United States Bankruptcy Court
Southern District of Texas
ENTERED
August 07, 2026
Nathan Ochsner, Clerk

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§ Chapter 11
LURIN REAL ESTATE HOLDINGS XXI, LLC, *et al.*	§ Case No. 26-90344 (ARP)
Debtors.[1]	§ (Jointly Administered)

INTERIM ORDER (I) AUTHORIZING ELEMENTS DEBTOR TO UTILIZE CASH COLLATERAL, (II) PROVIDING ADEQUATE PROTECTION, (III) MODIFYING THE AUTOMATIC STAY, AND (IV) GRANTING RELATED RELIEF

[Relates to Docket No. 616]

Upon the *Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Elements Debtor to Use Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "Cash Collateral Motion") of Lurin Real Estate Holdings XLII, LLC (the "Elements Debtor");[2] and this Court having considered the Cash Collateral Motion, the exhibits attached thereto, the Elements Declaration, the evidence submitted, and the record made at the hearing held before this Court (the "Interim Cash Collateral Hearing"), and due, proper and sufficient notice of the Cash Collateral Motion having been given in accordance with Bankruptcy Rules 4001(b), (c), and (d) and 9014, and Local Rules 2002-1, 4001-1(a), 4001-1(b), and 9013-1; and the Interim Cash Collateral Hearing to consider the relief requested in the Cash Collateral Motion having been held and

[1] A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at https://restructuring.ra.kroll.com/Lurin/Home-Index. The location of the Debtors' service address is: 2101 Cedar Springs, Suite 1050, Dallas, TX 75201.

[2] Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Cash Collateral Motion.

concluded, and the offer of proof having been accepted into evidence at such Interim Cash Collateral Hearing; and all objections, if any, to the relief requested in the Cash Collateral Motion having been withdrawn, resolved, or overruled by this Court; and BDS IV Mortgage Capital J LLC (the "Lender") consenting to entry of this Interim Order, and it appearing to this Court that granting the interim relief requested is necessary to avoid immediate and irreparable harm to the Elements Debtor and its estate (as defined under Bankruptcy Code section 541, the "Estate"), and otherwise is fair and reasonable and in the best interests of the Elements Debtor, its Estate, and its creditors and equity holders, and is essential for the continued operation of the Elements Debtor's business; and after due deliberation and consideration, and good and sufficient cause appearing therefor;

THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:[3]

A. Petition Date. On August 3, 2026 (the "Petition Date"), the Elements Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in this Court commencing this Chapter 11 Case. On May 5, 2026, the U.S. Trustee appointed a three-member official committee of unsecured creditors (the "Committee") in the jointly administered Chapter 11 Cases [Docket No. 265].

B. Debtor in Possession. The Elements Debtor continues to manage and operate its business and property as debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed.

C. Jurisdiction and Venue. This Court has jurisdiction over the Chapter 11 Case, the Motion, and the parties and property affected hereby pursuant to 28 U.S.C. § 1334(b). This is a

[3] Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. *See* Bankruptcy Rule 7052.

core proceeding pursuant to 28 U.S.C. § 157(b). Venue for this Chapter 11 Case and the proceedings on the Cash Collateral Motion is proper before this Court under 28 U.S.C. § 1408. The predicates for the relief set forth herein are sections 105(a), 361, 362, and 363 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004, and 9014 and Bankruptcy Local Rules 4001-1 and 9013-1.

D. **Notice**. In accordance with Bankruptcy Rules 2002, 4001(b) and (c), and 9014, and Local Rule 2002-1, notice of the Interim Cash Collateral Hearing and the emergency relief requested in the Cash Collateral Motion has been provided by the Elements Debtor to the Notice Parties (as defined in the Cash Collateral Motion) as set forth therein. Under the circumstances, the notice given by the Elements Debtor of the Cash Collateral Motion, the relief requested herein, and the Interim Cash Collateral Hearing complies with Bankruptcy Rules 2002, 4001(b) and (c), and 9014 and Local Rule 2002-1.

