SO ORDERED: July 21, 2026.

Jeffrey J. Graham
United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

In re:	Chapter 11
LIA HOSPITALITY GROUP LLC,	Case No. 26-01663-JJG-11
Debtor.	

INTERIM ORDER AUTOHRIZING THE TRUSTEE TO OBTAIN SECURED POSTPETITION FINANCING, TO USE CASH COLLATERAL AND GRANTING ADEQUATE PROTECTION TO POSTPETITION LENDER

This matter is before the Court on the *Trustee's Motion for Authority to Obtain Secured Postpetition Financing, to Use Cash Collateral, and Granting Adequate Protection to Postpetition Lender* (the "Motion")[1] [Doc 153], filed by the Trustee, requesting entry of an

[1] Capitalized terms not otherwise defined herein shall have the meanings and definitions ascribed to such terms in the Motion.

interim order and a final order, authorizing the Trustee, on behalf of the Estate, to obtain secured postpetition financing from the TIP Lender.

The Court, having considered the Motion and having conducted a preliminary hearing on July 20, 2026, and being otherwise duly advised in the premises, determines that the Motion should be, and hereby is, GRANTED on an interim basis. Accordingly,

THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:

A. On March 23, 2026 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. On May 22, 2026, the United States Trustee filed its *Notice of Appointment of Chapter 11 Trustee* (the "Appointment Notice") [Doc 122], as amended by Doc 124, appointing the Trustee as the chapter 11 trustee in this case. On May 27, 2026, the Court entered the *Order Approving Appointment of Trustee* [Doc 125].

B. According to the Debtor's Schedule D filed on the Petition Date, the Debtor asserts that as of the Petition Date, the aggregate amount of approximately $3,250,000.00 was due and owing in respect of certain loans and other financial accommodations made by the TIP Lender pursuant to certain prepetition financing documents and related filings. According to the TIP Lender, the Debtor was indebted to the TIP Lender in the amount of approximately $2,962,526.40 as of the Petition Date (such amount, combined with the TIP Lender 's legal fees, accruing interest, costs and all expenses charged or chargeable under the Prepetition Loan Documents (as defined below), the "Prepetition Indebtedness").

C. The Prepetition Indebtedness is evidenced by, among other things, the following:

(i) A Promissory Note, regarding SBA Loan No. ending in 82-03 dated January 7, 2021, in favor of the Bank and partially guaranteed by the United States Small Business Administration, in the original principal amount of $2,654,000.00;

(ii) Loan Agreement, between the Debtor and the Bank, dated January 7, 2021, in connection with the Promissory Note;

(iii) Mortgage, dated January 7, 2021, made and executed by the Debtor in favor of the Bank, filed in Delaware County, Indiana, on January 8, 2021, as No. 2021R00360, concerning the Real Estate;

(iv) Assignment of Rents, dated January 7, 2021, made and executed by the Debtor in favor of the Bank, filed in Delaware County, Indiana, on January 8, 2021, as No. 2021R00361, concerning the Real Estate;

(v) U.S. Small Business Administration Security Agreement, between the Debtor and the Bank, dated January 7, 2021, in connection with Loan No. ending in 82-03;

(vi) UCC-1 Financing Statement, filed in the Office of the Indiana Secretary of State on January 7, 2021, in favor of the Bank and identified as No. 202101072725781; and

(vii) Assignment of Deposit Account, wherein the Debtor granted the Bank a security interest in its checking account ending in 7668;

(collectively, the "Prepetition Loan Documents").

D. Pursuant to the Prepetition Loan Documents, the Debtor granted security interests in and/or liens upon the Real Estate and all of the Debtor's personal property.

E. As represented in the Motion and by the proffer made by the Trustee's counsel at the preliminary hearing, the Estate does not have sufficient available sources of working capital and financing to maintain the Real Estate and the Debtor's personal property until the closing of the sale of the Real Estate and Personal Property without the Postpetition Financing from the TIP Lender as described in this Interim Financing Order. The Trustee's ability to obtain the funds needed by the Trustee in this case through the Postpetition Financing is essential to the maintenance and preservation of the Real Estate and Personal Property. In addition, for the reasons set forth by the Trustee in the Motion and by the proffer made by the Trustee's counsel at the preliminary hearing, the Trustee's need for financing from the TIP Lender is immediate.

In the absence of the Postpetition Financing, the Trustee would not be able to maintain the Real Estate and the Personal Property, causing serious and irreparable harm to the Estate.

