

UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT

IN RE: 119 THAMES LLC.
DEBTOR

CHAPTER 11

119 THAMES LLC..
MOVANT

CASE NO. 18-21359

V.

RCN CAPITAL, LLC
RESPONDENTS

RE: ECF No. 6

**THIRD 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 August 19, 2018 119 Thames, LLC (hereafter the "Debtor"), filed a voluntary petition for the relief afforded by Chapter 11, 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. 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 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.

b. 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.

c. 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.

d. The term for use of cash collateral shall be for a period of 1 Week commencing on November 1, 2018 and ending on November 30, 2018.

e. The Debtor is hereby authorized to use up to but not in excess of \$5,000.00 until November 30, 2018 for those expenses and other items contemplated by this Order, and as specifically identified in the budget, annexed hereto.

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

g. A hearing on the continued use of cash collateral will be held on December 6, 2018 at 3:00 P.M. at The United States Bankruptcy Court, 7th Floor, 450 Main Street, Hartford, Connecticut 06103.

Dated at Bridgeport, Connecticut this 2nd day of November, 2018.

Julie A. Manning
Chief United States Bankruptcy Judge
District of Connecticut

