



U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed June 24, 2014


United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:	§	CASE NO. 14-30699-11
	§	
BUFFET PARTNERS, L.P., et al.	§	CHAPTER 11
	§	
DEBTORS. ¹	§	(Jointly Administered)

STIPULATION AND AGREED ORDER

This Stipulation and Agreed Order (this “Order”) is entered in to between Buffet Partners, L.P. and Buffet G.P., Inc. (collectively, the “Debtors”), on the one hand, and 505 Cordova, LLC (“505 Cordova”), on the other. Each of the Debtors and 505 Cordova shall also be referred to herein as a “Party” and collectively, the “Parties.”

RECITALS

A. On February 4, 2014, (the “Petition Date”), the Debtors filed voluntary petitions in this Court for relief under chapter 11 of title 11 of the United States Code 11 U.S.C. §§ 101 *et seq.*, as amended (the “Bankruptcy Code”).

¹ The Debtors in these chapter 11 cases are Buffet Partners, L.P. and Buffet G. P., Inc.

B. 505 Cordova, as Landlord, and the Debtor, Buffet Partners, as Tenant, are parties to that certain shopping center lease located at 522 West Cordova Road, Santa Fe, New Mexico 87501 which operates as Furr's Store No. 116 (the "Cordova Lease"). The Debtor exercised its option to extend the term of the Cordova Lease and thus, the Cordova Lease expires on March 31, 2019. On May 29, 2014, the Debtors and 505 Cordova also executed a Grease Trap Agreement as part of the Cordova Lease.

For clarification, the Cordova Lease consists of the following documents:

- a) the Shopping Center Lease dated April 1, 1999 between New Valley Corporation, as Landlord, and Cafeteria Operators, L.P., as Tenant;
- b) the First Amendment to Lease executed effective September 16, 1999 between P. O' B. Apollo Santa Fe, L.P., as Landlord, and Cafeteria Operators, L.P., as Tenant;
- c) the Letter dated October 24, 2008 exercising First Renewal Option by Buffet Partners, L.P., successor in interest to Cafeteria Operators, L.P., as Tenant;
- d) the Letter dated November 13, 2013 exercising Second Renewal Option by Buffet Partners, L.P., successor in interest to Cafeteria Operators, L.P., as Tenant; and
- e) the Letter Agreement dated May 29, 2014 between Buffet Partners, L.P. and 505 Cordova, LLC (also referred to as the "Grease Trap Agreement").

C. On March 14, 2014, the Debtors filed their *Expedited Motion for an Order (I) Approving the Procedures for (A) the Sale of Substantially All Assets (B) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases (C) the Establishment of Cure Amounts, (II) Approving Form of notice and (III) Setting a Hearing Date for the Approval of the Sale* [Dkt. No. 184] (the "Sale Motion").

D. On March 28, 2014, the Debtors filed their *Notice of Amount Deemed Necessary to Cure* [Dkt. No. 234], which was amended and superseded by the *Amended Cure Notice* [Dkt. No. 263], filed on April 10, 2014.

E. Pursuant to the Sale Motion and the Amended Cure Notice, in the event the Debtors assume the Cordova Lease, the Debtors asserted that that amount needed to cure any defaults under the Cordova Lease (the “Cure Amount”) is \$18,440.08.

F. On April 16, 2014, 505 Cordova filed its *Objection to Cure Notice and Proposed Assumption and Assignment of Real Property Lease (Furr’s Store #116 Santa Fe, NM)* (the “Cordova Objection”) [DN 288]. By the Cordova Objection, Cordova asserted that it is owed prepetition cure amounts of \$82,559.66 under the Cordova Lease, and together with post petition amounts owed, total cure of \$88,112.08.

G. After good-faith, arms’ length negotiations, the Debtors and 505 Cordova have reached an agreement to resolve the Cordova Objection.

STIPULATION AND ORDER

NOW THEREFORE, THE PARTIES HEREBY STIPULATE AND AGREE AS FOLLOWS:

1. The Cure Amount as of May 31, 2014 with respect to the Cordova Lease shall be \$36,692.29, subject to the percentage rent payment provisions in paragraph 2 below. The Cure Amount will be paid in full upon assumption of the Cordova Lease (including assumption of the Grease Trap Agreement) by the Debtors and assignment to Chatham Credit Management III, LLC, or its designee (the “Purchaser”). By this Stipulation, the Debtor and the Purchaser have agreed to an assumption and assignment of the Cordova Lease (including the Grease Trap Agreement) at closing of the Sale. Except to the extent that the Cure Amount modifies the Cordova Lease by necessary implication and the “Tenant” will be modified in accordance with prior orders of this Court, the Cordova Lease will be assumed and assigned with no other modifications.

2. All percentage rent due under the Cordova Lease for the period of January 1, 2014 and thereafter shall be paid in accordance with the terms of the Cordova Lease; provided, however, that the percentage rent due for the first quarter of 2014 in the amount of \$4,036.10 shall be paid in full within 30 days of assumption of the Cordova Lease. All other percentage rent due under the Cordova Lease, including the percentage rent due for the second quarter of 2014, shall be paid in accordance with the terms of the Cordova Lease. The percentage rent to be paid pursuant to this paragraph 2 is in addition to the Cure Amount provided for in paragraph 1 above.

3. The Court shall retain exclusive jurisdiction over any and all disputes arising out of or otherwise relating to this Order.

End of Order

Prepared and submitted by:

BAKER & McKenzie LLP
Trammell Crow Center
2001 Ross Avenue, Suite 2300
Dallas, Texas 75201
Tel: (214) 978-3000
Fax: (214) 978-3099
Emails: john.mitchell@bakermckenzie.com
rosa.shirley@bakermckenzie.com

By: /s/ John E. Mitchell
John E. Mitchell, SBT #00797095
Rosa A. Shirley, SBT #24056313

ATTORNEYS FOR THE DEBTORS

**COATS, ROSE, YALE,
RYMAN & LEE, P.C.**
Texas Bar No. 09549430
3 E. Greenway Plaza, Suite 2000
Houston, Texas 77046
Tel.: (713) 653-7362 (Direct)
Fax: (713) 651-0220
Email: nhamren@coatsrose.com

By: /s/ Nancy H. Hamren
Nancy H. Hamren

ATTORNEYS FOR 505 CORDOVA, LLC