E. **Prepetition Secured Indebtedness**. Subject to paragraph 11 hereof, the Elements Debtor represents, admits, stipulates and agrees as follows (the "Stipulations"):

1. On or about January 28, 2025, the Lender extended a loan to the Elements Debtor in the original principal amount of $110,000,000 (the "Loan"). The Loan is governed by that certain Loan Agreement dated January 28, 2025 (the "Loan Agreement"), is evidenced by, *inter alia*, that certain Amended and Restated Promissory Note in the maximum principal amount of $110,000,000 (the "Note"), and it is secured by that certain Amended and Restated Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (the "Mortgage" and together with the Loan Agreement, Note, and other Loan Documents (as that term is defined in the Loan Agreement), the "Loan Documents").

2. Also on or about January 28, 2025, Jon P. Venetos (the "Guarantor") executed that certain Guaranty of Recourse Obligations (the "Guaranty"), whereby the Guarantor irrevocably and unconditionally guaranteed to the Lender the prompt and unconditional payment of all obligations and liabilities of the Elements Debtor, for which the Elements Debtor shall be personally liable pursuant to the Loan Documents.

3. The Loan Documents, including the Mortgage, granted the Lender a lien on, and first priority security interest in, all assets of the Elements Debtor, whether now owned or existing or hereafter acquired or arising, and all proceeds and products thereof. The Mortgage was recorded on January 28, 2025, as Official Records Instrument No. 2025029317, Book 23047, Page 610, *et seq.*, of the Public Records of Pinellas County, Florida, and the Lender recorded a UCC-1 with the Delaware Secretary of State.

4. As of the Petition Date, approximately $124,830,674.38 is owed under the Loan Documents, inclusive of (i) principal, interest (including default interest), costs, fees and expenses owed to the Lender under the Loan Agreement, (ii) per diem interest and charges accruing under the Loan Documents, and (iii) the Insurance Payments, *plus* (iv) any amounts advanced by, or expenses or charges incurred by, the Lender from and after the Petition Date and pursuant to the Loan Documents, and (v) estimated legal fees, costs and expenses accruing from the Petition Date through the conclusion of this Chapter 11 Case (the foregoing (i) through (v), the "Loan Obligations").

5. The Loan Obligations shall constitute an allowed secured claim to the extent of the value of the Prepetition Collateral (the "Allowed Secured Claim") for all purposes under the Bankruptcy Code, including for purposes of exercising the Lender's rights under section 363(k) of the Bankruptcy Code; *provided that* the Lender's right to credit bid under section

363(k) shall be limited as set forth in paragraph 10(h) herein, and shall not be subject to counterclaim, setoff, subordination, recharacterization, reduction, defense or avoidance. Notwithstanding the entry of an order establishing a bar date in this Chapter 11 Case, the Lender shall not be required to file any proof of claim with respect to the Allowed Secured Claim.

6. The Loan Obligations constitute allowed, legal, valid, binding, enforceable, and non-avoidable obligations of the Elements Debtor, and are not subject to any offset, deduction, defense, counterclaim, avoidance, recovery, recharacterization, or subordination pursuant to the Bankruptcy Code or any other applicable law, and the Elements Debtor does not possess, and shall not assert, any claim, counterclaim, setoff, deduction, or defense of any kind, nature, or description that would in any way impair, reduce, or affect the validity, enforceability, and nonavoidability of any of the Loan Obligations.

F. **Reserve Accounts**. The Lender maintains certain reserve accounts (the "Reserve Accounts") in connection with the Loan that shall be used to fund the Lender Advance (as set forth in the Budget) and the Adequate Protection Payments (as defined below).

G. **Necessity of Relief Requested**. The Elements Debtor would not have sufficient available sources of capital to operate its business in the ordinary course or to maintain its property without the use of Cash Collateral. Without access to, and the ability to use Cash Collateral, the Elements Debtor's ability to manage, administer and preserve its estate would be immediately and irreparably harmed, thereby materially impairing its estate and creditors and the likelihood of a successful outcome in this Chapter 11 Case.

