

## Steven E. Ostrow

Partner

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Steve's approach is to develop deal-specific, cost-effective strategies to help clients achieve their goals in the commercial real estate market and the debtor-creditor arena.

### OVERVIEW

Steve Ostrow is a Partner in the Financial Restructuring and Bankruptcy and the Real Estate and Finance groups. For more than 35 years, he has represented secured and unsecured creditors in bankruptcy and foreclosure proceedings as well as property owners, tenants, sellers and purchasers in commercial leasing and sales transactions, particularly in the mid-Atlantic region of the country.

### RECOGNITION AND INVOLVEMENT

Steve is recognized in *The Best Lawyers in America*® 2024 for Mortgage Banking Foreclosure Law.

While in law school, Steve was a member of the *Law Review of The George Washington University School of Law*.

Steve is AV® rated by the Martindale-Hubbell peer review rating system.

### REPRESENTATIVE MATTERS

#### Foreclosures/Workouts and Receiverships

Steve represents lenders (including administrative agents and servicers), institutional investors, equipment financiers/lessors and other secured creditors in foreclosures, credit restructurings, intercreditor agreements and complex asset recovery and repossession proceedings. He advises clients at all levels of the capital structure in a wide variety of structured transactions, including mortgage loans, asset-based loans, mezzanine loans, participations and other co-lender and intercreditor arrangements. He focuses on maximizing recoveries through

### PRACTICES

Finance

Financial Restructuring and Bankruptcy

Real Estate

### BAR AND COURT ADMISSIONS

Pennsylvania

U.S. Court of Appeals for the Third Circuit

U.S. District Court for the Eastern District of Pennsylvania

U.S. District Court for the Middle District of Pennsylvania

U.S. District Court for the Eastern District of Michigan

U.S. Bankruptcy Court for the Eastern District of Pennsylvania

U.S. Bankruptcy Court for the Middle District of Pennsylvania

U.S. Bankruptcy Court for the Eastern District of Michigan

### EDUCATION

The George Washington University Law School, JD, 1987

University of Vermont, BA, *cum laude*, 1984



workout agreements, judicial foreclosures of real estate collateral and Article 9 UCC foreclosures of equity interests, equipment, inventory and receivables. Steve has foreclosed upon a myriad of real property such as office buildings, hotels, shopping centers and apartment buildings.

Steve has also represented property and rent receivers in foreclosures and consensual private sales of shopping centers, office buildings and other commercial properties in the Mid-Atlantic region. Steve advises receivers in connection with their management, sale and leasing of receivership property, and the recovery and distribution of receivership assets.

### Commercial Leasing and Sale of Real Property

Steve represents sellers, purchasers, mortgage lenders, landlords and tenants in commercial leasing and sale transactions of office, retail, hospitality, mixed-use and industrial space. His representations include all types of businesses, real estate investment companies and funds, real estate developers, mall owners and property receivers.

The real estate work includes the negotiation and preparation of sale agreements, leases, subleases, purchase options, assignments, easements, estoppel certificates, REAs, SNDAs and recognition agreements. Steve also handles the workout or litigation of commercial sales or leasing disputes often regarding sale contingencies, title and due diligence issues, early tenant closures, renewal options, kick-out rights, rights of first refusal/offer, holdover tenancies, lease assignments/sublets, operating expenses and percentage rent issues, operating covenants and co-tenancy and exclusivity clauses. Steve has also represented property owners, counties and municipalities in many Rails-to-Trails projects in Pennsylvania such as the Hay Creek Trail, the Nor-Bath Trail and the Delaware and Lehigh Canal Corridor Trail.

### Creditor Work in Chapter 7, 11 and 15 Bankruptcy Proceedings

Steve has substantial experience advising secured creditors seeking to enforce their rights and claims in Chapter 7, 11 and 15 (cross-border) bankruptcy proceedings. He represents secured creditors in cash collateral, DIP financing and stay relief motions. Steve also protects secured creditors interests in connection with free and clear asset sales, proposed plans of reorganization or liquidation, and objections to lenders' claims or secured status.

Steve also regularly represents unsecured trade creditors and other contract counterparties in bankruptcies proceedings. To preserve and recover their claims, he regularly files proofs of claims, negotiates critical vendor agreements, asserts suppliers' and vendors' reclamation claims and files motions to compel payment for services rendered during the bankruptcy. In addition, Steve defends objections to creditor claims and preferential and fraudulent transfer avoidance actions filed by debtors, trustees and plan administrators in bankruptcy cases.

Steve helps landlords maximize rent recoveries and protect their lease interests in retail and single-asset bankruptcy proceedings by: moving to compel payment of post-petition administrative rent or to obtain relief from the automatic bankruptcy stay to repossess leased space; objecting to motions to sell assets and assume and assign leases with proposed cure amounts; objecting to motions to extend the time to assume or reject leases; objecting to motions to approve store closing and going out of business procedures; and filing lease rejection damage claims.

### **Purchase and Sale of Distressed Debt; Acquisition of Assets in Bankruptcy**

Steve also represents lenders, institutional investors, real estate funds and other companies in selling or purchasing commercial debt, whether an individual loan or loan portfolio. In addition, Steve advises clients in acquiring properties and other assets throughout all phases of the bankruptcy sale process: due diligence, title, asset sale agreements, submitting bids and attending auctions, sale hearings and closings.

