

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:	<b>Chapter 11</b>
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<b>BROADWAY REALTY I CO., LLC, <i>et al.</i>,</b>	:	<b>Case No. 25-11050 (DSJ)</b>
	:	
<b>Debtors.<sup>1</sup></b>	:	<b>(Jointly Administered)</b>
	:	
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**INTERIM ORDER (I) AUTHORIZING  
THE DEBTORS TO USE CASH COLLATERAL,  
(II) SCHEDULING FINAL HEARING, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”),<sup>2</sup> dated May 27, 2025, of Broadway Realty I Co., LLC and its debtor affiliates, as debtors and debtors in possession (the “**Debtors**”) in the above-captioned chapter 11 cases, pursuant to sections 105, 361, 362(d), 363(c), 363(e), 503(b), 506(c), 507, and 552(b) of title 11 of the United States Code (the “**Bankruptcy Code**”), Rules 2002, 4001, 6003, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 4001-2 of the Local Bankruptcy Rules for the Southern District of New York (the “**Local Bankruptcy Rules**”), for entry of an interim order (“**Interim Order**”), (a) authorizing the Debtors to use cash collateral (as such term is defined in section 363(a) of the Bankruptcy Code, “**Cash Collateral**”) of Flagstar (as defined herein); (b) scheduling a Final Hearing (as defined herein) with respect to the relief, and (c) granting related relief, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference M-431*, dated

<sup>1</sup> The last four digits of Broadway Realty I Co., LLC’s tax identification number is 5426. A complete list of the Debtors in these chapter 11 cases is attached to the Motion as Annex 1. The Debtors’ mailing addresses are located at 2 Grand Central Tower, 140 East 45<sup>th</sup> St., 12<sup>th</sup> Floor, New York, NY 10017.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Motion.

January 31, 2012 (Preska, C.J.); and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and due and proper notice of the relief requested in the Motion having been provided to the Notice Parties, such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having held a hearing to consider the relief requested in the Motion on an interim basis (the “**Hearing**”); and upon the First Day Declaration, filed contemporaneously with the Motion, and the record of the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, their creditors, and all parties in interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

**THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:<sup>3</sup>**

A. Petition Date. On May 21, 2025 (the “**Petition Date**”), the Debtors filed voluntary petitions under chapter 11 of the Bankruptcy Code in this Court.

B. Debtors in Possession. The Debtors are continuing in the management and operation of their business and properties as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. As of the date hereof, no trustee or examiner or official committee of unsecured creditors (the “**Committee**”) has been appointed in the Debtors’ chapter 11 cases.

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<sup>3</sup> Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact pursuant to Fed. R. Bankr. P. 7052.

C. Jurisdiction and Venue. This Court has jurisdiction over the Debtors, the Debtors' estate, this proceeding, and the persons and properties affected hereby, pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference M-431*, dated January 31, 2012 (Preska, C.J.). The Motion is a core proceeding pursuant to 28 U.S.C. § 157(b). The Debtors have consented to entry of a final order by this Court. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

D. Notice. Due, sufficient and appropriate notice under the circumstances has been provided in compliance with section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002 and 4001(b) and (d), and the Local Rules.

E. Cash Collateral. For purposes of this Interim Order, the term "Cash Collateral" shall be deemed to include, without limitation, all of each Debtor's post-petition "Cash Collateral" as defined under section 363 of the Bankruptcy Code in which Flagstar Bank, N.A. ("**Flagstar**") asserts valid, perfected security interests, liens, or mortgages, and shall include and consist of, without limitation, all of the post-petition rents, fees, charges, accounts, or other payments made to each Debtor.

