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Electronically Filed: 04/14/2020

Counsel for Debtor and Debtor in Possession,
Vestavia Hills, Ltd. dba Mount Royal Towers

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF CALIFORNIA**

In re
VESTAVIA HILLS, Ltd., dba Mount
Royal Towers,

Debtor.

) CASE NO. 20-00018-LA11
) Chapter 11
) **DEBTOR'S MOTION TO EXTEND**
) **EXCLUSIVITY PERIODS;**
) **MEMORANDUM OF POINTS AND**
) **AUTHORITIES**
)
)
) Date: May 14, 2020
) Time: 2:00 p.m.
) Ctrm: 2
) Judge: Hon. Louise DeCarl Adler
) United States Bankruptcy Court
) 325 West "F" Street
) San Diego, CA 92101-6991

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MOTION

1
2 Vestavia Hills, Ltd., dba Mount Royal Towers (“Debtor”), the debtor and
3 debtor in possession herein, submits this motion (“Motion”) for an initial 90-day
4 extension of the Exclusive Filing Period (as defined below) through and including
5 Monday, August 3, 2020, and a commensurate 90-day extension of the Exclusive
6 Solicitation Period (as defined below) through and including Tuesday, September, 29,
7 2020, without prejudice to the Debtor’s right to seek additional extensions of such
8 periods.

9 This Motion is brought pursuant to Section 1121 of the Bankruptcy Code (11
10 U.S.C. § 101 et seq.) on the grounds that the relevant factors are satisfied here, no
11 party will be prejudiced, and the requested extensions are in the best interests of the
12 bankruptcy estate.

13 This Motion is based on the Memorandum of Points and Authorities below, the
14 Declaration of Kevin Moriarty filed concurrently herewith (“Moriarty Declaration”),
15 the pleadings and other documents on file with the Court in this case, and any
16 argument and evidence that may be presented at the hearing on the Motion.

17 The Debtor’s proposed order on the Motion is attached as Exhibit “A” hereto.
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MEMORANDUM OF POINTS & AUTHORITIES

I. JURISDICTION

The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A) and (O). The statutory basis for the relief requested is 11 U.S.C. §§ 105(a) and 1121(b)–(d). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

II. SUMMARY OF ARGUMENT

Section 1121(d) is satisfied here. Significant good faith progress has been made in this case already. The Debtor is current on all of its post-petition liabilities. The case was filed only three months ago. The request is not a tactic to pressure creditors. All parties in interest agree that under the current circumstances that exist, compounded by the COVID-19 pandemic, a sale of the Debtor’s operating business is the only reasonable path for this case, not only to maximize value, but also to protect the health and welfare of the elderly residents of Mount Royal Towers. No party in interest will be prejudiced by the relief requested. Accordingly, the Court should extend the Exclusivity Periods.

III. STATEMENT OF FACTS

A. Background

On January 3, 2020, the Debtor filed its petition for relief under Chapter 11. The Debtor is operating its business as a debtor in possession under Sections 1107 and 1108. See ECF 1. No trustee, examiner or committee has been appointed.

Additional information regarding the circumstances leading to the commencement of the Chapter 11 case and evidence in support of this Motion are set forth in the Omnibus First Day Declaration of Kevin Moriarty (ECF 9), which declaration is incorporated herein.

1 **B. The Court-Approved Sale Process**

2 On February 13, 2020, the Debtor filed a motion to approve a “stalking horse”
3 purchase agreement, a process for the sale of substantially all assets of the Debtor
4 subject to overbid, and related relief. ECF 121. Following hearing, on March 25,
5 2020, the Court entered its order approving the sale process. ECF 185. The sale
6 process is now underway, and should culminate with a final sale hearing—and
7 hopefully an auction—on May 21, 2020. After this case commenced, the COVID-19
8 coronavirus pandemic took front and center stage, not only at the Debtor’s Mount
9 Royal Towers facility, but across the nation and world, and in this Court and the
10 proceedings in this case. Despite the current circumstances, the Debtor, its
11 management and staff, and professionals have worked diligently to continue the sale
12 process on track while at the same time to maintain the safety and security of the
13 Mount Royal Towers facility and of the elderly residents there. See the Moriarty
14 Declaration, ¶ 4. There should be no question that these current circumstances compel
15 an extension of the Exclusivity Periods in this case.

