day Pleadings; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary to grant the relief requested in the

<sup>1</sup> The Debtors and the last four digits of their taxpayer identification numbers are: RC Sooner Holdings, LLC (7904); RC Brixton Square Owner, LLC (8002); RC Cedar Crest Owner, LLC (7914); RC Fulton Plaza Owner, LLC (8011); RC Magnolia Owner, LLC (7998); RC Pomeroy Park Owner, LLC (7939); RC Salida Owner, LLC (7947); RC Savannah South Owner, LLC (7983); RC Southern Hills Owner, LLC (7958); Brixton Square Apartments, LLC (1844); CC Apartments, LLC (1798); Fulton Plaza Apartments, LLC (4344); Magnolia Manor Apartments, LLC (4486); Pomeroy Park Apartments, LLC (1649); Salida Apartments, LLC (1915); Savannah South Apartments, LLC (8586); and Southern Hills Villa Apartments, LLC (1721). The business address for each of the Debtors to which notices should be sent is 1515 Broadway, 11th Floor, New York, New York 10036-8901.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Motion on a final basis; and the Court having determined that granting the relief sought in the motion on a final basis is in the best interest of the Debtors, their creditors and all the parties in interest; and, for the reasons stated in the Motion and on the record, it appearing that granting the relief requested by the Motion on a final basis is necessary to avoid immediate and irreparable harm to the Debtors and their estates; and good, adequate and sufficient cause being shown to justify the immediate entry of this Final Order; and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is GRANTED in all respects on a final basis.
2. Pursuant to sections 105(a), 345(a), and 363 of the Bankruptcy Code, the Debtors are authorized to continue to manage their cash pursuant to their cash management system and maintain their Bank Accounts in connection with that system, subject to the provisions of this Final Order.
3. The Debtors are authorized to (i) designate, maintain, and continue to use, with the same account numbers, all of their Bank Accounts in existence on the Petition Date; (ii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; and (iii) if necessary, open new accounts wherever they are needed regardless of whether such banks are designated depositories in the District of Delaware.
4. The Bank where the Debtors maintain the Bank Accounts is authorized to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the usual and ordinary course, and to receive, process, and honor and pay any and all checks, drafts, wires or other transfers issued or initiated by the

Debtors, and drawn on the Bank Accounts, after the Petition Date by the holders or makers thereof, as the case may be.

5. Except as set forth in paragraph 6 of this Final Order, the Bank is prohibited and enjoined from honoring or paying any and all checks, drafts, wires or other transfers issued or initiated by the Debtors on or against the Bank Accounts prior to the Petition Date.

6. Notwithstanding anything contained in paragraph 5 of this Final Order to the contrary, the Bank is authorized to accept, process, honor and pay any and all checks, drafts, wires or other transfers drawn on or issued on the Bank Accounts prior to the Petition Date that are subject to an order of this Court that specifically authorizes their payment, whether presented, drawn or issued before or after the Petition Date by the holders or makers thereof; provided, however, that (i) the Debtors shall identify by check number or other appropriate means the specific checks, drafts, wires or other transfers that are authorized to be paid pursuant to orders of this Court, and (ii) sufficient funds, whether deposited prior or subsequent to the Petition Date, are in the requisite Bank Account, or otherwise available to cover and permit payment thereof.

7. The Debtors are authorized to continue to use their existing checks and other business forms, which existing checks and business forms shall not be required to bear the legend "Debtors in Possession" or a "debtor in possession number"; provided, however, upon depletion of the Debtors' paper check stock and/or business forms stock, the Debtors will obtain new check stock and/or business forms stock and update their electronic check stock reflecting their status as debtors in possession.

8. The Debtors may disburse funds by check, drafts, wires, debits or any other means.

9. Nothing contained herein shall prevent the Debtors from opening such additional bank accounts, or closing such existing Bank Accounts, as the Debtors deem necessary and appropriate, and the bank is authorized to honor the Debtors' request to open or close, as the case may be, such Bank Accounts or additional bank accounts; provided, however, that any new account shall be with a bank that is insured with the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and that is organized under the laws of the United States or any state therein.

10. Any and all accounts opened by the Debtors on or after the Petition Date at any bank shall, for all purposes under this Final Order, be deemed a Bank Account (as if it had been opened prior to the Petition Date and listed in the Motion), and any and all banks at which such accounts are opened shall be subject to the rights and obligations of this Final Order.