### **Foreclosures/Workouts and Receiverships**

Represented the participants controlling the senior mezzanine loans of \$300 million for one of the largest structured real estate financings in US history, Stuyvesant Town/Peter Cooper Village, New York

Represented lender group in restructuring a mortgage loan over \$100M for a resort in the Rocky Mountains

Represented lender in foreclosing its \$56M mortgage encumbering a ground leased office tower in Pittsburgh, Pennsylvania

Represented receiver in the sale of Cheltenham Mall, a 760,000SF regional mall outside of Philadelphia

Represented equipment finance company in UCC foreclosure sale of cranes after obtaining relief from stay in Chapter 11 bankruptcy of debtor in Pittsburgh, Pennsylvania

Represented the lender in working out an asset based defaulted loan to a mid-market New Jersey manufacturer

Represented the rent receiver appointed by the Court for a shopping center in New Jersey

Represented a loan purchaser in rent receivership proceeding to recover mortgage loan secured by warehouse in New Jersey

### **Bankruptcy Proceedings**

Represented lenders or secured creditors in numerous Chapter 7 and 11 bankruptcy proceedings such as Spanish Peaks Holdings LLC in Montana, American Cabinetry Inc. in New Jersey, Montvale KSL, LLC in New Jersey, HMA Sales LLC in Nevada, USA Commercial Mortgage Company in Nevada, and Ray Anthony International LLC in Pittsburgh

Represented trade creditors in numerous retail bankruptcy cases such as RadioShack Corporation, Gordmans Stores, Inc., BCBG Max Azria Group, Inc., Hhgregg Inc., Maurice Sporting Goods Inc., The Limited Stores Inc., and The Wet Seal Inc.

Represented landlords and property receivers in numerous retail bankruptcy cases such as The Great Atlantic & Pacific Tea Company (A&P), Athlete's Foot, Bally Total Fitness of Greater New York, Boscov's, Carmike Cinemas, Norstan Apparel t/a Fashion Cents, Footstar, KB Toys, Musicland, Phar-Mor, Inc. and Sun Apparel

### **Purchase/Sale of Assets and Debt**

Represented purchaser of warehouse space in Chapter 7 bankruptcy of Evergreen International Aviation, Inc. in Delaware Bankruptcy Court

Represented purchaser of assets in Chapter 11 bankruptcy of Eastman Kodak in New York Bankruptcy Court

Represented participants of senior mezzanine loans of \$300M for one of the largest structured real estate financings in US history, Stuyvesant Town/Peter Cooper Village, New York

Represented lender group in sale of mortgage loan over \$100M secured by a resort in the Rocky Mountains

Represented purchaser of assets of Pennsylvania forge business in foreclosure

Represented purchaser of warehouse and office property in Chapter 7 bankruptcy of Barry Portnoy in Philadelphia Bankruptcy Court

Represented purchaser of loan secured by assets of manufacturing company in New Jersey

Represented seller of loan secured by warehouse facility in New Jersey

#### Commercial Leasing and Sales

Represented real estate investment and property management firm in leasing office, retail and mixed-use properties located in the Mid-Atlantic

Represented real estate developer in leasing and sale of regional malls and shopping centers in the Northeast

Represented commercial real estate investment and management company whose portfolio spans multiple asset classes, including office, retail, multifamily, industrial, and hospitality, in North America, South America, Europe and Asia Pacific

Represented national self-storage and moving company

#### IN THE NEWS

Best Lawyers® Recognizes 45 White and Williams Lawyers  
*Firm News*, 8.18.23

#### EVENTS

Distressed Debt Opportunities and Loan Foreclosure Strategies  
Mortgage Bankers Association of New York Breakfast (New York, NY), 4.19.23

Commercial Leases In Economic Distress: Pre-and Post-Bankruptcy Strategies for Landlords  
Negotiating Lease Modifications With Distressed Tenants, Participating in the Bankruptcy Process  
Webinar, 6.11.20

America's Brick-and-Mortar Retail Stores – A Vanishing Act in an Online Shopping World  
Philadelphia, PA, 11.2.17

The Changing Landscape of Commercial Loan Documents  
Philadelphia, PA, 4.7.16

## PUBLICATIONS

District Court Overturns Purdue Pharma's Chapter 11 Plan and Related Releases of Sackler Family from Opioid Liability Claims  
*Journal of Bankruptcy Law*, February/March 2022

Commercial Lease Disputes and Renegotiation – A Look Back During the COVID-19 Pandemic  
*Corporate Disputes Magazine*, July - September, 2021

Commercial Lease Disputes and Renegotiation – A Look Back During the COVID-19 Pandemic  
*Corporate Disputes Magazine*, July - September 2021 Issue

COVID-19 Pandemic Preference Amendments to Bankruptcy Code Benefiting Vendors, Customers, Commercial Landlords and Tenants  
*Financial Restructuring and Bankruptcy Alert*, 3.30.21

CDC Issues Moratorium on Residential Evictions Through 2020  
*Real Estate Alert*, 9.8.20

New York Court Temporarily Enjoins UCC Foreclosure Sale  
*Real Estate Alert*, 8.14.20

Consider Short-Term Lease Workouts For Commercial Tenants  
*Law360*, 6.17.20

Commercial Lease Workouts During the COVID-19 Pandemic  
*Real Estate, Finance and Financial Restructuring Alert*, 4.6.20

Distressed Debt and Workout Agreements During the COVID-19 Pandemic  
*Real Estate, Finance and Financial Restructuring Alert*, 3.27.20

DFS Wins New York State Appeal Reinstating Portions of Regulation Aimed at Controlling Title Insurance "Marketing" Expenses  
*Real Estate and Finance Alert*, 1.16.19

Key Takeaways from Real Estate and Finance Forum  
Presentation on "America's Brick-and-Mortar Retail Stores – A Vanishing Act in an Online Shopping World"  
*Real Estate and Finance Alert*, 11.17.17

Title Insurance Rate Premiums in New York: Immune to Rate Disruption?  
*Real Estate Alert*, 4.25.17