16 **C. The Current Exclusivity Periods**

17 Section 1121(b) of the Bankruptcy Code provides for an initial period of 120
18 days after the commencement of a Chapter 11 case during which a debtor has the
19 exclusive right to file a Chapter 11 plan (the “Exclusive Filing Period”). Section
20 1121(c)(3) of the Bankruptcy Code provides that if a debtor files a plan within the
21 120-day Exclusive Filing Period, it has an exclusive period of 180 days after the
22 commencement of the Chapter 11 case to solicit acceptances of its plan (the
23 “Exclusive Solicitation Period”). The Debtor’s initial Exclusive Filing Period and
24 Exclusive Solicitation Period are currently set to expire on May 4, 2020¹ and July 1,
25 2020, respectively (together, the “Exclusive Periods”).

26 _____
27 ¹ The 120th date following the Petition Date is May 2, 2020; however, as that date is a Saturday, pursuant to Rule
28 9006(a)(1)(C) of the Federal Rules of Bankruptcy Procedure, the initial Exclusive Filing Period is set to expire on the
next business day, which is May 4, 2020.

1 **D. The Need for the Requested Extensions**

2 An extension of the Exclusive Periods in this Chapter 11 case is in the best
3 interest of the Debtor’s economic stakeholders and is consistent with the intent and
4 purpose of Chapter 11 of the Bankruptcy Code. Ample cause exists to grant the
5 Debtor the extensions of the Exclusive Periods as, inter alia, considerable good faith
6 progress has been made in the administration of the Chapter 11 case—including,
7 stabilizing the Debtor’s businesses and operations, seeking and obtaining Court
8 approval of a process for the sale of substantially all assets, and establishing
9 constructive working relationships with the United States Trustee and the Debtor’s
10 senior secured creditor, Wells Fargo Bank, N.A. (“Wells Fargo”)—all while facing and
11 dealing with the exigencies and emergency responses required by the coronavirus
12 pandemic. The relief requested will allow the Debtor to continue to focus on
13 preserving the health and safety of the elderly residents of Mount Royal Towers, and
14 enhancing going concern value, and then monetizing it for the benefit of creditors
15 through the Court-approved sale process. The requested extensions of the Exclusive
16 Periods at this early stage of this Chapter 11 case recognize the reality of this case in
17 challenging circumstances. Having to deal with a competing plan under the
18 circumstances as exist in the very changed world we find ourselves in today would
19 only serve to distract the Debtor, its management and its professionals from
20 completing the sale process—the only viable path to realizing maximum value for the
21 Debtor’s assets—while these Vestavia team members strive to protect the safety and
22 wellbeing of the elderly residents of Mount Royal Towers. See the Moriarty
23 Declaration, ¶5.

24 **E. Relief Requested**

25 With this Motion, the Debtor requests, pursuant to section 1121(d) of the
26 Bankruptcy Code, that the Court enter an order in substantially the form attached as
27 Exhibit “A” hereto granting an initial 90-day extension of the Exclusive Filing Period
28 to and including Monday, August 3, 2020, and a commensurate 90-day extension of

1 the Exclusive Solicitation Period to and including Tuesday, September 29, 2020,
2 without prejudice to the Debtor’s right to seek additional extensions of such periods.

3 **F. Notice**

4 A copy of this Motion and all supporting papers will be served on all of the
5 following: The United States Trustee; all secured creditors; the 20 largest unsecured
6 creditors; Wells Fargo; Commonwealth Assisted Living, LLC, Series E
7 (“Commonwealth”); Municipal Capital Appreciation Partners; Securities and
8 Exchange Commission; Internal Revenue Service; and All Registered Users, as such
9 term is defined in Local Rule 1001-6(b)(24). The Debtor submits that no additional
10 notice is required.

11 **IV. LEGAL AUTHORITY**

12 Pursuant to section 1121(d) of the Bankruptcy Code, the Court may extend the
13 Exclusive Periods for cause. See 11 U.S.C. § 1121(d)(1) (“on request of a party in
14 interest made within the respective periods specified in subsections (b) and (c) of this
15 section and after notice and a hearing, the court may for cause reduce or increase the
16 120-day period or the 180-day period referred to in this section”). However, the 120-
17 day period “may not be extended beyond a date that is 18 months after the
18 [commencement] date” and the 180-day period “may not be extended beyond a date
19 that is 20 months after the [commencement] date.” Id. § 1121(d)(2).