F. Adequate Protection. As a result of the authorization for the Debtors to use Cash Collateral and the imposition of the Automatic Stay, Flagstar is granted additional adequate protection pursuant to Bankruptcy Code sections 361, 362, and 363 for any diminution in the value, if any, from and after the Petition Date of its interests in the Flagstar Collateral (as defined in the Motion) resulting from the Automatic Stay and/or from each Debtor's use, sale or lease of the Flagstar Collateral or otherwise during the chapter 11 cases. Pursuant to sections 361 and 363, of the Bankruptcy Code, as adequate protection, Flagstar shall receive the Adequate Protection Liens

(as defined below) for the benefit of itself. All parties' rights are reserved to seek or object to additional adequate protection beyond the adequate protection provided in this Interim Order.

G. Necessity of Relief Requested and Good Cause. Good cause has been shown for the entry of this Interim Order. The Debtors have an immediate need to use Cash Collateral to, among other things, fund the orderly continuation of their business, maintain the Debtor Properties, pay their operating expenses, and fund the administrative expenses of these cases, which will preserve their going-concern value, consistent with the Budget. In the absence of the availability of such liquidity in accordance with the terms hereof, the continued operation of the Debtors' business would not be possible, and serious and irreparable harm to the Debtors, their estates, and their creditors would occur. The terms of the Debtors' use of Cash Collateral are fair and reasonable, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and constitute reasonably equivalent value and fair consideration. The Debtors have requested entry of this Interim Order pursuant to Bankruptcy Rule 4001(b)(2) and (d). Absent granting the relief sought by this Interim Order, the Debtors' estates would be immediately and irreparably harmed. The use of Cash Collateral in accordance with this Interim Order is therefore in the best interest of the Debtors and their estates, their creditors, and other parties in interest.

Based upon the foregoing findings and conclusions, and upon the record made before the Court at the Hearing, and good and sufficient cause appearing therefor,  
**IT IS HEREBY ADJUDGED AND ORDERED that:**

1. Motion Granted. The Motion is GRANTED on an interim basis as set forth herein. Any objection to the interim relief requested in the Motion to the extent not withdrawn or resolved is hereby overruled on the merits.

2. Authorization to Use Cash Collateral. The Court hereby authorizes the Debtors to use existing and hereafter acquired Cash Collateral during the period beginning with the date hereof through twenty-eight (28) days following the date hereof (the “**Interim Period**”), subject to the terms and conditions of this Interim Order, to maintain and operate the Debtor Properties in the ordinary course, to pay administrative expenses in accordance with the budget attached as **Annex 1** hereto (as such budget may be modified from time to time by the Debtors upon the prior written consent of Flagstar) (the “**Budget**”), and to pay any claims permitted and authorized pursuant to future orders of the Court.

3. Budget. Subject to the deviation allowance(s) provided below (each a “**Permitted Deviation**”), as of any Measurement Period, the Debtors shall not allow the aggregate cumulative actual total disbursements (other than fees and expenses of legal, financial and other professional advisors, and a Committee (if appointed)) for the Measurement Period to be more than the projected amount therefor set forth in the most recently delivered Budget by more than 10% on a cumulative basis; *provided that*, if the Debtors can reasonably demonstrate that any such non-compliance is due to a change in timing of anticipated disbursements, then the Debtors shall have an additional week to return to compliance with the Budget. The Debtors shall be permitted to carry forward unused amounts to successive weeks for purposes of Budget testing set forth in this paragraph 3. Flagstar may, in its sole discretion, agree in writing to the Debtors’ use of Cash Collateral (i) in a manner or amount which does not conform to the Budget (other than Permitted Deviations) (each such approved non-conforming use of Cash Collateral, a “**Non-Conforming Use**”) or (ii) for the period following the Interim Period pursuant to paragraph 5 of this Interim Order (such period, the “**Subsequent Budget Period**”). If such written consent is given, the Debtors shall be authorized pursuant to this Interim Order to use Cash Collateral for any such Non-

Conforming Use or any such Subsequent Budget Period in accordance with a subsequent Budget (a “**Subsequent Budget**”) without further Court approval, and Flagstar shall be entitled to all of the protections specified in this Interim Order for any such use of Cash Collateral; *provided* that each such permitted Non-Conforming Use shall be deemed a modification to the Budget for all testing purposes.

