

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF CONNECTICUT

NEW HAVEN DIVISION

IN RE:	)	CHAPTER 11
	)	
YIANNIS MEDITERRANEAN	)	CASE NO. 19-31516 AMN
CUISINE LLC	)	
	)	
DEBTOR	)	RE: ECF NO. 37

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YIANNIS MEDITERRANEAN	)
CUISINE LLC	)
	)
	)
v.	)
	)
SACHEM CAPITAL PARTNERS, LLC. &	)
INTERNAL REVENUE SERVICE	)

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**THIRD INTERIM ORDER**  
**AUTHORIZING CONTINUED USE OF CASH COLLATERAL**

THIS MATTER, having come before the Court, after consideration and a hearing on September 25, 2019, upon the Debtor’s MOTION FOR ORDER AUTHORIZING CONTINUED USE OF CASH COLLATERAL (ECF No. 37) and :

WHEREAS On September 11, 2019 (the “Petition Date”) , the Debtor filed a voluntary petition for relief under chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) in the District of Connecticut. The Debtor has retained possession of its assets and is authorized to continue the operation of its business as a debtor in possession under sections 1107 and 1108 of the Bankruptcy Code; and

The Debtor is engaged in the business of the operation of a restaurant located at 295 Parker Farms Road, Wallingford, CT 06492; and

On or about May 26, 2016, the Debtor and Sachem Capital Partners, LLC were parties to a Commercial Promissory Note and a Security Agreement pursuant to which, among other things, Sachem Capital Partners, LLC provided the Debtor with a loan secured by liens and security interests in substantially all of the Debtor's assets (the "Pre-Petition Collateral"). On or about May 31, 2017, Sachem Capital Partners, LLC assigned its loan to the Debtor and its security interests in the Pre-Petition Collateral to Sachem Capital Corp. As of the Petition Date, the Debtor was indebted to Sachem Capital Corp. in the amount of \$213,213.14. Sachem Capital Corp. alleges that it has a perfected security interest in the pre-Petition Collateral as a result of the filing of a UCC-1 financing statement with the Connecticut Secretary of State's Office on May 31, 2016 bearing lien # 003123923. The Debtor does not dispute the validity of the security interests alleged by Sachem Capital Corp. in the Pre-Petition Collateral; it is hereby :

**ORDERED:** That the Debtor's Second Amended Motion for Order Granting Authority to Continue to Use Cash Collateral, ECF No. 37 is GRANTED as set forth herein; and it is further

**ORDERED:** That the debtor is authorized to use cash collateral that may be subject to the liens and/or security interests of the Secured Creditors. The debtor shall use cash collateral in accordance with the budget attached hereto as **Exhibit A**. And it is further

**ORDERED:** That in exchange for the preliminary use of cash collateral, and as adequate protection for Secured Creditors' interests therein, they are granted replacement and/or substitute liens pursuant to 11 U.S.C. § 361(2) in all post-petition assets and proceeds thereof,

having the same validity, extent, and priority as liens they possessed on the petition date. To the extent the adequate protection provided by replacement liens proves to be inadequate and such inadequacy gives rise to a claim allowable under § 507(a)(2), the Secured Creditors shall be entitled to a superior-priority administrative claim pursuant to § 503(b) and the Secured Creditors shall be entitled to the protections of and priority set forth in 507(b). And it is further

**ORDERED:** That the Debtor will make the rent payments specified in the proposed budget directly to secured creditor Sachem Capital Partners, LLC,, mailed to the creditor's usual place of business and that the property owner, Jenny Kontothanasis consents to such payment arrangement; and it is further

**ORDERED:** That any priority the Secured Creditors may be entitled to or become entitled to under § 507(b) of the Bankruptcy Code shall be subject and subordinate to a carve-out of such liens for amounts payable by the debtor under 28 U.S.C. § 1930(a)(6); and it is further

**ORDERED:** That nothing herein shall prevent the Secured Creditors from seeking to terminate the use of cash collateral or otherwise to obtain relief from the automatic stay or to assert any other rights, claims, remedies or defenses available to them; and it is further

**ORDERED:** That the term for continued use of cash collateral shall be for a period through and including November 9, 2019; and it is further

**ORDERED:** That, on November 6, 2019, at 10:00 a.m., a continued hearing to consider the Motion to Use Cash Collateral shall be held at the United States Bankruptcy Court, 157 Church Street, 18<sup>th</sup> Floor Courtroom, New Haven, Connecticut.

Dated this 17th day of October, 2019, at New Haven, Connecticut.

*Ann M. Nevins*  
United States Bankruptcy Judge  
District of Connecticut



<b>Yiannis Mederterranean Cusine, LLC</b>							
<b>PROJECTED MONTHLY BUDGET BASED ON 2018</b>							
<b>Category</b>	<b>W/E 10/19</b>	<b>W/E 10/26</b>	<b>W/E 11/2</b>	<b>W/E NOV 9</b>	<b>Totals</b>		
Sales	17,000.00	18,500.00	18,500.00	19,000.00	73,000.00		
<b>Expenses</b>							
<b>Food</b>							
Sysco	4,300.00	4,500.00	4,500.00	4,600.00	17,900.00		
CT She fish	500.00	500.00	600.00	600.00	2,200.00		
<b>Liquor</b>							
	1,025.00	1,150.00	1,200.00	1,200.00	4,575.00		
Line clean (cash)	35.00	35.00	35.00	35.00	140.00		
<b>Linens &amp; Dry Goods</b>							
Falvey Linen	300.00	300.00	300.00	300.00	1,200.00		
Russell Hall	350.00	200.00	300.00	350.00	1,200.00		
<b>Payroll</b>							
Wages	3,500.00	3,500.00	3,500.00	3,500.00	14,000.00		
941 Taxes	1,375.00	1,375.00	1,375.00	1,375.00	5,500.00		
Tps	1,000.00	1,200.00	1,500.00	1,000.00	4,700.00		
IRS		675.00			675.00		
OUST	75.00	75.00	75.00	75.00	300.00		
Sales Tax	532.00	532.00	532.00	532.00	2,128.00		
<b>Utilities</b>							
Paraco	250.00	250.00	250.00	250.00	1,000.00		
Wangford Elec	600.00	600.00	600.00	600.00	2,400.00		
Trash Remova	473.00				473.00		
<b>Insurance</b>							
Liability			692.00		692.00		
Health Insurance							
Workers comp	714.00				714.00		
Rent	400.00	400.00	400.00	400.00	1,600.00		
Local Property Tax		950.00			950.00		
Comcast	500.00				500.00		
Tota Expenses	15,929.00	16,242.00	15,859.00	14,817.00	62,847.00		
Tota Income	17,000.00	18,500.00	18,500.00	19,000.00	73,000.00		62,847.00
Net Balance	1 071 00	2 258 00	2 641 00	4 183 00	0 53 00		