20 The Bankruptcy Code neither defines the term “cause” for purposes of section
21 1121(d) nor establishes formal criteria for an extension. The legislative history of
22 section 1121 indicates, however, that it is intended to be a flexible standard to balance
23 the competing interests of a debtor and its creditors. See H.R. Rep. No. 95-595, at
24 231–32 (1978), reprinted in 1978 U.S.C.C.A.N. 5963 (noting that Congress intended
25 to give Bankruptcy Courts great flexibility to protect a debtor’s interests by allowing a
26 debtor unimpeded opportunity to negotiate settlement of debts without interference
27 from other parties in interest).

28 ///

1 In exercising its broad discretion, the Bankruptcy Court may consider a variety
2 of factors to assess the totality of circumstances in each case. See In re Henry Mayo
3 Newhall Mem'l Hosp., 282 B.R. 444, 452 (B.A.P. 9th Cir. 2002) (“The question [of
4 § 1121(d) cause] is inherently fact-specific and calls for a delicate exercise of
5 judgment about which seasoned judges could differ.”); In re Borders Grp., Inc., 460
6 B.R. 818, 821–22 (Bankr. S.D.N.Y. 2011) (“The determination of cause under section
7 1121(d) is a fact-specific inquiry and the court has broad discretion in extending or
8 terminating exclusivity.”); In re Adelpia Commc’ns Corp., 352 B.R. 578, 587
9 (Bankr. S.D.N.Y. 2006) (identifying objective factors courts historically have
10 considered in determining whether cause exists to extend or terminate exclusivity); In
11 re Dow Corning Corp., 208 B.R. 661, 664 (Bankr. E.D. Mich. 1997); In re Express
12 One Int’l, Inc., 194 B.R. 98 (Bankr. E.D. Tex. 1996). Those factors include, without
13 limitation:

- 14 (i) the size and complexity of the debtor’s case;
- 15 (ii) the necessity for sufficient time to permit the debtor to negotiate a
16 chapter 11 plan and prepare adequate information;
- 17 (iii) the existence of good faith progress towards reorganization;
- 18 (iv) the fact that the debtor is paying its bills as they become due;
- 19 (v) whether the debtor has demonstrated reasonable prospects for
20 filing a viable plan;
- 21 (vi) whether the debtor has made progress in negotiations with its
22 creditors;
- 23 (vii) the amount of time which has elapsed in the case;
- 24 (viii) whether the debtor is seeking an extension of exclusivity in order
25 to pressure creditors to submit to the debtor’s reorganization
26 demands; and
- 27 (ix) whether an unresolved contingency exists.

28 In re New Meatco Provisions, LLC, No. 2:13-BK-22155-PC, 2014 WL 917335, at *3
(Bankr. C.D. Cal. Mar. 10, 2014); In re Catholic Bishop of N. Alaska, No. F08-00110-
DMD, 2009 WL 8412171, at *1 (Bankr. D. Alaska Sept. 11, 2009); Adelpia
Commc’ns, 352 B.R. at 587 (noting that the nine factors listed above are “objective

1 factors which courts historically have considered in making determinations of this
2 character”); In re McLean Indus., Inc., 87 B.R. 830, 834 (Bankr. S.D.N.Y. 1987);
3 accord In re Express One, 194 B.R. at 100 (identifying all of the nine factors as
4 relevant in determining whether cause exists to extend exclusivity); In re United Press
5 Int’l, Inc., 60 B.R. 265, 269 (Bankr. D.C. 1986) (holding that debtor showed cause to
6 extend exclusive period based upon certain of the nine factors). The exercise of the
7 Court’s discretion is not simply a check-off process, but is based upon the totality of
8 the circumstances. The above factors are not the exclusive bases for the exercise of
9 the Court’s discretion to extend the exclusive periods, nor must they all be satisfied.

10 **V. ARGUMENT**

11 Application of the identified standards to the indisputable facts of this Chapter
12 11 case demonstrates that ample cause exists to grant the Debtor’s requested
13 extensions of the Exclusive Periods. The extensions are necessary and appropriate,
14 particularly in light of the challenges presented by the coronavirus pandemic that has
15 so complicated the lives and businesses of those like the Debtor here who are
16 entrusted with operating senior care communities like the Mount Royal Towers
17 facility. The requested extensions are necessary and appropriate in order for the
18 Debtor to have the opportunity contemplated by the Bankruptcy Code to sell its assets
19 through the Court-approved sale process, so that maximum value can be realized for
20 creditors, and—most importantly—the Debtor’s operating business can be transitioned
21 to a new owner with the financial means to operate it a way that protects its elderly
22 residents.

