

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

----- X
Chapter 11
In re
Case No. 25- 52415 (SMS)
OTB HOLDING LLC, *et al.*,
(Joint Administration)
Debtors.¹
----- X

**WARWICK BALD HILL ROAD, LLC'S APPLICATION
FOR ALLOWANCE AND IMMEDIATE PAYMENT OF AN
ADMINISTRATIVE EXPENSE PURSUANT TO 11 U.S.C. § 503(b)(1)**

COMES NOW Warwick Bald Hill Road, LLC ("Warwick"), by and through its undersigned counsel, and pursuant to 11 U.S.C. § 365 and applicable law, filing this Application for Allowance And Immediate Payment of an Administrative Expense Pursuant To 11 U.S.C. § 503(b)(1) (the "Application"), and in support thereof, represents as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Southern District of Georgia, Atlanta Division (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory predicate for the relief requested herein is section 503(b)(1) of the Bankruptcy Code.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: OTB Holding LLC (3213), OTB Acquisition LLC (8500), OTB Acquisition of New Jersey LLC (1506), OTB Acquisition of Howard County LLC (9865), Mt. Laurel Restaurant Operations LLC (5100), OTB Acquisition of Kansas LLC (9014), OTB Acquisition of Baltimore County, LLC (6963).



BACKGROUND

4. On March 4, 2025 (the “Petition Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the Court. The Debtors have continued in possession of their properties and have continued to operate and manage their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. On March 17, 2025, the Office of the United States Trustee for the Northern District of Georgia appointed an official committee of unsecured creditors in these Chapter 11 Cases (the “Committee”). *See* Docket No. 111. No request has been made for the appointment of a trustee or examiner.

6. On April 3, 2025, the Court entered the Order Pursuant to Bankruptcy Code Sections 105, 363 and 365: (A) Scheduling an Auction; (B) Scheduling the Date, Time and Place for a Hearing on the Proposed Sale Motion; (C) Approving the Form and Manner of the Notice of (I) the Proposed Sale of the Debtors’ Assets, the Auction and the Sale Hearing, and (II) Proposed Assumption and Assignment of Executory Contracts and Leases; and (D) Approving (I) Bidding Procedures, and (II) Bid Protections [Docket No. 192] (the “Bidding Procedures Order”).

7. On May 6, 2025, in accordance with the Bidding Procedures (as defined in the Bidding Procedures Order), the Debtors conducted an auction for the sale of substantially all of their assets which concluded after several rounds of robust and competitive bidding. After careful deliberation with the Debtors’ advisors and the Committee, the Debtors selected the final bid submitted by the Stalking Horse Purchaser (as defined in the Bidding Procedures Order) as the highest or otherwise best bid for the purchase of substantially all of their assets.

8. On May 16, 2025, after a hearing, the Court entered the Order (A) Approving the Sale of Substantially All of the Debtors’ Assets Free and Clear of Liens and Liabilities, (B)

Authorizing the Debtors to Assume and Assign Executory Contracts and Unexpired Leases in Connection with the Sale, and (C) Granting Related Relief [Docket No. 403] (the “Sale Order”) approving the sale of the Purchased Assets (as defined in the Sale Order) to the Stalking Horse Purchaser.

9. On May 27, 2025, the Stalking Horse Purchaser filed a Notice of Filing of Assumed Contracts, Rejected Contracts, and Designation Rights Assets [Docket No. 429], which classified the lease agreement (the “Warwick Lease”) between Debtor OTB Acquisition, LLC (“Debtor OTB”) and the Warwick relating to certain real estate located at 650 Bald Hill Road Warwick, Rhode Island in Warwick, Rhode Island (the “Leased Premises”) as a restaurant lease as a “Rejected Contract.”

10. On May 30, 2025, pursuant to the Notice of Designation, the Debtors filed the Debtors’ Third Omnibus Motion for Entry of an Order (I) Authorizing (A) Rejection of that Certain Unexpired Lease of Non-Residential Real Property Effective as of the Rejection Date, (B) Abandonment of Any Remaining Personal Property Located at the Leased Premises; (II) Fixing a Bar Date for Claims of the Counterparty; and (III) Granting Related Relief [Docket No. 430] (the “Third Rejection Motion”). The Third Rejection Motion requested authority to, among other things, reject the Warwick Lease. On or about May 31, 2025, the Debtor OTB vacated the Leased Premises and turned over the keys to Warwick.

11. On June 16, 2025, the Court entered an Order (I) Authorizing (A) Rejection of that Certain Unexpired Lease of Non-Residential Real Property Effective as of the Rejection Date, (B) Abandonment of Any Remaining Personal Property Located at the Leased Premises; (II) Fixing a Bar Date for Claims of the Landlord; And (III) Granting Related Relief (the “Rejection Order”) [See Docket No. 4595], pursuant to which the Court approved a stipulation between the Debtors

and Warwick authorizing Debtor OTB to reject the Warwick Lease effective as of May 31, 2025 (the “Rejection Date”).

12. The Warwick Lease requires tenant Debtor OTB to pay for, among other things, the following:

- A. Monthly fixed rent;
- B. Tenant’s proportionate share of any amount assessed, levied, or imposed over the base year tax, as defined in the Lease (the “RE Taxes”). The Taxes, if unpaid, would constitute additional rent under the Warwick Lease; and
- C. All utilities or services allocable to the Leased Premises, including water, hot water, HVAC and public or private utility services (collectively, the “Utilities”). The Utilities, if unpaid by tenant, would constitute additional rent under the Warwick Lease.