H. **Insurance Premiums**. Prior to the Petition Date, the Lender funded certain insurance premiums necessary to maintain coverage for the Elements Debtor's assets and

operations during this Chapter 11 Case in the amount of $442,841.50 (the "Insurance Payments"). The Insurance Payments advanced by the Lender shall constitute Loan Obligations owed by the Elements Debtor to the Lender under the Loan Documents. In connection with funding the Insurance Payments, the Lender required that any refunds, rebates, unearned premiums, or other amounts payable relating to the Insurance Payments (the "Insurance Payment Refunds") be remitted directly to the Lender. To effectuate the foregoing, the Elements Debtor is hereby authorized and directed to execute and deliver the letter attached hereto as **Exhibit B** (the "Insurance Refund Letter") to each applicable insurer, directing that any Insurance Payment Refunds be remitted directly to the Lender.

I. **Cash Collateral**. For purposes of this Interim Order, the term "Cash Collateral" shall be deemed to include, without limitation, all of the Elements Debtor's "Cash Collateral" as defined under section 363 of the Bankruptcy Code, in which the Lender has valid, perfected security interests, liens, or mortgages in or under the Loan Documents as of the Petition Date and postpetition proceeds, products, offspring, or profits thereof to the extent provided in the Loan Documents.

J. **Prepetition Collateral**. For purposes of this Interim Order, the term "Prepetition Collateral" shall be deemed to be comprised of the Elements Debtor's property in which the Lender has a valid, perfected, properly recorded, legal, valid, enforceable, non-avoidable security interest, lien, or mortgage in or under the Loan Documents as of the Petition Date.

K. **Necessity of Relief Requested**. The relief requested in the Cash Collateral Motion (and as provided in this Interim Order) is necessary, essential, and appropriate for the continued operation of the Elements Debtor's business, the administration of the Chapter 11 Case, and the management and preservation of the Elements Debtor's assets and its Estate. It is in the best

interest of the Elements Debtor's Estate that it be allowed to use the Cash Collateral under the terms hereof. The Elements Debtor has demonstrated good and sufficient cause for the relief granted herein.

L. **Terms of Cash Collateral Use**. The terms for the Elements Debtor's use of Cash Collateral and the adequate protection arrangements provided pursuant to this Interim Order are fair and reasonable under the circumstances of the Chapter 11 Case, reflect the Elements Debtor's exercise of prudent business judgment consistent with its fiduciary duties, and is essential for the preservation of the Elements Debtor's assets. The use of Cash Collateral in accordance with this Interim Order is in the best interests of the Elements Debtor and its Estate, its creditors, and other parties in interest, and will, among other things, allow for the continued operation of the Elements Debtor's existing businesses and preserve value for all stakeholders.

IT IS ORDERED AS FOLLOWS:[4]

1. **Motion Approved as Provided Herein**. The Cash Collateral Motion is granted solely on an interim basis in accordance with the terms of this Interim Order. All objections to and reservations of rights with respect to the Cash Collateral Motion and to the entry of this Interim Order to the extent not withdrawn or resolved are hereby overruled on the merits in their entirety; *provided however*, that all objections and rights are preserved for consideration at a final hearing on the Cash Collateral Motion.

2. **Allowed Secured Claim**. The Allowed Secured Claim is hereby allowed in full and shall constitute a secured claim to the extent of the value of the Prepetition Collateral for all purposes under the Bankruptcy Code.

[4] This order shall hereafter be referred to as the "Interim Order."

3. **Reserve Accounts**. The Reserve Accounts shall be used to fund the Adequate Protection Payments required under this Interim Order. Notwithstanding anything to contrary herein, to the extent additional funds are required to fund any item set forth in the Interim Budget other than the Adequate Protection Payments (as defined below), the Reserve Accounts shall first be used to fund such items, and only thereafter shall be applied to fund the Adequate Protection Payments.