23 **A. Considerable Good Faith Progress Has Been Made in this Case**

24 During the first few months of this Chapter 11 case, the Debtors’ primary focus
25 has been on stabilizing its business, protecting its elderly residents, securing Court
26 approval of debtor-in-possession financing and other “first day” relief, and obtaining
27 Court approval of a process for the sale of substantially all assets. All of these efforts
28 have enabled the Debtor to minimize the disruptions often attendant to the

1 commencement of a Chapter 11 case. The Debtor has accomplished all of this in the
2 face not only of the complications brought on by the coronavirus pandemic, which has
3 consumed enormous time and attention of the Debtor’s management and
4 professionals, but also dealing with an onslaught of distracting litigation activities
5 brought by Commonwealth, a disgruntled former suitor whose relentless challenges
6 and objections (to almost every aspect of the case) has made this Chapter 11 far more
7 difficult and expensive for the Debtor (and thus higher risks for its elderly residents)
8 than it needed to be. See the Moriarty Declaration, ¶ 6.

9 The Debtor is administering this case as expeditiously as possible under these
10 current circumstances, but there is no point in formulating a Chapter 11 plan—either
11 the Debtor’s own, or a competing plan –until the sale process is complete and the
12 economic realities of this case are clear. Conversely, the termination of the Exclusive
13 Periods and the threat of multiple plans would lead to unnecessary adversarial
14 situations (further distracting the Debtor’s management and counsel from the task at
15 hand), a potential crisis in confidence among the Debtor’s residents, employees,
16 business partners, and other economic stakeholders, and the attendant deterioration in
17 value of the Debtor’s business enterprise, all to the detriment and prejudice of all
18 parties in interest. See the Moriarty Declaration, ¶ 7. The Court should not permit
19 such a scenario to unfold.

20 **B. The Debtor is Current on Its Post-Petition Obligations**

21 Courts considering an extension of exclusivity also may assess a debtor’s
22 liquidity and ability to pay costs and expenses of administration. See Adelpia
23 Commc’ns, 352 B.R. at 587. Here, the Debtor has obtained sufficient DIP financing
24 through its limited partners, is current on payment of its postpetition obligations, and
25 has sufficient liquidity to pay its administrative expenses in the ordinary course. See
26 the Moriarty Declaration, ¶ 8. As such, the requested extension of the Exclusive
27 Periods will not prejudice the legitimate interests of creditors or other parties in
28 interest, and this factor weighs in favor of granting the relief requested.

1 **C. The Case is New**

2 In deciding whether to extend exclusivity, courts also look to the length of time
3 that a case has been on file. This case was filed on January 3, 2020—a mere three
4 months ago. And already, the major milestone in the case—a sale of the Debtor’s
5 operating business—is within sight, the Court having approved a stalking horse
6 agreement and related overbid procedures, and set the final sale hearing for May 21,
7 2020. See the Moriarty Declaration, ¶9. This factor clearly weighs in favor of
8 granting exclusivity.

9 **D. No Pressuring Creditors**

10 Another factor courts look to is whether the debtor is seeking an extension of
11 exclusivity in order to pressure creditors to submit to the debtor’s reorganization
12 demands. Such is not the case here. No facts would support that contention. No one
13 has even made such allegations. Even Commonwealth admits that the Debtor’s
14 Court-approved sale process is the only path forward for this case. See ECF 153, p. 2.

15 **E. Unresolved Contingencies**

16 The final factor is whether an unresolved contingency exists. Such is the case
17 here. It is unknown at this point whether the net sale proceeds will be sufficient to pay
18 Wells Fargo in full, and particularly so in light of the additional challenges the Debtor
19 faces in running a sale process during the height of the worldwide coronavirus
20 pandemic. The answer to that question will likely determine the exit strategy here—
21 whether that be through a plan of liquidation, a structured dismissal or something else.
22 The Court-approved sale process will assist in resolving this contingency. Until it
23 does so, exclusivity should be extended, so that the Debtor can focus on the sale and
24 on protecting the safety and security of the Mount Royal Towers facility and its
25 elderly residents, rather than having to devote resources to fending off a competing
26 plan. See the Moriarty Declaration, ¶10.

