

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11

2762 KINGSBRIDGE TERRACE, LLC,

Case No.: 26-11313-lgb

Debtor.

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**STIPULATION AND INTERIM ORDER AUTHORIZING
DEBTOR’S USE OF CASH COLLATERAL, GRANTING
ADEQUATE PROTECTION AND FOR RELATED RELIEF**

This Stipulation and Interim Order (the “Stipulation”) is made by and between 2762 Kingsbridge Terrace, LLC, the debtor and debtor in possession (the “Debtor”), and Toorak Capital Partners LLC, a Delaware limited liability company (“Lender” and the Debtor, collectively, the “Parties”) authorizing the interim use of cash collateral and scheduling a final hearing on July 9, 2026, at 10:00 a.m., to consider the continued use of cash collateral and related relief. The Parties, through their respective undersigned counsel, agree to the following:

RECITALS

WHEREAS, on June 1, 2026 (the “Petition Date”), the Debtor commenced its Chapter 11 case by filing a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Eastern District of New York, at Brooklyn (the “Court”); and

WHEREAS, the Debtor continues to operate its business and manage its property as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code; and

WHEREAS, no trustee, examiner or committee has been appointed in this case; and

WHEREAS, as of the Petition Date, Lender is the owner and holder of the loan in the original principal amount of up to \$2,230,000.00 (“Kingsbridge Loan”), evidenced by that certain

Commercial Promissory Note dated December 23, 2020, and executed by Kingsbridge in favor of Ice Lender Holdings, LLC (“Original Lender”), in the original maximum principal amount of \$1,280,000.00 (as amended, restated, modified, and assigned, the “Kingsbridge Project Note”) and that certain Building Loan Commercial Promissory Note dated December 23, 2020, in the original amount of \$950,000.00 (as amended, restated, modified, and assigned, the “Kingsbridge Building Note” collectively with the Kingsbridge Project Note, the “Kingsbridge Notes”). The Loan is evidenced and/or secured by various security agreements, assignments, and other agreements including:

- (a) That certain Mortgage and Security Agreement (Kingsbridge Project Loan) (as amended from time to time and assigned to Lender, the “Kingsbridge Project Mortgage”) dated December 23, 2020, given by Borrower, in favor of Original Lender, and recorded in the Office of the City Register of the City of New York (the “City Register”) on January 22, 2021, at CRFN 20210000272864696, encumbering and secured by Kingsbridge’s real property, and improvements thereon, with a commonly known street address of 2762 Kingsbridge Terrace, Bronx, NY 10463 (the “Kingsbridge Premises”), and all or substantially all of Borrower’s personal property (the “Kingsbridge Collateral”), as set forth in the Kingsbridge Project Mortgage (collectively, the “Kingsbridge Property”), and assigned to Lender;
- (b) That certain Building Loan Mortgage, Assignment of Leases and Rents and Security Agreement (Building Loan) (as amended from time to time and assigned to Lender, the “Kingsbridge Building Mortgage,” collectively with the Kingsbridge Project Mortgage, the “Kingsbridge Mortgages”) dated December 23, 2020, recorded with the City Register on January 22, 2021, at CRFN 2021000027288, the grantor under which is Kingsbridge, encumbering the Kingsbridge Property;
- (c) That certain Loan Agreement dated December 23, 2020 (the “Kingsbridge Project Loan Agreement”) and that certain Building Loan and Security Agreement dated December 23, 2020 (the “Kingsbridge Building Loan Agreement,” collectively with the Kingsbridge Project Loan Agreement, the “Kingsbridge Loan Agreements”);
- (d) Those certain Collateral Assignments of Leases and Rents (the “Kingsbridge ALR”), dated as of December 23, 2020, which were duly recorded in the Clerk’s Office on January 22, 2021, at CRFN 2021000027287 and CRFN 2021000027289, respectively, wherein Kingsbridge assigned all of its leases and rents in the Kingsbridge Property to Original Lender;

(e) That certain UCC Financing Statement (the “Kingsbridge Financing Statement”) in favor of Original Lender perfecting Original Lender’s lien on the Kingsbridge Collateral that is included as part of the Kingsbridge Property, which Kingsbridge Financing Statement was recorded with the City Register on January 22, 2023, at CRFN 2021000027290;

