

SILVERROCK/TALUS UPDATE FOR NOVEMBER 18, 2025

During the City Council meeting on Tuesday, November 18, 2025, City Attorney Bill Ihrke gave an update on the SilverRock/Talus bankruptcy case and an appeal heard earlier in the week.

On October 21, 2025, a bankruptcy judge granted a motion to approve the sale of land owned by the SilverRock Development Company and affiliates (collectively known as SDC, or debtors) to TBE RE Acquisition Co. II LLC (TBE), an affiliate of Turnbridge Equities, allowing the property to enter into escrow.

On November 7, one creditor, Construction Loan Services II LLC d/b/a Builders Capital (Builders), appealed the court's sale order saying Builders has deeds of trust recorded over some of the former Montage luxury residential lots, comprising about 10 acres of the planned development by SDC. At the same time, Builders filed a Motion for Stay Order, attempting to freeze the bankruptcy case while the appeal is pending.

The Stay Motion, which was opposed by the debtors, the City and TBE, was heard by the court and denied "in its entirety" on Thursday, November 13.

In the ruling, the court found that the "public interest" strongly favored moving forward with the sale of the debtors' property to TBE given the extensive time and investment already spent by the parties to the case," Ihrke said.

Under federal bankruptcy procedures, Builders could appeal the court's decision to deny the stay, Ihrke said. In the meantime, the escrow process for the sale of the land continues and Ihrke said he will keep the City Council informed of any changes.

SDC filed for Chapter 11 protection on August 5, 2024, after defaulting on the project formerly known as Talus La Quinta. The case was filed in a U.S. Bankruptcy Court in Delaware, where SDC was formed.

Hear Ihrke's report on the Council meeting video at www.laquintaca.gov/pastmeetings.

The website, www.laquintaca.gov/taluslq, provides a timeline of the project from the beginning to now and previous updates by Ihrke and City Manager Jon McMillen.