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12
 13 **UNITED STATES BANKRUPTCY COURT**
DISTRICT OF NEVADA

14 In re: USA COMMERCIAL MORTGAGE COMPANY,	Debtor.	Case No. BK-S-06-10725 LBR Case No. BK-S-06-10726 LBR Case No. BK-S-06-10727 LBR
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16 In re: USA CAPITAL REALTY ADVISORS, LLC,	Debtor.	Case No. BK-S-06-10728 LBR Case No. BK-S-06-10729 LBR
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18 In re: USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,	Debtor.	Chapter 11 Jointly Administered Under Case No. BK-S-06-10725 LBR
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20 In re: USA CAPITAL FIRST TRUST DEED FUND, LLC,	Debtor.	
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22 In re: USA SECURITIES, LLC,	Debtor.	
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23 Affects:		MOTION FOR ORDER APPROVING CONTINUED USE OF CASH THROUGH OCTOBER 29, 2006 PURSUANT TO THIRD REVISED BUDGET (AFFECTS ALL DEBTORS) Date: August 4, 2006 Time: 1:30 p.m.
24 <input checked="" type="checkbox"/> All Debtors		
25 <input type="checkbox"/> USA Commercial Mortgage Company		
26 <input type="checkbox"/> USA Securities, LLC		
27 <input type="checkbox"/> USA Capital Realty Advisors, LLC		
28 <input type="checkbox"/> USA Capital Diversified Trust Deed Fund, LLC <input type="checkbox"/> USA First Trust Deed Fund, LLC		

1 USA Commercial Mortgage Company, USA Securities, LLC, USA Capital Realty
2 Advisors, LLC, USA Capital Diversified Trust Deed Fund, LLC, and USA Capital First Trust
3 Deed Fund, LLC (collectively, the “Debtors”), hereby move the Court for an order approving the
4 Debtors’ continued use of cash through the week ending October 29, 2006, pursuant to a third
5 revised cash budget which the Debtors will file on or before July 19, 2006.

6 **POINTS AND AUTHORITIES**

7 **Facts**

8 1. The Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code
9 on April 13, 2006. By order entered June 9, 2006, the Court approved the joint administration of
10 the Debtors’ bankruptcy cases.

11 2. On April 14, 2006, the Debtors filed their Motion for Order Under 11 U.S.C. §§ 105(a),
12 345, and 363 Approving Debtors’ Proposed Cash Management Procedures and Interim Use of
13 Cash In Accordance with Proposed Cash Budget (the “Cash Motion”) attached hereto as **Exhibit**
14 **“1”**, which sought, among other things, approval of the Debtors’ limited use of cash for a limited
15 90-day period, through approximately July 15, 2005, as set forth in the cash budget (the “Initial
16 Budget”) attached as Exhibit A to the Cash Motion.

17 3. On April 19, 2006, the Court entered an Interim Order approving the Cash Motion and the
18 Debtors’ interim use of cash for the purposes and on the terms set forth in the Cash Motion and the
19 Initial Budget until May 3, 2006, when the Cash Motion was to be considered further at a hearing.

20 4. Several objections were filed to the Cash Motion, and on May 2, 2006, the Debtors filed a
21 Reply Brief, attached as **Exhibit “2”**, and a Supplemental Declaration of Thomas J. Allison,
22 attached as **Exhibit “3”**, in support of the Cash Motion, which included a revised cash budget (the
23 “First Revised Budget”) attached as Exhibit B to the Supplemental Declaration.

24 5. At the May 3, 2006 hearing, the Court approved the Cash Motion and the limited use of
25 cash to the extent and for the purposes reflected in the First Revised Budget through July 16, 2006.
26 The Court’s order granting this relief was entered on May 22, 2006 (the “First Cash Usage
27 Order”). Attached as **Exhibit “4.”**

28 6. Because the Debtors authority to use cash pursuant to the Cash Usage Order was going to

1 expire on July 16, 2006, and the Debtors had a continuing need to use cash beyond that date, on
2 May 30, 2006, Debtors filed a Motion to Use Cash Collateral (Continued) Through July 29, 2006
3 Pursuant to Second Revised Budget (the “Second Cash Motion”), which second revised budget
4 (the “Second Revised Budget”) was to be filed by June 5, 2006. See **Exhibit “5.”**

5 7. On June 5, 2006, the Debtors filed a Notice of Filing of 13-Week Cash Forecast which
6 contained a spreadsheet containing an updated cash forecast for the 13-week period specified
7 therein.

8 8. On June 9, 2006, Debtors filed a Notice of Filing of Amended 13-Week Cash Forecast
9 which contained a spreadsheet containing an amended cash forecast for the 13-week period
10 specified therein. See **Exhibit “6.”**

11 9. Several objections to the Second Cash Motion were filed on or before the June 21, 2006
12 hearing date, and on June 20, 2006, the Debtors filed the Fifth Supplemental Declaration of
13 Thomas J. Allison (the “Fifth Supplemental Declaration”) attached as **Exhibit “7”**, in support of
14 the Second Cash Motion, which further amended the Second Revised Budget.

15 10. At the June 21, 2006 hearing, the Court approved the Second Cash Motion and the limited
16 use of cash to the extent and for the purposes reflected in the Second Revised Budget, as amended
17 on June 20, 2006, through August 6, 2006 (the “Second Cash Usage Order”), although the written
18 order implementing the Court’s ruling has not yet been entered.

19 11. The Debtors’ authority to use cash pursuant to the Second Cash Usage Order presently
20 expires on August 6, 2006, but the Debtors will have a continuing need to use cash beyond that
21 date to continue their business operations and complete the important administrative tasks they are
22 performing, as described in the Cash Motion and the various Declarations of Thomas J. Allison
23 (and in particular the Fifth Supplemental Declaration) that have been filed in this case. Therefore,
24 in order for the Debtors to have authority to use cash after August 6, 2006, the Debtors request
25 that the Court approve the additional use of cash to the extent and for the purposes set forth in the
26 third revised budget (the “Third Revised Budget”).

27 12. The Debtors file this motion at this time to ensure that it will be heard no later than the
28 hearing on August 4, 2006, but the Debtors have not yet completed their work on the Third

1 Revised Budget and will file it by no later than July 19, 2006.

2 **MEMORANDUM OF LAW**

3 The factual and legal basis for the present motion are set forth in the Cash Motion, and the
4 Declarations of Thomas J. Allison, and also other documents on file with the Court, which are
5 documents incorporated herein by reference and attached hereto as Exhibits 1-7. As with the Cash
6 Motion and the Second Cash Motion, this motion seeks only permission to use funds the Debtors
7 are contractually entitled to collect and use. Debtors are not seeking permission to use any funds
8 being held in the separate DIP Investor Account, and are only seeking to use funds in the separate
9 DIP Collection Account to the extent approved by the Court and to the extent that Debtors have
10 contractual rights to collect servicing fees and other fees and costs.

11 **CONCLUSION**

12 WHEREFORE, the Debtors respectfully request that the Court approve the continuing use
13 of cash in the Debtors' estate through the week ending October 29, 2006, to the extent and for the
14 purposes set forth in the Third Revised Budget to be filed by the Debtors no later than July 19,
15 2006.

16 Respectfully submitted this 7th day of July, 2006.

17 /s/ JEANETTE E. MCPHERSON

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