(f) Those certain Note and Mortgage Extension Agreements dated (1) June 1, 2022, under which the maturity date was extended to January 1, 2023, (2) December 7, 2022, under which the maturity date was extended to April 1, 2023, (3) March 14, 2023, under which the maturity date was extended to July 1, 2023, (4) June 20, 2023, under which the maturity date was extended to January 1, 2024, (5) and December 12, 2023, under which the maturity date was extended to April 1, 2024 (collectively, the “Extension Agreements”); and

(g) The Kingsbridge Notes, the Kingsbridge Mortgages, the Kingsbridge Loan Agreements, Kingsbridge Guaranties, this Agreement, all other existing or future documents evidencing, securing, or executed in connection with the Kingsbridge Loan, and all documents that hereafter modify, amend, extend, restate, replace, or otherwise affect the Kingsbridge Loan or any of the foregoing documents are herein sometimes collectively referred to as the “Kingsbridge Loan Documents.” All capitalized terms used in this Agreement that are not otherwise defined herein shall have the meanings ascribed to them in the Kingsbridge Loan Documents.

WHEREAS, The Kingsbridge Loan Documents (as extended pursuant to the Extension Agreements) require the entire principal amount of the Kingsbridge Notes, together with accrued interest and all other sums due under the Kingsbridge Loan Documents (“Lender Obligations”), to be paid in full on or before April 1, 2024 (the “Kingsbridge Maturity Date”); and

WHEREAS, the Debtor acknowledges and agrees that a default, Default and an Event of Default has occurred and is continuing under the Kingsbridge Loan Documents, the Kingsbridge Notes matured by their terms on the Maturity Date, the matured indebtedness has not been paid in full and remains in existence (the “Kingsbridge Existing Default”), and Lender has the right to commence enforcement of any and all remedies available to it under the Kingsbridge Loan Documents, applicable law or in equity. The aforesaid enumeration of the Kingsbridge Existing Default is not intended by the Parties to constitute a waiver by Lender of any other default that may now exist under the existing Kingsbridge Loan Documents.

WHEREAS, The Debtor operates the Property and manages twelve (12) residential tenants and seeks authority to use the Lender's Cash Collateral (defined below); and

WHEREAS, the Debtor has significant and immediate need for the use of Cash Collateral to satisfy its post-petition operating expenses and asserts that immediate or irreparable harm will be caused to the estate if immediate relief is not granted before the final hearing; and

WHEREAS, the Debtor believes that the use of Cash Collateral will protect and enhance the Lender's interest in the Debtor's assets; and

WHEREAS, the Lender has consented to the Debtor's use of its Cash Collateral on an interim basis, subject to the terms and conditions of the Stipulation.

NOW, THEREFORE, in consideration of the recitals aforesaid and the covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Cash Collateral.** For purposes of this Stipulation, "Cash Collateral" shall consist of all cash collateral (as defined in section 363(a) of the Bankruptcy Code) of the Lender, including the amounts realized by the Debtor from the sale, lease or other disposition or conversion of the Lender's collateral pledged by the Debtor to secure its obligations to those parties.

2. **Authorization.** Subject to the terms and conditions herein, the Debtor is authorized to use the Cash Collateral on an interim basis, for the period commencing from the date of the entry of this Stipulation through and including July 10 2026, in accordance with the accompanying budget (the "Budget") and in an amount not to exceed \$21,610.00. The Debtor may expend up to an additional 10% per line item in the Budget but may not expend beyond the additional 10% without prior Court approval or without the consent of the Lender. The use of the

Cash Collateral by the Debtor shall give rise to an obligation by the Debtor for the repayment of the Cash Collateral expended and/or to be expended.

3. **Term.** Subject to the terms and conditions herein, the Debtor's interim authorization to use the Cash Collateral shall commence as of the entry of this Stipulation by the Court through July 10, 2026 or the occurrence of a Termination Event (as defined herein) (the "Termination Date"), whichever is the earliest. Occurrence of the Termination Date shall terminate the rights of the Debtor to use the Cash Collateral hereunder.