F. The TIP Lender would not agree to provide the Postpetition Financing to the Trustee except under the terms of the Interim Financing Order and anticipated final order, assuring that the liens and the superpriority claims, and other protections granted to the TIP Lender pursuant to the Interim Financing Order and anticipated final order will not be affected by any subsequent reversal or modification of the Interim Financing Order or any other order, as provided in section 364(e) of the Bankruptcy Code, which is applicable to the Postpetition Financing contemplated by the Motion and this Interim Financing Order. The TIP Lender has acted in good faith, as that term is used in section 364(e) of the Bankruptcy Code, consenting to and agreeing to provide the Postpetition Financing to the Trustee contemplated by this Interim Financing Order.

G. The TIP Lender will only make the Postpetition Financing available to the Trustee: (a) pursuant to the terms and condition of this Interim Financing Order; (b) provided that the Court enters this Interim Financing Order; and (c) provided that the Trustee complies with each and every term and condition of this Interim Financing Order.

H. Given the Debtor's current financial condition, the Trustee has asserted that she cannot obtain unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense or otherwise. The Trustee has asserted that financing on a postpetition basis is not otherwise available without the Trustee: (a) granting to the TIP Lender, pursuant to section 364(c)(1) of the Bankruptcy Code, claims having priority over any and all administrative expenses of the kinds specified in sections 503(b) and 507(b) of the Bankruptcy Code, with the exception of the Carveout; (b) securing, pursuant to sections 364(c) and (d) of the Bankruptcy

Code, such indebtedness and obligations with security interests in and liens on all of the assets and property of the Debtor, (i.e., the Postpetition Collateral); and (c) providing for adequate protection of the TIP Lender's interests in the Postpetition Collateral as described in this Interim Financing Order.

I. Notice of the preliminary hearing on the Motion (the "Hearing") and the relief requested in the Motion has been given to (i) the Office of the United States Trustee; (ii) the Debtor's counsel; (iii) the TIP Lender's counsel; (iv) those parties who have requested notice pursuant to Bankruptcy Rule 2002; (v) all other purported secured creditors; and (vi) the 20 largest unsecured creditors included on the list required by Bankruptcy Rule 1007(d). Under the circumstances, such notice constitutes adequate and sufficient notice under sections 105, 362(d), 363(b) and 364(d) of the Bankruptcy Code and Bankruptcy Rules 2002 and 4001, and no other notice need be given under the facts and circumstances.

J. At the Hearing, the Court considered representations made by counsel for the Trustee, offers of proof made by counsel for the Trustee, and/or testimony regarding:

(i) The negotiations pertaining to this Interim Financing Order and the Postpetition Financing;

(ii) The necessity for the Postpetition Financing and entry of this Interim Financing Order;

(iii) The Trustee's need for credit under the terms and conditions set forth in this Interim Financing Order;

(iv) The Agreed Expenses needed to be paid in connection with the preservation and maintenance of the Real Estate and Personal Property; and

(v) The other Agreed Expenses that the Trustee is requiring to be paid.

K. Based on the record presented to the Court, the terms of the Postpetition Financing and this Interim Financing Order are fair and reasonable, are ordinary and appropriate

for secured financing under the circumstances, reflect the Trustee's exercise of prudent business judgment consistent with her fiduciary duties, and is supported by reasonably equivalent value and fair consideration.

L. The Trustee has requested immediate entry of this Interim Financing Order. The permission granted in this Interim Financing Order to enter into the Postpetition Financing with the TIP Lender and to obtain funds thereunder is necessary to allow the Trustee to maintain and preserve the Real Estate and the Personal Property until the Trustee closes on the sale of such property.

M. The TIP Lender has agreed to the Carveout in that the TIP Lender's Postpetition Financing Lien and Superpriority Admin Expense shall be subordinated only to the Agreed Expenses not otherwise paid from the Loan.

N. The Court concludes that entry of this Interim Financing Order is in the best interest of the Estate and its creditors as implementation of this Interim Financing Order will, among other things, provide the Trustee with the necessary liquidity to maintain and preserve the Real Estate and the Personal Property until the Trustee closes on the sale of such property.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED, EFFECTIVE IMMEDIATELY, AND AGREED AMONG THE PARTIES HERETO THAT:

1. The Motion is GRANTED on an interim basis as set forth in this Interim Financing Order.

2. The Trustee, on behalf of the Estate, is authorized to obtain the Postpetition Financing from the TIP Lender, pursuant to section 364(c) of the Bankruptcy Code, subject to the terms and conditions contained in this Interim Financing Order. Entry of this Interim

Financing Order shall represent valid and binding obligations of the Estate and the TIP Lender, enforceable against the Estate and the TIP Lender in accordance with the terms and conditions contained herein.

3. **Postpetition Financing Amount.** Any and all amounts necessary to pay in full the Agreed Expenses, without interest.