13. Between the Petition Date and the Rejection Date, Debtor OTB incurred, but has failed to pay to Warwick, the following post-petition obligations under the Warwick Lease aggregating \$10,764.14 (the “Administrative Expense”), for rent, RE Taxes and Utilities itemized as follows:

\$292.74	Fixed Rent (3/4/2025)
\$213.15	Water/Sewer for 3/4/2025-3/7/2025
\$885.93	Water/Sewer for 3/7/2025-4/7/2025
\$609.45	Water/Sewer for 4/7/2025-5/7/2025
\$471.83	Est. Water/Sewer for 5/7/2025-5/30/2025
\$4,996.58	Est. Q1 2025 Fiscal Year Real Estate Tax 1/1/2025-3/31/2025
<u>\$3,294.45</u>	Est. Q2 2025 Fiscal Year Real Estate Tax 4/1/2025-5/30/2025
\$10,764.14	Post-Petition Balance Due

RELIEF REQUESTED

14. Warwick respectfully requests that, pursuant to section 503(b)(1) of the Bankruptcy Code, this Court enter an Order allowing and directing the immediate payment to Warwick of the Administrative Expense.

BASIS FOR RELIEF

15. Section 503(b)(1) of the Bankruptcy Code provides that, after notice and a hearing, “there shall be allowed administrative expenses . . . including . . . the actual, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after commencement of the case”

16. To be considered an actual and necessary cost of preserving the estate, the obligation (i) must have arisen from a transaction with the estate, and (ii) the goods or services provided must have enhanced the ability of the estate’s business to function. *In re TransAmerican Natural Gas Corp.*, 978 F.2d 1409, 1416 *reh’g denied*, 983 F.2d 1060 (5th Cir. 1993).

17. As the Leased Premises were made available and used as part of the Debtors’ post-petition operations, the obligations incurred by Debtor OTB under the Warwick Lease enhanced the bankruptcy estates’ ability to function and, therefore, the post-petition obligations incurred thereunder constitute an actual and necessary cost of preserving the Debtors’ estates.

18. Accordingly, the Administrative Expense should be allowed pursuant to section 503(b)(1) of the Bankruptcy Code.

19. As to timing, the Court has discretion to compel immediate payment of an administrative expense claim. *In re Garden Ridge Corp.*, 323 B.R. 136, 143 (Bankr. D. Del. 2005).

20. Upon information and belief, other holders of administrative expense claims, including retained professionals, are being paid currently. Warwick submits that immediate

payment of the Administrative Expense would neither prejudice the Debtors nor be detrimental to other administrative creditors, avoid unnecessary delays and is appropriate. *Id.* As such, the Court should require the Debtors to immediately pay the Administrative Expense.

NOTICE

21. This Application shall be served on the Debtors, the Committee, the US Trustee, and to all parties registered to receive notice in these cases under the CM/ECF noticing system.

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CONCLUSION

WHEREFORE, Warwick respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit A, granting and directing the immediate payment of the Administrative Expense in the amount of \$10,764.14 pursuant to section 503(b)(1) of the Bankruptcy Code and grant Warwick such other and further relief as may be just and proper under the circumstances.

This 16th day of July, 2025

Respectfully submitted

KREVOLIN & HORST, LLC

/s/ Jessica G. Cino

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LLC*

EXHIBIT A
APPROVAL ORDER

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

----- X
In re Chapter 11
OTB HOLDING LLC, *et al.*, Case No. 25- 52415 (SMS)
(Joint Administration)
Debtors.¹
----- X

**ORDER GRANTING WARWICK BALD HILL ROAD, LLC'S APPLICATION
FOR ALLOWANCE AND IMMEDIATE PAYMENT OF AN
ADMINISTRATIVE EXPENSE PURSUANT TO 11 U.S.C. § 503(b)(1)**

NOW, upon the Application (the "Application") for Allowance and Immediate Payment of an Administrative Expense Pursuant to 11 U.S.C. § 503(b)(1) filed by Warwick Bald Hill Road, LLC ("Warwick"); and this Court having jurisdiction to consider the Application pursuant to 28

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U.S.C. §§ 1334 and 157; and this Court having found that proper and adequate notice of the Application and the relief requested therein has been provided in accordance with the Bankruptcy Rules, and that, except as otherwise ordered herein, no other or further notice is necessary; and all objections (if any) to the Application having been withdrawn, resolved or overruled on the merits; and this Court being satisfied based on the representations made in the Application that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED AND DECREED THAT:

1. The Application is GRANTED.
2. Warwick's claim in the amount of \$10,764.14 for unpaid post-petition obligations incurred post-petition by Debtors under the Warwick Lease is allowed as an administrative expense pursuant to 11 U.S.C. § 503(b)(1) and the Debtors are required to satisfy such administrative expense within ten (10) days of the entry of this Order.
3. This Order and all relief granted herein shall be effective immediately upon entry.
4. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

[END OF ORDER]

CERTIFICATE OF SERVICE

I hereby certify that on the 16th day of July, 2025, a true and correct copy of the above and foregoing was caused to be served through this Court's CM/ECF noticing system to all parties registered to receive notice in these cases.

/s/ Jessica G. Cino

Jessica G. Cino

Georgia Bar No. 577837