4. **Adequate Protection for the Lender (Bankr. R. 4001(b)(1)(B)(iv).** As adequate protection for any diminution in the value of the Lender's interest in its collateral (including the Cash Collateral) resulting from (a) the Debtor's use of Cash Collateral; (b) the use, sale or lease of the Lender's collateral; or (c) the imposition of the automatic stay under section 362(a) of the Bankruptcy Code (the aggregate amount of such diminution is referred to hereinafter as the "Adequate Protection Lien"), the Lender shall receive replacement liens pursuant to section 361(2) of the Bankruptcy Code (the "Replacement Liens") on its collateral (including the Cash Collateral); provided, however, that for the avoidance of doubt, no Replacement Liens shall attach to any avoidance action or any proceeds of any avoidance action whether now owned or hereafter acquired (collectively, the "Post-petition Collateral") to the same extent, validity, order and priority as its pre-petition lien(s). Additionally, the Replacement Liens are provided for the use of Cash Collateral from the Petition Date forward. For the sake of clarity, and out of an abundance of caution, notwithstanding the above exception, the Lender's Replacement Liens shall be liens secured against the Debtor's property. The Lender reserves its rights to assert a superpriority claim pursuant to 11 U.S.C. § 507(b).

4.1 **Carve Out.** The Adequate Protection Liens shall be subject to the following (collectively, the “Carve Out”): (i) payments of those fees due to the Office of the United States Trustee pursuant to 28 U.S.C. § 1930 and any applicable interest thereon under 31 U.S.C. § 3717; (ii) the payment of allowed professional fees and disbursements incurred by the Debtor’s professionals retained by an Order of the Bankruptcy Court up to \$35,000.00 for Debtor’s Bankruptcy Counsel and up to \$25,000.00 for the Debtor’s CRO, and in the event of a default that results in the termination of the Debtor’s authorization to use cash collateral, unpaid Professional Fees and Disbursements incurred prior to delivery of a carve out trigger notice (“Carve Out Trigger Notice”) in accordance with the Budget not to exceed, in the aggregate, the sum of \$60,000.00; and (iii) any amounts allowed by the Court as fees and expenses of a trustee appointed under section 726(b) of the Bankruptcy Code in an amount not to exceed \$10,000.00.

4.2 The Replacement Liens granted to the Lender shall become valid, enforceable and fully perfected liens without any action by the Debtor or the Lender, and no filing or recordation or other act that otherwise may be required under federal or state law in any jurisdiction shall be necessary to create or perfect such liens and security interests. If the Lender hereafter reasonably requests that the Debtor execute and deliver to it financing statements, security agreements or other instruments or documents considered to be necessary or desirable to further evidence perfection of the liens and security interests granted herein, the Debtor is hereby authorized to execute and deliver such documents.

4.3 The Replacement Liens granted by this Stipulation shall survive the entry of any order: (i) converting this Chapter 11 case to a case under Chapter 7 of the Bankruptcy Code; (ii) dismissing this Chapter 11 case; (iii) appointing a Chapter 11 trustee or examiner with expanded powers; and (iv) the Replacement Liens granted pursuant to this Stipulation shall

continue in full force and effect notwithstanding the entry of such an order, and such Replacement Liens shall maintain any priority granted in this Stipulation.

5. **No Prejudice for Further Applications.** The Stipulation shall be without prejudice to any party to seek any further application for other or further adequate protection or relief or modification of the automatic stay or any other rights, claims or privileges of any type.

6. **Term and Restrictions.** The Debtor's authorization to use the Cash Collateral shall be subject to the following terms and restrictions:

6.1 From the entry of this Stipulation and continuing until the Termination Date, the Lender shall be entitled, upon five (5) business day's written notice, at any time during the Debtor's normal business hours, the right to inspect, audit, examine, check, make copies of or extract from the books and records of the Debtor, and monitor the Cash Collateral, and the Debtor shall make all of the same reasonably available to the Lender and its representatives, for such purposes.

6.2 To the extent applicable, the Debtor shall keep the Cash Collateral fully insured against all loss, peril and hazard and make the Lender an additional insured in any such insurance policy maintained by the Debtor as to the collateral. The Debtor, at the request of the Lender, shall provide proof of insurance, and will give proof of any reasonable requested changes within five (5) business days of written demand and will give the Lender reasonable access to its records in this regard.

7. **Termination Events.** Each of the following shall constitute a "Termination Event" with respect to the authorization of the Debtor to use the Cash Collateral, unless waived in writing by the Lender.

7.1 The Chapter 11 case has been dismissed or converted to a Chapter 7 case under the Bankruptcy Code, or there shall have been appointed in the Chapter 11 case, a trustee or an examiner with expanded powers beyond the authority to investigate particular activities of the Debtor.