4. **Source of Postpetition Financing.** The source of the Postpetition Financing shall come from the following: (a) a loan in an amount not to exceed $55,000.00, unless otherwise agreed to in writing by the Trustee and the TIP Lender, without further Court order (the "Loan"); and (b) a carveout from the net proceeds at the closing on the sale of the Debtor's Real Estate and Personal Property. To the extent the total amount of the Agreed Expenses cannot be determined as of the date of the closing on the sale of the Debtor's Real Estate and Personal Property, the Trustee and the TIP Lender shall agree upon a sufficient amount to be escrowed (the "Escrow Amount") with the Trustee, in a no fee account, to cover the anticipated Agreed Expenses that remain to be paid, with any remaining balance of the Escrow Amount to be returned to the TIP Lender upon payment in full of all Agreed Expenses. Provided, however, in the event the Escrow Amount is not sufficient to pay all Agreed Expenses, the TIP Lender shall advance additional funds to the Trustee in order to pay all Agreed Expenses in full.

5. **Use of Postpetition Financing.** The Trustee, on an interim basis, is authorized to use the proceeds from the Postpetition Financing (i.e., from the Loan) and any cash collateral in accordance with the terms and conditions contained herein and with the Budget attached as **Exhibit 2** to the Motion, namely, to provide necessary working capital to the Trustee to fund only the following Agreed Expenses: (a) the expenses associated with the maintenance and preservation of the Debtor's Real Estate and Personal Property until the closing of the sale of the

Debtor's Real Estate and Personal Property, as set forth in the Budget, with such expenses not varying from the Budget by more than 10% in the aggregate without written approval from the TIP Lender; (b) any and all amounts due and owing to Patidar Hotel Management Inc. pursuant to the *Property Services Agreement*; and (c) any and all statutory quarterly fees owed to the United States Trustee Program by the Estate.

6. **Postpetition Collateral.** The Postpetition Collateral shall include all property and interests in property of the Debtor whether acquired by the Debtor and the Debtor's bankruptcy estate prior to the Petition Date or from and after the Petition Date and any proceeds therefrom including (i) accounts receivable, (ii) the real property, furniture, fixtures, equipment and fixed assets, (iii) inventory and other goods, (iv) instruments and documents of title, (v) general intangibles (including, without limitation, all trademarks, patents, rights under licenses (whether as licensor or licensee) and other intellectual property, rights with respect to insurance policies, state, federal and foreign tax and duty refunds, open purchase orders, customer lists, and rights under leases), (vi) investment property, (vii) all monies, securities, cash, cash equivalents contained in deposit accounts maintained by or for the benefit of the Debtor and the Trustee, (viii) commercial tort claims, (ix) letter of credit rights, (x) rights under leases of real property, (xi) all books and records (including electronic media) of the Debtor, (xii) equity interests of the Debtor in any subsidiaries or affiliates, and (xiii) the proceeds and products of all of the foregoing.

7. **Postpetition Financing Lien.** The obligation of the Estate to repay the TIP Lender is secured by a first priority lien on the Postpetition Collateral, subject only to the Carveout. The Postpetition Financing Lien is perfected automatically upon entry of this Interim Financing Order, without the necessity of the execution, filing and/or recordation of security

agreements, control agreements, patent security agreements, trademarks security agreements, pledge agreements, financing statements or otherwise.

8. **Superpriority Status.** Subject only to the Carveout, the total amount of the Postpetition Financing is allowed as a superpriority administrative expense with priority in this case under sections 364(c)(1), 503(b) and 507(b) of the Bankruptcy Code and has priority over any and all administrative expenses and all other claims against the Estate, now existing or hereafter arising, of any kind whatsoever, including without limitation, all administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code.

9. **Carveout.** The TIP Lender's Prepetition Liens, the Postpetition Financing Lien and the Superpriority Admin Expense are subordinated only to the Agreed Expenses not otherwise paid pursuant to the Loan (the "Carveout").

10. **Agreed Expenses.** The Trustee is hereby authorized to use the Postpetition Financing to pay the Agreed Expenses, which include the following:

(a) The expenses associated with the maintenance and preservation of the Debtor's Real Estate and Personal Property until the closing of the sale of the Debtor's Real Estate and Personal Property as set forth in the Budget, with such expenses not varying from the Budget by more than 10% in the aggregate without written approval from the TIP Lender;

(b) The Trustee's allowed hourly compensation, which shall be $525 per hour; provided however, such allowed Trustee compensation in combination with the Trustee's allowed expense reimbursements set forth in (c) and the allowed fees and expense reimbursements of the Trustee's counsel, Rubin & Levin, P.C. as set forth in (d), shall not exceed the Trustee Cap Amount (defined below);