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1 **VI. CONCLUSION**

2 Based on the foregoing, the Debtor respectfully requests entry of an order in
3 substantially the form attached as Exhibit “A” hereto granting:

- 4 (A) An initial 90-day extension of the Exclusive Filing Period to and
5 including Monday, August 3, 2020, without prejudice to the Debtor’s
6 right to seek additional extensions of such periods;
- 7 (B) A commensurate 90-day extension of the Exclusive Solicitation Period to
8 and including Tuesday, September 29, 2020, without prejudice to the
9 Debtor’s right to seek additional extensions of such periods; and
- 10 (C) Such other and further relief as the Court may deem just and appropriate.

11
12 Dated: April 14, 2020

SULLIVAN HILL REZ & ENGEL
A Professional Law Corporation

13
14 /s/James P. Hill

15 James P. Hill, Esq.
16 Sullivan Hill Rez & Engel, APLC
17 Counsel for Debtor,
18 Vestavia Hills, Ltd.
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EXHIBIT TABLE

Exhibit	Description	Pages
A	Proposed Order	12-14

Name, Address, Telephone No. & I.D. No.

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF CALIFORNIA 325 West F Street, San Diego, California 92101-6991	
In Re	
Debtor.	BANKRUPTCY NO.
Plaintiff(s)	ADVERSARY NO.
V. Defendant(s)	Date of Hearing: Time of Hearing: Name of Judge:

ORDER ON

The court orders as set forth on the continuation pages attached and numbered _____ through _____ with exhibits, if any, for a total of _____ pages. Motion/Application Docket Entry No. _____ .

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DATED:

Judge, United States Bankruptcy Court

CASE NO.:
ADV. NO.:

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Electronically Filed:04/14/2020

Attorneys for Debtor and Debtor In Possession,
Vestavia Hills, Ltd. dba Mount Royal Towers

UNITED STATES BANKRUPTCY COURT
Southern District of California

In re	}	CASE NO. 20-00018-LA11
VESTAVIA HILLS, LTD. DBA MOUNT ROYAL TOWERS,	}	Chapter 11
Debtor.	}	DECLARATION OF KEVIN MORIARTY IN SUPPORT OF DEBTOR'S MOTION TO EXTEND EXCLUSIVITY PERIODS; MEMORANDUM OF POINTS AND AUTHORITIES
	}	Date: May 14, 2020
	}	Time: .2:00 p.m.
	}	Dept.: 2
	}	Judge: Hon. Louise DeCarl Adler

I, Kevin Moriarty, hereby declare under penalty of perjury:

1. I am an individual over the age of majority and am competent to testify as to the facts set forth in this declaration. If called upon to testify, I could and would testify to the facts set forth in this declaration. I am authorized by the Debtor to submit this declaration.

2. I am the President and Chief Executive Officer of IPG Holding, Inc., the General Partner of Vestavia Hills, Ltd., the debtor and debtor in possession herein ("Debtor"). I have held my position since 2016. Prior to that time, I served the Debtor in various other capacities, some going back as far as 1998. As part of my

1 employment and service in these capacities, I am generally familiar with the Debtor’s
2 history, day-to-day operations, business and financial affairs, and books and records,
3 as well as the Debtor’s restructuring efforts.

4 3. I submit this declaration in support of the Debtor’s Motion to Extend
5 Exclusivity Periods.

6 4. The sale process is now underway, and should culminate with a final sale
7 hearing—and hopefully an auction—on May 21, 2020. After this case commenced, the
8 COVID-19 coronavirus pandemic took front and center stage, not only at the Debtor’s
9 Mount Royal Towers facility, but across the nation and world, and in this Court and
10 the proceedings in this case. Despite the current circumstances, the Debtor, its
11 management and staff, and professionals have worked diligently to continue the sale
12 process on track while at the same time to maintain the safety and security of the
13 Mount Royal Towers facility and of the elderly residents there.

