



TAMPA BAY BANKRUPTCY CENTER, P.A.

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Restaurant BT Files for Bankruptcy

Popular restaurant BT at Hyde Park Village in south Tampa has filed for Chapter 11 bankruptcy protection Friday. Its owner BT Nguyen, has acknowledged being behind on her rent and filing for bankruptcy to avoid being evicted. Chapter 11 bankruptcy allows the filer to restructure debts while being protected from creditors. Nguyen has declared that her restaurant will continue its operations as they work through the bankruptcy procedures.

On Monday, Nguyen explained the sequence of events since May last year when she began to realize she could not keep paying her \$14,600 monthly rental. She negotiated with her landlord to pay in 4 equal weekly installments of \$3,600. But she fell behind by June 2009. She also began paring staff and her operations. She tried holding special events and giving cooking classes. She advertised by distributing fliers. She also reduced her overheads and declined taking a salary for herself.

Also in May 2009, she sent a letter to Vornado Realty Trust, one of the owners of the mall she was operating in, to ask for its help to see her business through the difficult period. In her letter, Nguyen noted that she was paying a much higher rental than the industry standard of about 8% of sales (her rental was more than 16% of her restaurant's revenue). Her letter also contained her proposal to move to a smaller lot in the mall. But despite sending her letter on 4 occasions, she received no reply, not even an acknowledgement of receipt. The last time was about 2 weeks ago, addressed to Chuck Taylor, vice president of Madison Marquette, the managers of Hyde Park Village.

In her last letter, Nguyen said that she finally could afford to pay her rental in full in March this year, offering to pay her current rental in addition to \$5,000 in back rentals. Unfortunately, the managers of Hyde Park Village had turned her case over to their lawyers. This event compelled Nguyen to seek bankruptcy protection in an effort to avoid being evicted.

In bankruptcy papers, Nguyen listed her assets of between \$100,000 and \$500,000 and her liabilities of approximately the same amount. She says she is up-to-date on her debts with vendors and considering all that she has been through, the executives of Madison Marquette have not considered other options before sending her case to their lawyers. Nevertheless, all that has happened has only served to strengthen her resolve even more to succeed in her business, if nothing but to show them she can do it.

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