4. **Approved Budget**. The 14-Week Interim Budget attached hereto as **Exhibit A** setting forth all projected cash receipts and cash disbursements on a weekly basis, is approved (the "Interim Budget"). The Interim Budget includes and contains the Elements Debtor's reasonable estimate of all operational receipts and all operational disbursements, fees, costs and other expenses that will be payable, incurred and/or accrued by the Elements Debtor during the period covered by the Interim Budget. The Elements Debtor shall not spend Cash Collateral in excess of 110% of each line item set forth in the Interim Budget (the "Line Item Cap"). The Elements Debtor shall be permitted to submit a revised Budget (a "Revised Budget") to the Lender subject to a four-day objection period (a "Budget Objection Period") and also subject to the Line Item Cap. Such Revised Budget shall become the Interim Budget effective upon the expiration of such period unless the Lender submits an objection in writing prior to the end of such Budget Objection Period. If an objection to a Revised Budget cannot be consensually resolved, the Court shall hear such objection on an expedited basis and determine the resolution thereof.

5. **Adequate Protection for the Lender**. The Lender is entitled to adequate protection of its interests in the Prepetition Collateral and Cash Collateral, solely to the extent of any diminution in value of the Prepetition Collateral (the "Adequate Protection"). The Elements Debtor will provide the Lender (A) replacement liens (the "Replacement Liens") on all of the

Prepetition Collateral, solely to the extent such use of the Prepetition Collateral, including Cash Collateral, results in a decrease or diminution in the value of the Lender's interest in such Prepetition Collateral, and (B) monthly payments (the "Adequate Protection Payments") in the amount of $500,000 to be funded from the Reserve Accounts as set forth in this Interim Order and the Interim Budget, with the first Adequate Protection Payment due on the date of entry of this Interim Order and each subsequent Adequate Protection Payment due on the corresponding date of each of the following five (5) months. For purposes of this Interim Order, these are valid forms of adequate protection pursuant to section 361(2) of the Bankruptcy Code. Further, by allowing the Elements Debtor use of Cash Collateral, the Elements Debtor will be able to continue to operate its business and significantly increase the likelihood of a greater recovery to the Lender and other stakeholders.

6. **Insurance Refund Letter.** The Elements Debtor shall execute and deliver the Insurance Refund Letter to each applicable insurer, directing that any Insurance Payment Refunds be remitted directly to the Lender.

7. **Use of Prepetition Collateral, Including Cash Collateral**. Subject to the terms and conditions of this Interim Order, and in accordance with the Interim Budget, the Elements Debtor is hereby authorized to use the Prepetition Collateral, including Cash Collateral, for working capital and ordinary course operating expenses of the Elements Debtor's property (the "Elements Property") in accordance with the Interim Budget for the budget period.

8. **Cash Management**. All rents and other revenues of the Elements Property shall be deposited into a segregated "debtor in possession" account maintained by the Elements Debtor and used solely in accordance with the Interim Budget. Notwithstanding anything to the contrary in the Deposit Account Control Agreement ("DACA"), account ending in 5340 (the "DACA

Account"), on and after the Petition Date, the Lender shall not sweep any funds from the DACA Account. Funds deposited in the DACA Account will be estate property, and the Elements Debtor shall maintain control of those funds, including the ability to disburse those funds pursuant to the Budget.

9. **Reporting**. No later than Friday of each week, the Elements Debtor shall provide the Lender with a report comparing the actual income and expenses in each budget category with the forecast budget and identify the percentage variance for the preceding week. Any reporting provided to the Lender, any revised proposed Interim Budget, and any appraisal pursuant to this Interim Order shall be promptly provided to the Committee.

10. **Carve-Out**. Notwithstanding anything herein to the contrary, the Adequate Protection granted to the Lender and the Lender's prepetition liens on the Prepetition Collateral shall be subject to a carve-out (a "Carve-Out") for: (i) all fees required to be paid by the Elements Debtor to the Clerk of the Court and all statutory fees payable to the Office of the United States Trustee under section 1930(a) of title 28 of the United States Code, together with the statutory rate of interest; (ii) all reasonable and documented fees, costs and expenses up to $25,000 incurred by a trustee under section 726(b) of the Bankruptcy Code; (iii) compensation for reasonable and necessary services rendered and reimbursement of reasonable and necessary expenses incurred that are permitted to be paid under sections 330 or 331 of the Bankruptcy Code to counsel and advisors retained in the Elements Debtor's chapter 11 case, including for the Committee's counsel and advisors (collectively, the "Restructuring Professionals"); *provided that* such professionals are included in the Interim Budget in an amount not to exceed $500,000 total for all Restructuring Professionals (excluding broker fees) as set forth in the Interim Budget (unless otherwise agreed by the Restructuring Professionals and the Lender); and (iv) compensation for reasonable and