(c) The Trustee's allowed expense reimbursements, including, among other things, bond expense, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document retrieval, photocopying charges, charges for mailing supplies provided by the Trustee to outside copying services for use in mass mailings, travel expenses, computerized research, and transcription costs, which, in combination with the Trustee's allowed compensation set forth in (b) and the allowed fees of the Trustee's counsel, Rubin

& Levin, P.C. as set forth in (d), shall not exceed the Trustee Cap Amount (defined below);

(d) The allowed fees and expenses of the Trustee's counsel, Rubin & Levin, P.C., which, in combination with the Trustee's allowed compensation and expense reimbursement in this case and in Raliam's bankruptcy case and Rubin & Levin, P.C.'s allowed fees and expenses in Raliam's bankruptcy case, shall not exceed the total amount of $150,000.00 (the "Trustee Cap Amount");

(e) The allowed fees and expenses of the Trustee's accounting professional, BGBC Advisory d/b/a Springline Advisory; provided, however, the TIP Lender shall retain the right to object to the allowance and payment of any such professional fees and expenses;

(f) Any and all amounts due and owing to Patidar Hotel Management Inc. pursuant to the *Property Services Agreement*;

(g) Any and all statutory quarterly fees owed to the United States Trustee Program by the Estate;

(h) With the exception of any chapter 11 administrative expenses of the Debtor's professionals, any other chapter 11 administrative expenses incurred, including, but not limited to, any taxes that may be owed by the Estate; and

(i) Any other expenses agreed to by the TIP Lender, in writing, to be paid from the Postpetition Financing

(collectively, the "Agreed Expenses"). The Loan shall only be utilized to pay the Agreed Expenses set forth in subsections (a), (f) and (g). All other Agreed Expenses are to be paid from the Carveout.

11. **Maturity Date/Repayment.** The obligation of the Estate to repay the TIP Lender is without interest and contingent upon the Estate's liquidation and administration of any assets of the Estate other than the Debtor's Real Estate and Personal Property.

12. Any stay, modification, reversal or vacation of this Interim Financing Order shall not affect the validity of any obligation of the Estate to the TIP Lender incurred pursuant to this Interim Financing Order. Notwithstanding any such stay, modification, reversal or vacation, all loans made pursuant to this Interim Financing Order, all use of cash collateral and all

Postpetition Financing incurred by the Estate pursuant hereto prior to written notice to the TIP Lender of the effective date of any such stay, modification, reversal or vacation, shall be governed in all respects by the provisions hereof and the TIP Lender shall be entitled to all the rights, privileges and benefits of this Interim Financing Order, including without limitation, the Postpetition Financing Lien and Superpriority Admin Claim granted herein to the TIP Lender, subject only to the Carveout.

13. The Trustee is authorized to perform all acts, and execute and comply with the terms of such other documents, instruments and agreements as the TIP Lender may reasonably require, as evidence of and for the protection of the Postpetition Financing, or which otherwise may be deemed reasonably necessary by the TIP Lender to effectuate the terms and conditions of this Interim Financing Order.

14. The terms of this Interim Financing Order shall be valid and binding upon the Trustee, the Debtor and all of the respective creditors of the Debtor, and all other parties in interest from and after the date of this Interim Financing Order. In the event the Court modifies any of the provisions of this Interim Financing Order following such further hearing, such modifications shall not affect the rights and priorities of the TIP Lender pursuant to this Interim Financing Order with respect to the Postpetition Collateral and any portion of the Postpetition Financing which arises, or is incurred or is advanced prior to such modifications (or otherwise arising prior to such modifications), and this Interim Financing Order shall remain in full force and effect except as specifically amended or modified at such final hearing.

15. Any applicable stay (including without limitation, under Bankruptcy Rule 6004(h)) is hereby waived and shall not apply to this Interim Financing Order.

16. **Notice of Final Hearing and Objection Deadline.** Objections to the Motion, if any, must be in writing and shall be filed no later than **August 3, 2026**, either on the Court's website at www.insb.uscourts.gov, or in writing with the United States Bankruptcy Clerk, Room 116 U.S. Courthouse, 46 East Ohio Street, Indianapolis, IN 46204, with copies to: (a) counsel for the Trustee, Morgan A. Decker, Esq., Rubin & Levin, P.C., 135 N. Pennsylvania Street, Suite 1400, Indianapolis, IN 46204; (b) Office of the United States Trustee, 46 East Ohio Street, Room 520, Indianapolis, IN 46204; and (c) counsel for the TIP Lender, Kay Dee Baird, Kreig DeVault, LLP, One Indiana Square, Suite 2800, Indianapolis, IN 46204. A final hearing on the Motion will be held on **August 5, 2026** at **1:30 p.m.** (prevailing Eastern time), in Room 311 of the United States Courthouse, 46 East Ohio Street, Indianapolis, IN 46204.

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