11. The Debtors and the Bank are authorized to continue to perform pursuant to the terms of any prepetition agreements governing the Bank Accounts that may exist between them, except and to the extent otherwise directed by the terms of this Final Order. Nothing in this Final Order shall in any way alter or impair the rights and remedies of the parties to the account agreements in effect with respect to the Bank Accounts, including, without limitation, the Bank's ability to close any of the Bank Accounts pursuant to the terms of such agreements upon at least thirty (30) day prior written notice to the Debtors of any such proposed closure, except to the extent specifically modified by the terms of this Final Order or by operation of the Bankruptcy Code. The amounts payable by Debtors to any bank for or in connection with the cash management and related services provided by such bank to the Debtors shall be allowed as an administrative expense pursuant to section 503 of the Bankruptcy Code and shall be paid by the Debtors to such bank as and when due.



12. The Debtors are authorized to continue to use their existing cash management system as described in the Motion.

13. So long as the Bank Accounts are insured by the Federal Deposit Insurance Corporation, the Debtors are authorized pursuant to section 345(a) of the Bankruptcy Code to deposit funds in the Bank Accounts in accordance with their prepetition practices, without the need for a bond or other collateral as required by section 345(b) of the Bankruptcy Code or to seek a waiver of such requirements and restrictions under section 345(b)(2) of the Bankruptcy Code and Local Rule 2015-2.

14. Nothing in this Final Order shall be deemed to constitute an assumption or adoption by the Debtors of any contracts or agreements, and the Debtors retain their rights to assume, reject or modify any contracts or agreements to the extent they are entitled to under existing contracts or agreements or applicable law.

15. As promptly as possible, but in no event later than five (5) business days after entry of this Final Order, the Debtors shall serve a copy of this Final Order on the Bank whose Bank Accounts are listed in the Motion.

16. For banks that are party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, the Debtors are directed to contact the banks, within fifteen (15) days from the date of entry of this Final Order, to request that they internally code each of the Debtors' bank accounts as "debtor in possession" accounts, and the Debtors are directed to provide any such correspondence and any response thereto to the U.S. Trustee.

17. For banks that are not a party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, the Debtors shall use their good

faith efforts to cause the bank to execute a Uniform Depository agreement in a form prescribed by the Office of the United States Trustee within forty-five (45) days of the date of entry of this Final Order.

18. The requirements set forth in Rule 6003(b) of the Federal Rules of Bankruptcy Procedure are satisfied by the contents of the Motion or otherwise deemed waived.

19. Notwithstanding the potential applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry.

20. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Final Order and will retain jurisdiction to enforce this Final Order according to its terms.

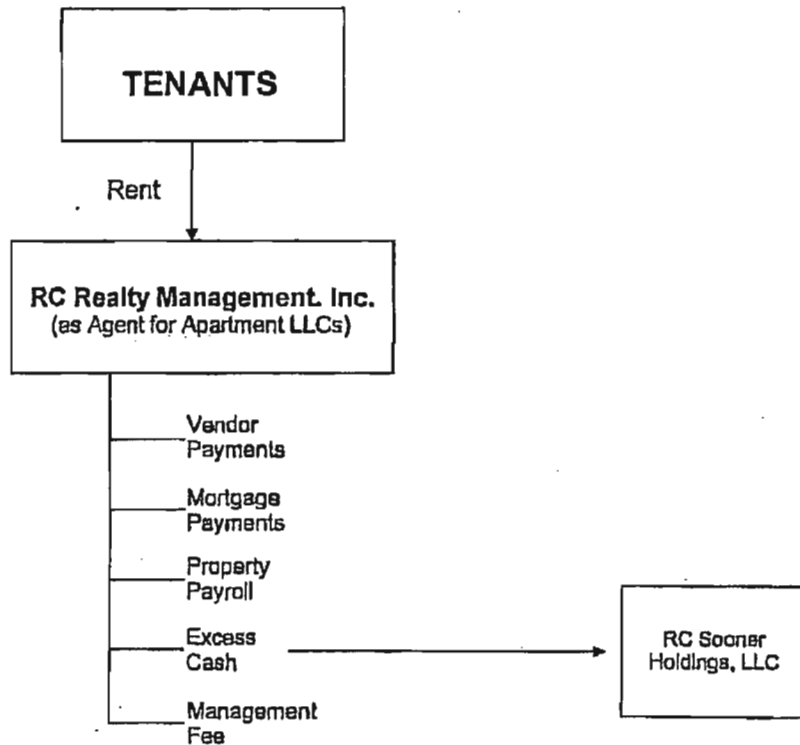
Dated: March 22, 2010  
Wilmington, Delaware



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UNITED STATES BANKRUPTCY JUDGE

Bank Account  
JP Morgan Chase  
225 6<sup>th</sup> Avenue  
New York, NY 10001  
Op Account: 840312849  
Payroll Account: 840312766



Bank Account  
JP Morgan Chase  
225 6<sup>th</sup> Avenue  
New York, NY 10001  
Account: 831173893  
Account: 840312748