necessary services rendered and reimbursement of reasonable and necessary expenses incurred after termination of this Interim Order that are permitted to be paid under sections 330 or 331 of the Bankruptcy Code to Restructuring Professionals in an amount not to exceed $25,000. For the avoidance of doubt, none of the amounts subject to the Carve-Out may be used to: (i) investigate, initiate, prosecute, join, or finance the initiation or prosecution of any claim, counterclaim, action, suit, arbitration, proceeding, application, motion, objection, defense, or other litigation of any type (a) against the Lender, (b) seeking to invalidate, set aside, avoid or subordinate, in whole or in part, the Loan Obligations or the Lender's liens related to the Loan Obligations, or (c) for monetary, injunctive, or other affirmative relief against the Lender; (ii) object to or challenge in any way the legality, validity, extent, priority, perfection or enforceability of the claims, liens, or interests held by or on behalf of the Lender related to the Loan Obligations; (iii) assert, commence or prosecute any claims or causes of action against the Lender; or (iv) prosecute an objection to, contest in any manner or raise any defenses to, the validity, extent, amount, perfection, priority or enforceability of the Lender's liens or any other rights or interests of the Lender related to the Loan Obligations.

11. **Professional Fee Account**. The Elements Debtor shall utilize cash on hand, including Cash Collateral to the extent required, to fund, on a weekly basis, a segregated account of the Elements Debtor (the "Professional Fee Account") in an amount equal to the amount budgeted for the Restructuring Professionals. The Professional Fee Account shall not be subject to the Lender's control or claims, including the Replacement Liens; *provided that* the Replacement Liens shall attach solely to the residual cash balance, if any, in the Professional Fee Account available following payment in full in cash of all allowed professional fees pursuant to a final order.

12. **The Elements Sale**. The sale of the Elements Debtor's assets shall be sold pursuant to the following milestones (the "Milestones"):

a. on the Petition Date, Elements shall have filed a motion to approve bidding procedures;

b. no later than four (4) business days after the Petition Date, (i) the Bankruptcy Court shall have entered the Interim Cash Collateral Order, which shall include an interim Budget, each in form and substance reasonably acceptable to the Lender, approving the Elements Debtor's use of cash collateral on an interim basis; and (ii) the Elements Debtor shall have filed an application to retain Cushman & Wakefield as its broker;

c. no later than fourteen (14) days after the Petition Date, Elements shall have filed a plan of liquidation (the "Plan"), a disclosure statement for the Plan (the "Disclosure Statement"), and a motion seeking conditional approval of the Disclosure Statement;

d. no later than thirty-five (35) days after the entry of this Interim Order, the Court shall have entered (i) the final cash collateral order, which shall include a final Budget, with such changes or revisions reasonably acceptable to the Lender, approving the Elements Debtor's use of cash collateral on a final basis; and (ii) an order conditionally approving the Disclosure Statement;

e. no later than fifty-five (55) days after the Petition Date, the Bankruptcy Court shall have entered an order conditionally approving the Disclosure Statement;

f. no later than one hundred fifty (150) days after the Petition Date, the Court shall have entered the order confirming the Plan, which will include (among other things) approval of the sale of substantially all of Elements' assets (the "Confirmation Date"); and

g. no later than thirty (30) days after the Confirmation Date, the Plan effective date shall have occurred.

h. subject to paragraph 11 herein, the Lender has submitted a stalking horse bid for the Assets consisting of a credit bid pursuant to section 363(k) of the Bankruptcy Code in an amount equal to $118,630,636.86 (the "Stalking Horse Bid"); *provided* that the amount of such Stalking Horse Bid may increase prior to the auction, if any, to reflect additional amounts incurred or advanced by the Lender after the Petition Date under the Loan Documents, subject to a reasonable cap agreed upon by the Lender and the Elements Debtor. For the avoidance of doubt, the amount of the Stalking Horse Bid as set forth in this paragraph does not impair, reduce, limit, or otherwise affect the Loan Obligations or the Allowed Secured Claim; *provided* that so long as a Sale (including any Sale to a third party purchaser) closes no later than thirty (30) days after the Confirmation Date, the Loan Obligations shall be reduced to exclude any default interest and late fees.

i. Willow Bridge shall serve as property manager through consummation of the sale transaction unless otherwise agreed by the Lender.