14 5. An extension of the Exclusive Periods in this Chapter 11 case is in the
15 best interest of the Debtor’s economic stakeholders and is consistent with my
16 understanding of the intent and purpose of Chapter 11 of the Bankruptcy Code.
17 Ample cause exists to grant the Debtor the extensions of the Exclusive Periods as,
18 inter alia, considerable good faith progress has been made in the administration of the
19 Chapter 11 case—including, stabilizing the Debtor’s businesses and operations, seeking
20 and obtaining Court approval of a process for the sale of substantially all assets, and
21 establishing constructive working relationships with the United States Trustee and the
22 Debtor’s senior secured creditor, Wells Fargo Bank, N.A. (“Wells Fargo”)—all while
23 facing and dealing with the exigencies and emergency responses required by the
24 coronavirus pandemic. The relief requested will allow the Debtor to continue to focus
25 on preserving the health and safety of the elderly residents of Mount Royal Towers,
26 and enhancing going concern value, and then monetizing it for the benefit of creditors
27 through the Court-approved sale process. The requested extensions of the Exclusive
28 Periods at this early stage of this Chapter 11 case recognize the reality of this case in

1 challenging circumstances. Having to deal with a competing plan under the
2 circumstances as exist in the very changed world we find ourselves in today would
3 only serve to distract the Debtor, its management and its professionals from
4 completing the sale process—the only viable path to realizing maximum value for the
5 Debtor’s assets—while these Vestavia team members strive to protect the safety and
6 wellbeing of the elderly residents of Mount Royal Towers.

7 6. During the first few months of this Chapter 11 case, the Debtors’ primary
8 focus has been on stabilizing its business, protecting its elderly residents, securing
9 Court approval of debtor-in-possession financing and other “first day” relief, and
10 obtaining Court approval of a process for the sale of substantially all assets. All of
11 these efforts have enabled the Debtor to minimize the disruptions often attendant to
12 the commencement of a Chapter 11 case. The Debtor has accomplished all of this in
13 the face not only of the complications brought on by the coronavirus pandemic, which
14 has consumed enormous time and attention of the Debtor’s management and
15 professionals, but also dealing with an onslaught of distracting litigation activities
16 brought by Commonwealth, a disgruntled former suitor whose relentless challenges
17 and objections (to almost every aspect of the case) has made this Chapter 11 far more
18 difficult and expensive for the Debtor (and thus higher risk for its elderly residents)
19 than it needed to be.

20 7. The Debtor is administering this case as expeditiously as possible under
21 these current circumstances, but there is no point in formulating a Chapter 11 plan—
22 either the Debtor’s own, or a competing plan—until the sale process is complete and
23 the economic realities of this case are clear. Conversely, the termination of the
24 Exclusive Periods and the threat of multiple plans would lead to unnecessary
25 adversarial situations (further distracting the Debtor’s management and counsel from
26 the task at hand), a potential crisis in confidence among the Debtor’s residents,
27 employees, business partners, and other economic stakeholders, and the attendant
28 deterioration in value of the Debtor’s business enterprise, all to the detriment and

1 prejudice of all parties in interest.

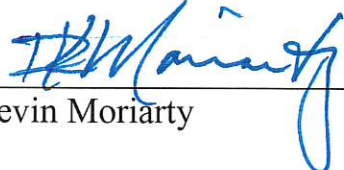
2 8. The Debtor has obtained sufficient DIP financing through its limited
3 partners, is current on payment of its postpetition obligations, and has sufficient
4 liquidity to pay its administrative expenses in the ordinary course.

5 9. This case was filed on January 3, 2020—a mere three months ago. And
6 already, the major milestone in the case—a sale of the Debtor’s operating business—is
7 within sight, the Court having approved a stalking horse agreement and related
8 overbid procedures, and set the final sale hearing for May 21, 2020.

9 10. It is unknown at this point whether the net sale proceeds will be sufficient
10 to pay Wells Fargo in full, and particularly so in light of the additional challenges the
11 Debtor faces in running a sale process during the height of the worldwide coronavirus
12 pandemic. The answer to that question will likely determine the exit strategy here—
13 whether that be through a plan of liquidation, a structured dismissal or something else.
14 The Court-approved sale process will assist in resolving this contingency. Until it
15 does so, exclusivity should be extended, so that the Debtor can focus on the sale and
16 on protecting the safety and security of the Mount Royal Towers facility and its
17 elderly residents, rather than having to devote resources to fending off a competing
18 plan.

19 I declare under penalty of perjury that the foregoing is true and correct.

20 Executed on April 13, 2020, at San Diego, California.

21 
22 _____
23 Kevin Moriarty
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