4. Reporting.

a. By no later than 5:00 p.m. New York City time on (i) the Friday after the second full calendar week after the Petition Date, and (ii) every second Friday thereafter (or, if such Friday is not a Business Day, the next Business Day thereafter) (each such Friday, a “**Variance Report Date**”), a variance reconciliation report (a “**Variance Report**”) setting forth, in reasonable detail, on a weekly basis for the prior week and on a cumulative basis for the applicable Measurement Period (as defined herein) any differences between actual amounts in the Budget for the Measurement Period versus projected amounts set forth in the Budget included therein on a cumulative basis for such Measurement Period, with a copy to counsel to any creditors’ committee appointed.

b. “**Measurement Period**” shall mean (i) initially, the period ending on the Friday of the second full calendar week after the Petition Date and (ii) each two-week period thereafter.

5. Adequate Protection. As adequate protection of the interests of Flagstar in the Prepetition Collateral against any diminution in value of such interests, pursuant to sections 361 and 363(e) of the Bankruptcy Code, the Debtors shall grant, and as of entry of the Interim Order are hereby deemed to have granted (effective and perfected upon the date of this Interim Order

and without the necessity of the execution of any mortgages, security agreements, pledge agreements, financing statements or other agreements), to Flagstar a valid, binding, continuing, enforceable, fully-perfected first priority senior security interest in and lien upon the Flagstar Collateral (as defined in the Motion), solely to the extent such Flagstar Collateral has a valid, binding, continuing, enforceable, fully-perfected first priority senior security interest or lien as of the Petition Date (the “**Adequate Protection Liens**”).

6. Modification of Automatic Stay. The Automatic Stay is hereby modified as necessary to effectuate all of the terms and provisions of this Interim Order, including, without limitation, to: (a) authorize the Debtors to grant the Adequate Protection Liens; (b) permit the Debtors to perform such acts as may be necessary to assure the perfection and priority of the liens granted herein; and (c) permit the Debtors to make payments in accordance with the terms of this Interim Order.

7. Escrow of Administrative Expenses.

a. *Escrow Amount.* As used in this Interim Order, the “**Escrow Amount**” means the sum of (i) all fees required to be paid to the Clerk of the Court and to the Office of the United States Trustee (the “**US Trustee**”) under section 1930(a) of title 28 of the United States Code and (ii) all unpaid fees and expenses (the “**Allowed Professional Fees**”) incurred by persons or firms retained by the Debtors pursuant to section 327, 328, or 363 of the Bankruptcy Code and the Committee (if any) pursuant to section 328 or 1103 of the Bankruptcy Code (collectively, the “**Professional Persons**”) at any time.

b. *Funding of Escrow Account.* The Debtors shall on a weekly basis transfer cash on hand in an amount equal to the total budgeted weekly Escrow

Amount for the prior week set forth in the Budget, into a segregated account not subject to the control of Flagstar or any other secured or unsecured creditor (the “Escrow Account”). The Debtors shall use funds held in the Escrow Account exclusively to pay **US Trustee fees and** Allowed Professional Fees as they become allowed and payable pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any orders of the Court; *provided* that the Debtors’ obligations to pay Allowed Professional Fees shall not be limited or be deemed limited to funds held in the Professional Fees Escrow Account. Funds transferred to the Professional Fees Escrow Account shall be held in trust for and exclusively available for the payment of any fees and expenses of the US Trustee and Professional Persons, pending the approval of fee applications. For the avoidance of doubt, all parties’ rights are reserved with respect to the allowance of any Professional Person’s fees and expenses. [DSJ 5/29/2025]

8. Intercompany Transfers. In accordance with sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code, claims arising from any transfers of funds between Debtors during the Interim Period shall be accorded administrative expense priority.

9. Validity of Adequate Protection Liens. This Interim Order shall be sufficient and conclusive evidence of the granting, creation, attachment, validity, perfection, enforceability, and priority of the Adequate Protection Liens without requiring any additional filing or recordation of statements or documents.

10. 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.