13. **Challenge Period**. The stipulations herein (including the Stipulations) shall be binding upon the Elements Debtor and its estate in all circumstances, and any chapter 11 trustee, any chapter 7 trustee, or other party seeking to bring claims or challenges on behalf of the Elements Debtor's estate, unless a party in interest with standing (including the Committee) files an adversary proceeding challenging the validity, priority, or enforceability of the Lender's liens or claims within forty-five (45) days after entry of this Interim Order (the "Challenge Period"). Nothing in this paragraph shall be deemed to confer standing on any party that does not otherwise have standing under applicable law. The Challenge Period may be extended with the written consent of the Lender.

14. **Defaults; Rights and Remedies**. The failure to comply with any of the Milestones shall constitute an "Event of Default" under this Interim Order. Upon the occurrence and continuation of any Event of Default, the Lender shall provide the Elements Debtor (a) written notice of any such Event of Default and (b) five (5) days to cure any such Event of Default from the date of such written notice (the "Cure Period"). If the Elements Debtor has not cured any such Event of Default by the expiration of the Cure Period, the Elements Debtor's authority to use Cash Collateral shall automatically terminate in all respects without further notice, action or order of this Court.

15. **Rights Preserved**. Other than as expressly set forth in this Interim Order, any other rights, claims, or privileges (whether legal, equitable, or otherwise) of the Elements Debtor, the Committee, and the Lender are preserved. Nothing contained herein shall be deemed to be a finding by this Court or an acknowledgement by the Lender that the adequate protection granted herein does in fact adequately protect the Lender's purported interests on an interim basis. For the avoidance of doubt, nothing contained herein is intended or shall be construed as: (i) an admission

as to the validity of any prepetition claims against the Elements Debtor; (ii) a waiver of the Elements Debtor's or any other party in interest's rights to dispute any prepetition claim on any grounds; (iii) an implication or admission that any particular claim is of a type specified or defined in the Cash Collateral Motion or any order granting the relief requested by the Cash Collateral Motion; (iv) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (v) a waiver of the Elements Debtor's or any other party in interest's rights under the Bankruptcy Code or any other applicable law. Additionally, all findings of fact, conclusions of law, and relief granted in this Interim Order shall in all respects be subject to reconsideration *de novo* at a final hearing on the Cash Collateral Motion. For the avoidance of further doubt, nothing contained herein is intended or shall be construed as waiver, impairment, or compromise of any rights, claims or remedies of the Lender against the Elements Debtor or any other parties, including the Guarantor under the Guaranty, the Loan Documents or applicable law.

16. **Appraisal Cooperation**. As a condition to entry of this Interim Order, the Elements Debtor shall provide all practicable support and cooperation to the Lender and its professionals in conducting and completing an appraisal of the Elements Property during the effective period of this Interim Order, at the expense of the Lender. The Committee shall receive a copy of any such appraisal.

17. **Automatic Stay**. The automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary is modified to implement and effectuate the terms of this Interim Order.

18. **No Third Party Rights**. Except as explicitly provided for herein, this Interim Order does not create any rights for the benefit of any third party, creditor, equity holder, or any direct, indirect, or incidental beneficiary.

19. **Retention of Jurisdiction**. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

20. **Final Cash Collateral Hearing**. A final hearing to consider the relief requested in the Cash Collateral Motion on a final basis shall be held on August 28, 2026, at 9:00 a.m. (prevailing Central time). The deadline to object to entry of the final order shall be August 21, 2026, at 5:00 p.m. (prevailing Central time).

