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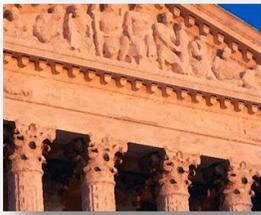
Philadelphia Rittenhouse Developer, L.P. Details Assets & Liabilities; Lender iStar Tara Asks Court to Dismiss Bankruptcy Case

Updating our previous coverage (see [here](#) and [here](#)) on Philadelphia Rittenhouse Developer, L.P., the bankrupt developer of 10 Rittenhouse Square, a 33-story condominium building in Philadelphia, the company has now filed its schedules of assets and liabilities and statement of financial affairs with the bankruptcy court. These documents provide significant detail into the company's liabilities (including specifics as to whom the obligations are owed) and the financial results of the company over the past several years. The company's debts are listed at a total of \$195.7 million, with approximately \$5.7 million being owed to unsecured general creditors and the balance being owed to iStar Tara, the company's secured lender (much more on iStar below). The company's assets are much less clear, with its real property assets (two commercial units and 107 unoccupied residential units) being listed as having a currently "unknown" value. The company's only other assets are \$287,114 in personal property, according to the company's court filings. For more information, please see the following documents:

- [Schedule A - Real Property](#) (note: this document does not contain much more detail than provided above)
- [Schedule B - Personal Property](#)
- Schedule C - Property Claimed as Exempt (none)
- [Schedule D - Creditors Holding Secured Claims](#)
- Schedule E - Creditors Holding Unsecured Priority Claims (none)
- [Schedule F - Creditors Holding Unsecured Nonpriority Claims](#)
- [Schedule G - Executory Contracts and Unexpired Leases](#)
- [Schedule H - Codebtors](#)
- [Statement of Financial Affairs](#)
- [List of Equity Security Holders](#)
- [Amendment to List of Creditors](#)

Separately, last week iStar Tara filed a motion with the bankruptcy court asking that it either dismiss the chapter 11 case filed by Philadelphia Rittenhouse Developer or, alternatively, grant iStar relief from the automatic stay. The motion notes that the bankruptcy case was filed after a Pennsylvania state court ordered the appointment of a receiver for the project and claims that "the purpose of this bankruptcy case is to enable the mezzanine lender to the Debtor's equity holders to retain the control of the Project that it improperly seized from the equityholders, and to forestall a court-appointed receiver from taking control." The mezzanine lender is identified as Regional Real Estate Investment Corp. t/a Delaware Valley Real Estate Investment Fund and iStar asserts that the actions taken were in violation of an Intercreditor Agreement between iStar Tara and Regional Real Estate Investment Corp.

iStar Tara therefore asserts that the bankruptcy case should be dismissed because it was "commenced in bad faith as a litigation tactic in respect of the two-party dispute between iStar Tara and DVREIF." However, even if the court were to determine that the case was not filed in bad faith, iStar argues that the case must still be dismissed because Philadelphia Rittenhouse Developer will "never" be able to confirm an "effective reorganization plan." In support of that assertion, iStar cites, among others, [In re Curtis Center Limited Partnership](#), 195 B.R. 631 (Bankr. E.D. Pa. 1996), which it cites for the proposition that iStar's unsecured deficiency claim (which will "dominate any class of unsecured claims"



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according to iStar) cannot be separately classified under any plan. In further support for its claim that its deficiency claim will dwarf all other unsecured claims in the case, iStar states that it will pay the claims of the largest unsecured creditors as a "protective advance" if the case is dismissed and a receiver is appointed pursuant to the state court order. If those payments are made, iStar asserts that the remaining unsecured debt (other than its deficiency claim) will be only approximately \$520,000.

For more details about iStar's position and arguments in favor of the bankruptcy dismissal, read its court filings which you can find here: http://www.chapter11cases.com/Philadelphia-Rittenhouse-Developer-LP10-Rittenhouse-Square-53-Motion-to-Dismiss-Case-Motion-For-Order-Dismissing-The-Debtors-Case-Or-In-The-Alternative-Terminating-The-Automatic-Stay-Filed-by-iStar-Tara-LLC-Represented-by-THOMAS-E-p_80028.html#axzz1DFnwM01x