



TAMPA BAY BANKRUPTCY CENTER, P.A.

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Albuquerque Studios Apply for Bankruptcy

Albuquerque Studios, where well-known movies like ‘Terminator Salvation’, ‘The Book of Eli’ and ‘The Spirit’ were shot, has filed for Chapter 11 bankruptcy protection. However, Hal Katersky, CEO of Pacifica Mesa, the owners and operators of the studio insists that business will go on as usual. He is hoping for more movies to move in to shoot at the 168,000 square feet studios located in the southern Albuquerque border. At present, the remake of the 1980s horror movie, ‘Fright Night’ is being shot there.

Pacifica Mesa filed for bankruptcy in Los Angeles just days before a scheduled auction was to take place, citing debts of nearly \$105 million. The company alluded to the economic recession and the company’s financial burden to repay a property loan that fell due as the primary reasons for filing Chapter 11 bankruptcy.

In their bankruptcy papers, it was shown that about 30 creditors from New Mexico and Hollywood are owed money. The bulk of their debts arise from loans for the construction of their property which cost \$90 million to build. The largest creditor is Amalgamated Bank of New York, from whom Pacific Mesa borrowed \$80 million in a property loan. The second largest creditor is the Workers Realty Trust who is owed more than \$23 million. Workers Realty lawyer Louis Puccini Jr. said the figure is closer to \$24 million after taking into consideration interests and penalties.

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There are other creditors include very minor ones like a sign making company to whom Pacific Mesa owes a paltry \$16 and a catering company who is yet to receive payment of \$30,000 for their services to Pacifica Mesa. The local government of Bernalillo County is also a creditor to the tune of more than \$300,000 as is Dreamworks SKG of Hollywood who is owed \$75,000.

Chapter 11 bankruptcy is the section of the bankruptcy law that gives companies the protection from creditors they need while they reorganize themselves to pay off their debts. While the company is under Chapter 11 bankruptcy, creditors are not allowed to make any collection attempts.

CEO Katersky revealed that Pacifica Mesa is negotiating with Amalgamated Bank of New York for additional financing while Workers Realty is not willing to have any part in this. Eric Witt, the governor's director of Media Arts and Industries, expressed how vital it is for Albuquerque Studios to continue its production as scheduled.

If you or your company wish to explore bankruptcy as a means to get creditors off your back and be allowed some room to reorganize yourself, call us at (813) 200-4133 for a free consultation or visit <http://tampabankruptcy.pro>.

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