7.2 The Debtor files a motion seeking to modify, vacate, stay, supplement or amend the terms of this Stipulation without the prior written consent of the Lender.

7.3 This Stipulation is modified, vacated, stayed, supplemented, reversed, or is for any reason not binding on the Debtor, without the prior written consent of the Lender.

7.4 The Debtor fails to perform, in any material respect, any of the terms, provisions, conditions, covenants, or obligation under this Stipulation.

7.5 The Debtor expends more than 110% of the Budget, unless the Debtor obtains either prior Court approval, or the consent of the Lender.

7.6 There is at any time a material inaccuracy in any financial report or certification provided by the Debtor to the Lender.

8. **Remedies.** the Lender shall provide counsel to the Debtor, counsel for any Committee (and if no Committee is appointed, the 20 largest creditors of the Debtor as determined by the Debtor's Statements and Schedules, and Pleadings) and the Office of the United States Trustee with written notice of the occurrence of a Termination Event (the "Remedies Notice") by first class mail and email as to counsel to the Debtor, counsel to the Committee, if any, and the office of the United States Trustee. Upon the expiration of ten (10) business days after the giving of the Remedies Notice, and the Debtor has failed to cure the alleged Termination Event, then the permission to use Cash Collateral granted by this Stipulation shall cease.

9. **Debtor's Waiver of Rights and Acknowledgment of Obligations to Lender and Lender's Pre-Petition Date Liens.** The Debtor acknowledges the validity, enforceability and amount of the Lender Obligations and Lender's security interest and liens in the Kingsbridge Collateral, including rents. The Debtor waives its right to object to the Lender's Claim(s) as defined in Bankruptcy Code Section 101(5), or to commence or participate in any action against the Lender arising from or relating to the Loan Documents. The rights of the Lender to object to any further use of Cash Collateral shall not be limited by entry of this stipulation. The Lender reserves the right to seek relief from stay, and/or a determination that litigation against non-Debtor indemnitors does not violate the automatic stay.

10. **Binding Effect.**

(a) The Debtor's Stipulation shall be binding upon the Debtor and any successor thereto immediately upon entry of this interim Order. The Debtor's Stipulation shall be binding upon all parties-in-interest, including, without limitation, the Official Committee, any statutory or non-statutory committees appointed or formed in the Chapter 11 Case, and any other person or entity seeking to act on behalf of the Debtor's estate (including any chapter 7 or chapter 11 trustee or examiner appointed or elected for the Debtor in the Chapter 11 Case or any successor cases)(collectively, "Successor Entities"), unless the Official Committee or such other party-in-interest (i) files a motion seeking the requisite standing and authority to bring the challenge (if and to the extent standing is required under applicable law) prior to the Challenge Deadline¹, which

¹ "Challenge Deadline" means (I) sixty (60) days from the appointment of the Official Committee (or such longer period as the Court orders for cause shown before the expiration of such period); or (II) if no Official Committee has been appointed, seventy-five (75) days (or such longer period as the Court orders for cause shown before the expiration of such period) from the entry of this interim Order; provided, however, that if a party in interest files a Standing Motion before the end of the initial time periods specified herein, then the Challenge Deadline shall be tolled during the pendency of such Standing Motion (but solely for the party seeking standing); provided further, however, that if, prior to the end of the initial time periods set specified herein, (x) the Chapter 11 Cases convert to chapter 7, or (y) if a chapter 11 trustee is appointed, then, in each such case, the Challenge Deadline shall be extended, solely for the

motion shall describe the specific nature and basis of the challenge and attach a draft complaint (the “Standing Motion”), and such standing is obtained pursuant to an order of the Court, (ii) timely and properly commences and serves an adversary proceeding or contested matter (subject to the limitations contained herein) (each, a “Challenge Proceeding”) by no later than the Challenge Deadline, asserting a challenge with respect to the amount, validity, perfection, enforceability, priority, scope or extent of the Lender Obligations, and the Kingsbridge Notes, or otherwise challenging any of the Debtor’s Stipulations, and (iii) obtains a final non appealable order by a court of competent jurisdiction in favor of the plaintiff sustaining any such challenge.