11. Binding Effect of Interim Order. The provisions of this Interim Order shall be binding upon all parties in interest in the chapter 11 cases, including Flagstar, any statutory committees that may be appointed in the chapter 11 cases, and the Debtors and their respective successors and assigns and shall inure to the benefit of Flagstar, the Debtors and their respective successors and assigns. This Interim Order shall bind any trustee hereafter appointed or elected for the Debtors' estate whether in the chapter 11 cases or in the event of the conversion of the chapter 11 cases to cases under chapter 7 of the Bankruptcy Code. Any payments to be made by the Debtors under any order shall be made in accordance with this Interim Order and the Budget.

12. Findings of Fact and Conclusions of Law. This Interim Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon the entry thereof. To the extent that any findings of fact are determined to be conclusions of law, such findings of fact shall be adopted as such; and to the extent that any conclusions of law are determined to be findings of fact, such conclusions of law shall be adopted as such.

13. Order Effective upon Entry. Notwithstanding any applicability of any Bankruptcy Rules, the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

14. Retention of Jurisdiction. The Court has and will retain jurisdiction and power to enforce this Interim Order in accordance with its terms and to adjudicate any and all matters arising from or related to the interpretation or implementation of this Interim Order.

15. Rule 6004. Under the circumstances of these chapter 11 cases, notice of the Motion is adequate under Bankruptcy Rule 6004(a).

16. Final Hearing. The Final Hearing on the Motion shall be held on **June 25, 2025, at 10:00 a.m. (Prevailing Eastern Time)** and any objections or responses to the Motion shall be in writing, filed with the Court, and served upon (i) the proposed attorneys for the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Gary T. Holtzer, Garrett A. Fail, Matthew P. Goren, and Philip L. DiDonato); and (ii) the Notice Parties, in each case so as to be received no later than **5:00 p.m (Prevailing Eastern Time) on June 18, 2025.**

17. Miscellaneous. Nothing contained in the Motion or this Order, nor any payment made pursuant to the authority granted by this Order, is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors, (iii) a waiver of any claims or causes of action which may exist against any creditor or interest holder, or (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code. Nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by any party.

18. General Authority. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Order.

Dated: New York, New York  
May 29, 2025

s/ David S. Jones  
HONORABLE DAVID S. JONES  
UNITED STATES BANKRUPTCY JUDGE

**Annex 1**

**Budget**

The Pinnacle Group NY LLC - Flagstar Portfolio Only  
Weekly Cash Flow - 0-4 Weeks