21. **Notice of Final Cash Collateral Hearing**. Within three (3) Business Days of the date of the entry of this Interim Order, the Elements Debtor shall serve, by United States mail, first-class postage prepaid, a copy of this Interim Order upon the Notice Parties.

Signed: August 07, 2026

Alfredo R Pérez
United States Bankruptcy Judge

Exhibit A

Elements on Third

Interim Cash Collateral Budget

($ in 000s)

Actual / Forecast:	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Fct*	*Total*
Forecast Week:	*1*	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*	*12*	*13*	*14*	*1-14*
Week End Date:	**7-Aug**	**14-Aug**	**21-Aug**	**28-Aug**	**4-Sep**	**11-Sep**	**18-Sep**	**25-Sep**	**2-Oct**	**9-Oct**	**16-Oct**	**23-Oct**	**30-Oct**	**6-Nov**	**6-Nov**
Operating Receipts [1]	**$ 333**	**$ 133**	**$ 133**	**$ 67**	**$ 338**	**$ 135**	**$ 135**	**$ 68**	**$ 338**	**$ 135**	**$ 135**	**$ 68**	**$ -**	**$ 338**	**$ 2,358**
Operating Disbursements															
Payroll & Related	(38)	-	(38)	-	(38)	-	(38)	-	(38)	-	(38)	-	(38)	-	(266)
Administrative	(2)	(23)	(2)	(2)	(2)	(23)	(2)	(2)	(2)	(23)	(2)	(2)	(2)	(2)	(89)
Marketing	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(39)
Utilities	(2)	(1)	(1)	(1)	(15)	(30)	(6)	(6)	(13)	(28)	(4)	(4)	(4)	(15)	(133)
Service & Maintenance	(3)	(8)	(11)	(18)	(2)	(5)	(9)	(13)	(5)	(8)	(9)	(11)	(5)	(8)	(113)
Make Ready/Turns	(3)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(58)
Management Fees	-	-	-	(18)	-	-	-	(21)	-	-	-	-	(22)	-	(60)
Insurance Premiums [2]	(130)	-	-	-	-	-	-	-	-	-	-	-	-	-	(130)
Taxes [3]	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,662)	(1,662)
Total Operating Disbursements	**$ (180)**	**$ (39)**	**$ (59)**	**$ (46)**	**$ (64)**	**$ (65)**	**$ (62)**	**$ (49)**	**$ (65)**	**$ (66)**	**$ (60)**	**$ (24)**	**$ (77)**	**$ (1,692)**	**$ (2,549)**
Operating Cash Flow	**$ 153**	**$ 94**	**$ 74**	**$ 21**	**$ 274**	**$ 70**	**$ 73**	**$ 19**	**$ 273**	**$ 69**	**$ 75**	**$ 43**	**$ (77)**	**$ (1,354)**	**$ (191)**
Non-Operating Disbursements															
Adequate Protection [4]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adequate Assurance	(35)	-	-	-	-	-	-	-	-	-	-	-	-	-	(35)
Critical Vendor Payments	(25)	-	-	-	-	-	-	-	-	-	-	-	-	-	(25)
US Trustee Fee [5]	-	-	-	-	-	-	-	-	(14)	(1)	(1)	(1)	(1)	(14)	(31)
Debtor Professionals [5]	(22)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(341)
UCC Professionals [5]	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(105)
Plan Solicitation [5]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditures [6]	(11)	(262)	(78)	(11)	(6)	(371)	(6)	(6)	(8)	(44)	(8)	(8)	(8)	(8)	(832)
Total Non-Operating	**$ (100)**	**$ (294)**	**$ (110)**	**$ (43)**	**$ (38)**	**$ (403)**	**$ (38)**	**$ (38)**	**$ (53)**	**$ (77)**	**$ (40)**	**$ (40)**	**$ (41)**	**$ (53)**	**$ (1,368)**
Cash Flow before Lender Advance	**$ 53**	**$ (200)**	**$ (35)**	**$ (21)**	**$ 236**	**$ (333)**	**$ 35**	**$ (19)**	**$ 220**	**$ (7)**	**$ 35**	**$ 3**	**$ (118)**	**$ (1,408)**	**$ (1,559)**
Beginning Cash [7]	$ 383	$ 437	$ 237	$ 201	$ 180	$ 416	$ 83	$ 119	$ 100	$ 320	$ 312	$ 347	$ 350	$ 232	$ 383
Cash Flow before Lender Advance	53	(200)	(35)	(21)	236	(333)	35	(19)	220	(7)	35	3	(118)	(1,408)	(1,559)
Lender Advance	-	-	-	-	-	-	-	-	-	-	-	-	-	1,300	1,300
Ending Cash	**$ 437**	**$ 237**	**$ 201**	**$ 180**	**$ 416**	**$ 83**	**$ 119**	**$ 100**	**$ 320**	**$ 312**	**$ 347**	**$ 350**	**$ 232**	**$ 125**	**$ 125**