(b) If no such Standing Motion or Challenge Proceeding is timely and properly filed by the Challenge Deadline, or if the Court does not rule in favor of plaintiff in any such timely and properly filed Challenge Proceeding, then, without application to or further order of the Court, (i) each of the Debtor’s Stipulations shall be binding on all parties-in-interest, including, without limitation, any Official Committee, any statutory or non-statutory committees appointed or formed in the Chapter 11 Cases, or any other party-in-interest (including, without limitation, any Successor Entities), (ii) the Lender Obligations shall constitute allowed claims against the Debtor in the Chapter 11 Case and any successor cases, and the prepetition Kingsbridge Notes shall forever be deemed to be legal, valid, binding, continuing, perfected and enforceable, as of the Petition Date, against the Debtor in the Chapter 11 Case and any successor cases, (iii) the prepetition Lender Obligations and the Kingsbridge Notes shall not be subject to any other or further challenge by any person or entity, and (iv) any and all challenges, of any kind or nature whatsoever, whether under the Bankruptcy Code, applicable non-bankruptcy law or otherwise, against the Lender shall be deemed forever waived, released and barred.

chapter 7 trustee or chapter 11 trustee, to the later of (A) the time remaining under the Challenge Deadline plus ten (10) calendar days or (B) such other time as ordered by the Court for cause shown.

(c) If any such Standing Motion (to the extent required) or Challenge Proceeding is timely filed by the Challenge Deadline, the Debtor's Stipulation shall nonetheless remain binding and preclusive on any Official Committee, any non-statutory committees appointed or formed in the Chapter 11 Cases, or any other party-in-interest (including, without limitation, any Successor Entities), except to the extent that any of the admissions, stipulations, findings or releases contained in the Debtor's Stipulation was expressly challenged in such Challenge Proceeding (and solely as to the plaintiff party that timely filed such Challenge Proceeding and not, for the avoidance of doubt, any other party-in-interest).

(d) Nothing in this interim Order vests or confers on any person or entity, including any Official Committee or any statutory or non-statutory committee appointed or formed in the Chapter 11 Cases, or any other party-in-interest standing or authority to pursue any Challenge belonging to the Debtor or the estate, and all rights to object to any request for such standing are expressly reserved.

11. **No Third-Party Beneficiaries.** The Lender shall not be liable to any third parties (including any and all creditors of the estate or the Debtor who may have administrative claims within the Budget) and no such third parties are intended to or shall be deemed to be beneficiaries of the provisions of this Stipulation.

12. **Modification of the Automatic Stay.** The automatic stay under Bankruptcy Code section 362(a) is hereby modified as necessary to effectuate all of the terms and provisions of this Stipulation, including, without limitation to: (i) grant the Adequate Protection Liens; (ii) permit the Debtor to perform such acts as the Lender may reasonably request to assure the perfection of the liens granted herein; (iii) permit the Debtor to incur all liabilities and obligations to the Lender

under this Stipulation; and (iv) permit the Lender to exercise its rights and remedies as provided for herein.

13. **Binding Effect of Interim Order.** This Stipulation shall be effective as of the entry of this Stipulation and shall not be subject to any stay.

14. **Retention of Jurisdiction.** The Court may retain jurisdiction over all matters arising under or with respect to this Stipulation.

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15. **Final Hearing.** The Final Hearing shall be held on **July 9, 2026, at 10:00 a.m.** (prevailing New York City Time), and any objections to the final relief sought in the Motion shall be filed with the Court no later than July 2, 2026 at 4:00 p.m. (prevailing New York City Time), and served upon the following: (i) Rosen, Tsionis & Pizzo, PLLC, 38 New Street, Huntington, New York 11743, Attn: Nico G. Pizzo, Esq.; (ii) Offit Kurman, 590 Madison Avenue, 6th Floor, New York, NY 10022, Attn: Kenneth J. Flickinger, Esq.; and (iii) Office of the United States Trustee, One Bowling Green, Room 534, New York, NY 10004, Attn: Daniel Rudewicz, Esq.

Dated: June 15, 2026
Huntington, New York

ROSEN, TSIONIS & PIZZO, PLLC
Proposed Counsel to the Debtor in Possession

By: /s/ Nico G. Pizzo
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Dated: June 15, 2026
New York, New York

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IT IS SO ORDERED

Dated: New York, New York
June 17, 2026

/s/ Lisa G. Beckerman
HONORABLE LISA G. BECKERMAN
UNITED STATES BANKRUPTCY JUDGE