

UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT

In re: 213 THAMES, INC.
Debtor

CHAPTER 11

213 THAMES, INC.
Movant

CASE NO. 15-21002

V.

DIME SAVINGS BANK AND
RCN CAPITAL, LLC
Respondents

NOVEMBER 22, 2016

**INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL AND PROVIDING
ADEQUATE PROTECTION PURSUANT TO 11 U.S.C. SECTION 363(c)(2)(B)**

THIS MATTER came before the Court upon the Debtor's Emergency Motion for Interim Authority to Use Cash Collateral, the Court having considered arguments of counsel and all interested parties present before the Court, there being no objection to the relief sought, and there being due and sufficient notice therefor for use of cash collateral, the Court makes the following findings and conclusions:

1. On June 5, 2015 213 Thames, Inc. (hereafter the "Debtor"), filed a voluntary petition for the relief afforded by Chapter II, Title 11, U.S.C. Section 1101, et seq., in this Court. In accordance with Section 11 07 and Section 11 08 of the Bankruptcy Code, the Debtor was authorized to continue to operate and manage its business as a Debtor-In-Possession. No trustee or examiner has been appointed in these proceedings.

2. It is essential to the Debtor's business and operations to use cash generated from its rental payments from its properties so as to continue to pay ordinary course business expenses. Without court authority to use the cash collateral, the Debtor will suffer harm and be forced to terminate operations and

abort any chance for successful reorganization. The absence of authority to use cash collateral will more than likely result in terminated operations and the loss of the going concern value to the Debtor's estate.

3. A. Secured creditor Dime Savings Bank has claimed a duly perfected non-avoidable security interest in the Debtor's properties in Groton and Gales Ferry Connecticut. This includes cash collateral associated with the real properties as defined at 11 USC 363(a), "cash collateral". Debtor does not contest the assertion of the security interest in the real properties and the associated cash collateral."

B. Secured creditor RCN Capital, LLC has claimed a duly perfected non-avoidable. This includes cash collateral associated with the real properties as defined at 11 USC 363(a), "cash collateral". Debtor does not contest the assertion of the security interest in the real properties and the associated cash collateral." security interest in the Debtor's property in Groton and Gales Ferry Connecticut.

4. This Court finds that it is in the best interest of the Debtor, the secured creditors and all creditors and parties in interest, and to avoid harm to the Debtor, that the use by the Debtor of the secured creditor's cash collateral on the terms and conditions set forth herein, be approved, and the court hereby concludes as follows:

a. Pursuant to 11 U.S.C. Section 363 (c) (2) (B), and subject to the further terms and condition set forth herein, the Debtor is hereby authorized to use cash collateral on a interim basis, which cash collateral the Debtor concedes is subject to the security interests of Dime Savings Bank. The Debtor may use cash collateral to meet all necessary business expenses incurred in the ordinary course of its business and U.S. Trustee's statutory fees. The use of cash collateral is necessary to continue the operations and for the benefit of the estate.

b. Pursuant to 11 U.S.C. Section 363 (c) (2) (B), and subject to the further terms and condition set forth herein, the Debtor is hereby authorized to use cash collateral on a

interim basis, which cash collateral the Debtor concedes is subject to the security interests of RCN Capital, LLC. The Debtor may use cash collateral to meet all necessary business expenses incurred in the ordinary course of its business and U.S. Trustee's statutory fees. The use of cash collateral is necessary to continue the operations and for the benefit of the estate.

c. In exchange for use of cash collateral by the Debtor said secured creditor, Dime Savings Bank is hereby granted replacement liens as provided in 11 U.S.C. Section 361 (2) in all after-acquired property of the Debtor from this property, and that said liens shall be of equal extent and priority to that which Dime Savings Bank enjoyed with regard to the said property at the time the Debtor filed its Chapter 11 petition.

d. In exchange for use of cash collateral by the Debtor said secured creditor, RCN Capital, LLC is hereby granted replacement liens as provided in 11 U.S.C. Section 361 (2) in all after-acquired property of the Debtor from this property, and that said liens shall be of equal extent and priority to that which RCN Capital, LLC enjoyed with regard to the said property at the time the Debtor filed its Chapter 11 petition.

e. Dime Savings Bank is authorized and is hereby granted relief from the automatic stay to take whatever steps are necessary under applicable law to perfect any replacement liens granted under this Order. However, it shall not be necessary for it to take any steps to perfect such replacement lien, which will be deemed perfected pursuant to this order.

f. RCN Capital, LLC is authorized and is hereby granted relief from the automatic stay to take whatever steps are necessary under applicable law to perfect any replacement liens granted under this Order. However, it shall not be necessary for it to take any steps to perfect such replacement lien, which will be deemed perfected pursuant to this order.

g. The term for use of cash collateral shall be for a period of 1 Months Commencing on December 1, 2016 and ending on December 31, 2016.

h. The Debtor is hereby authorized to use up to but not in excess of \$9,400.00 until December 31, 2016 for those expenses and other items contemplated by this Order, and as specifically identified in the budget, annexed hereto.

i. Notwithstanding anything to the contrary herein, the following limited expenses of the Debtor's estate shall be deemed to have a prior right to satisfaction from all Cash Collateral generated post-petition and from all other assets of the Debtor:

(a) Fees and expenses owed under 20 U.S.C Sec 1930

j. The Debtor shall not make any payment on any loans from insiders or officers.

k. The Debtor will make adequate protection payments to Dime Savings Bank for each month by the 20th of each month as follows: \$500.00 per month

l. The Debtor will make adequate protection payments to RCN Capital, LLC for each month by the 20th of each month as follows: \$300.00 each month.

m. A hearing on the continued use of cash collateral will be held on December 27, 2016 at 10:00 am at The United States Bankruptcy Court, 7th Floor, 450 Main Street, Hartford, Connecticut 06103.

n. The debtor shall provide to the secured creditors a monthly register report from all DIP account showing all disbursements made for the prior 30 days on the 15th of each month beginning September 15, 2016 and continuing until otherwise ordered.

Dated: November 23, 2016

BY THE COURT

James J. Tancredi
United States Bankruptcy Judge
District of Connecticut

2016 December - 213 Thames

Rents-Monthly	\$9,400.00
Management Company - 5%	(\$470.00)
Legal Fees	(\$500.00)
US Trustee Fees	(\$216.67)
Eversource Utilities	(\$200.00)
Town of Ledyard, 2015 Grand List Property Taxes	(\$850.00)
Maintenance	(\$1,100.00)
Unit & Common Area Maintenance	(\$900.00)
Town of Groton, 2015 Grand List Real Estate taxes	(\$2,100.00)
Bouvier Insurance	(\$1,300.00)
Dime bank	(\$500.00)
RCN Capital/Entertainment Financial	(\$300.00)
TOTAL EXPENSES November 2016	(\$8,436.67)