<i>\$s in Actuals</i>	<i>Post - Initial</i>	<i>Post - Initial</i>	<i>Post - Initial</i>	<i>Post - Initial</i>	<i>Post - Initial</i>	<i>0-4 Weeks</i>
<i>Week Number</i>	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>Post - Initial</i>
<i>Week Ending</i>	<i>25-May</i>	<i>01-Jun</i>	<i>08-Jun</i>	<i>15-Jun</i>	<i>22-Jun</i>	<i>Total</i>
<b>Cash, Beginning</b>	-	300,994	299,811	551,119	490,132	-
<b>Cash Receipts</b>						
Net Rental Income	707,463	1,286,729	3,711,875	1,583,248	815,041	8,104,356
Other Income	-	-	31,577	31,577	15,788	78,942
Bad Debt/Rent write off	(35,373)	(64,336)	(185,594)	(79,162)	(40,752)	(405,218)
RET/WS Escrow Release	-	-	-	-	-	-
<b>Total Cash Receipts</b>	<b>672,090</b>	<b>1,222,392</b>	<b>3,557,858</b>	<b>1,535,663</b>	<b>790,077</b>	<b>7,778,080</b>
<b>Operating Disbursements</b>						
Salary & Wages	-	(199,799)	(99,900)	(99,900)	(99,900)	(499,498)
Employee Benefits	-	(57,552)	(28,776)	(28,776)	(28,776)	(143,881)
Outside Labor	-	(138,909)	(69,454)	(69,454)	(69,454)	(347,271)
Repairs and Maintenance	(26,000)	(119,629)	-	(119,629)	-	(265,257)
Utilities	-	-	(628,632)	-	-	(628,632)
Security (Fixed Assets)	-	-	(12,846)	-	-	(12,846)
Administrative Expenses	-	(49,165)	(24,583)	(24,583)	(24,583)	(122,913)
Ordinary Course Professionals Fees	-	-	(83,529)	-	-	(83,529)
Management Fees	-	-	(308,070)	-	-	(308,070)
<b>Total Operating Disbursements</b>	<b>(26,000)</b>	<b>(565,054)</b>	<b>(1,255,790)</b>	<b>(342,341)</b>	<b>(222,713)</b>	<b>(2,411,897)</b>
<b>Non-Operating Disbursements</b>						
Real Estate Taxes	-	-	-	-	-	-
Water & Sewer	-	-	-	-	-	-
Insurance	-	(197,725)	(480,090)	(531,553)	(3,350)	(1,212,717)
Miscellaneous	-	-	-	-	-	-
Capital Expenditures	-	-	(70,540)	(70,540)	-	(141,080)
Apartment Renovation	-	-	(196,519)	(196,519)	-	(393,039)
Broker Fees - New (FARE) Act Expense	-	-	(58,000)	-	-	(58,000)
<b>Total Non-Operating Disbursements</b>	<b>-</b>	<b>(197,725)</b>	<b>(805,149)</b>	<b>(798,612)</b>	<b>(3,350)</b>	<b>(1,804,836)</b>
<b>Total Cash Disbursements (Operating/Non-Operating)</b>	<b>(26,000)</b>	<b>(762,779)</b>	<b>(2,060,939)</b>	<b>(1,140,954)</b>	<b>(226,062)</b>	<b>(4,216,733)</b>
<b>Restructuring Initiatives - Savings/(Expense)</b>						
Repairs and Maintenance (Add-Back)	-	59,814	-	59,814	-	119,629
Water & Sewer (Adjustment for Change)	-	-	-	-	-	-
Real Estate Taxes Payment Plan (Adjustment for Change)	-	-	-	-	-	-
<b>Total Restructuring Initiatives</b>	<b>-</b>	<b>59,814</b>	<b>-</b>	<b>59,814</b>	<b>-</b>	<b>119,629</b>
<b>Net Cash Flow after Restructuring Initiatives</b>	<b>646,090</b>	<b>519,428</b>	<b>1,496,920</b>	<b>454,523</b>	<b>564,015</b>	<b>3,680,976</b>
<i>Cum. Net Cash Flow after Restructuring Initiatives</i>	<i>646,090</i>	<i>1,165,518</i>	<i>2,662,438</i>	<i>3,116,961</i>	<i>3,680,976</i>	
<b>Bankruptcy Disbursements</b>						
Adequate assurance deposits	-	-	(314,316)	-	-	(314,316)
Critical-vendor payments	-	-	(410,685)	-	-	(410,685)
Restructuring Professional Fees, Escrows	(345,095)	(520,611)	(520,611)	(515,511)	(515,511)	(2,417,340)
UST Fees	-	-	-	-	-	-
<b>Total Bankruptcy Disbursements</b>	<b>(345,095)</b>	<b>(520,611)</b>	<b>(1,245,612)</b>	<b>(515,511)</b>	<b>(515,511)</b>	<b>(3,142,341)</b>
<b>Net Cash Flow</b>	<b>300,994</b>	<b>(1,183)</b>	<b>251,308</b>	<b>(60,988)</b>	<b>48,504</b>	<b>538,635</b>
<i>Cum. Net Cash Flow after Bankruptcy Disbursements</i>	<i>300,994</i>	<i>299,811</i>	<i>551,119</i>	<i>490,132</i>	<i>538,635</i>	
<b>Cash, Ending</b>	<b>300,994</b>	<b>299,811</b>	<b>551,119</b>	<b>490,132</b>	<b>538,635</b>	<b>538,635</b>