Notes

1. Pre-petition, rental income was deposited into a DACA account controlled by the lender with operating cash funded by lender advances. Post petition, all rents and other revenues of the Elements Property shall be deposited into a segregated "debtor in possession" accordance with the interim budget.
2. Preliminary estimate for excess liability insurance. The current policy expires August 1, 2026 and must be renewed or replaced. No renewal quote has been received and amount is subject to material change
3. Real estate property tax assumed paid in November in order to receive maximum discount.
4. Payments to the Prepetition Secured Party of $500k per month are excluded from the budget, as they are to be funded from the Lender-controlled reserve of pre-petition DACA receipts.
5. US Trustee, Professional, and Plan Solicitation fees are funded through the Carve-Out established under the Cash Collateral Order. The Debtor funds these fees weekly into a segregated account.
6. Includes roof replacements (2 buildings), life-safety items, and recurring unit-turn capital. Lender has advanced ~$319k for approved projects, which is reserved but included in the beginning cash.
7. Reflects cash in the Debtor operating account, ~$319k is reserved for capital projects funded by the lender. Excludes restricted tenant security deposits held in a segregated account.

Exhibit B

[BORROWER/INSURED LETTERHEAD]

July __, 2026

VIA EMAIL AND UPS OVERNIGHT DELIVERY

[_____]

Re: Bridge Loan:
Name of Insured: [_____]
Policy Numbers: [_____] and [_____] (the "**Policies**")
Property: [_____] (the **"Property**")

NOTICE TO INSURER

To Whom It May Concern,

We write with respect to the above-referenced Policy issued by [_____] (the "**Insurer**") relating to the Property. A copy of the certificates of insurance are enclosed for your reference.

Please be advised that the Insured transferred title to [_____], a Delaware limited liability company, the nominee of [_____] ("**Lender**") on [_____] (the "**Transfer Date**") as evidenced by that certain Special Warranty Deed recorded in the County Clerk's Office of [_____] (the "**Deed**"). Enclosed herewith is a copy of the Deed.

By this notice, the Insured provides formal notice to the Insurer to: **(i)** immediately cancel the Policies, which cancellation shall be retroactive to the Transfer Date; **(ii)** issue a refund of the unearned insurance premiums relating to the Policy period commencing on the Transfer Date and continuing through the expiration date set forth in the Policies, which refund of unearned insurance premiums shall be issued to Lender; and **(iii)** promptly furnish an accounting of the refund amount that shall be issued to Lender to the email address below**.**

We direct you to pay the refund of unearned insurance premiums by wire to Lender at the following bank account:

Citibank NA, New York
388 Greenwich Street
New York, NY 10013
Account Name: [_____]
Account No.: [_____]
ABA# 021000089 / [_____]
Re: [_____]

Please contact Teresa Hough via e-mail at Teresa.Hough@bridgeig.com to confirm receipt of this letter and the wiring instructions for the refund to be remitted to Lender.

[Signature Pages Follow]

Sincerely,

INSURED:

[_____], a Delaware limited liability company

By:_____
Name:_____
Title: Authorized Signatory

Accepted and Agreed:

[_____],
a Delaware limited liability company

By: _____
Name:
Title:

Enclosures