

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:

MIDWEST CHRISTIAN VILLAGES, INC.
et al.,¹

Debtors.

Chapter 11

Case No. 24-42473-659

(Jointly Administered)

Hearing Date: March 26, 2025
Hearing Time: 10:00 a.m. (CT)
Hearing Location: Courtroom 7 North

Re: Docket No. 645

DEBTORS' MOTION FOR ENTRY OF AN ORDER
SCHEDULING AN EXPEDITED HEARING ON DEBTORS' MOTION
FOR THE SALE OF SENIOR CARE PHARMACY

The above-captioned debtors and debtors in possession (collectively, the "Debtors"), respectfully state as follows in support of this motion (the "Motion"):

RELIEF REQUESTED

1. By this Motion, and pursuant to § 105(a) of title 11 of the United States Code (the "Bankruptcy Code"), Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 9013-2(A) of the Local Rules of Bankruptcy Procedure for the United States Bankruptcy Court for the Eastern District of Missouri (the "Local Bankruptcy

¹ The address of the Debtors headquarters is 2 Cityplace Dr, Suite 200, Saint Louis, MO 63141-7390. The last four digits of the Debtors' federal tax identification numbers are: (i) Midwest Christian Villages, Inc. [5009], (ii) Hickory Point Christian Village, Inc. [7659], (iii) Lewis Memorial Christian Village [3104], (iv) Senior Care Pharmacy Services, LLC [1176], (v) New Horizons PACE MO, LLC [4745], (vi) Risen Son Christian Village [9738], (vii) Spring River Christian Village, Inc. [1462], (viii) Christian Homes, Inc. [1562], (ix) Crown Point Christian Village, Inc. [4614], (x) Hoosier Christian Village, Inc. [3749], (xi) Johnson Christian Village Care Center, LLC [8262], (xii) River Birch Christian Village, LLC [7232], (xiii) Washington Village Estates, LLC [9088], (xiv) Christian Horizons Living, LLC [4871], (xv) Wabash Christian Therapy and Medical Clinic, LLC [2894], (xvi) Wabash Christian Village Apartments, LLC [8352], (xvii) Wabash Estates, LLC [8743], (xviii) Safe Haven Hospice, LLC [6886], (xix) Heartland Christian Village, LLC [0196], (xx) Midwest Senior Ministries, Inc. [3401]; (xxi) Shawnee Christian Nursing Center, LLC [0068]; and (xxii) Safe Haven Hospice, LLC [6886].



Rules”), the Debtors seek entry of an order (a) authorizing and approving the *Motion for Entry of an Order (I) Authorizing the Debtors to Enter Into and Perform Their Obligations Under the Asset Purchase Agreement for Senior Care Pharmacy, (II) Approving the Sale of Certain Assets Free and Clear of All Claims Liens, Rights, Interests, and Encumbrances, (III) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* [Docket No. 645] (the “Expedited Motion”),² filed on March 19, 2025, and (b) scheduling an expedited hearing on the Expedited Motion for March 26, 2025, at 10:00 a.m. (prevailing Central Time) (the “Hearing”).

BACKGROUND

2. On July 16, 2024 (the “Petition Date”), the Debtors filed voluntary petitions for relief pursuant to chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Missouri (the “Court”).

3. The Debtors continue in the operation and management of their business as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. The U.S. Trustee appointed an official committee of unsecured creditors (the “Committee”) on August 8, 2024 [Docket No. 121].

4. The Debtors filed these Chapter 11 cases to pursue one or more going concern sales and/or going concern affiliates for each of their facilities.

5. On November 12, 2024 at 10:00 a.m. (CT), pursuant to the Bid and Sale Procedures Order, the Debtors conducted the Auction with respect to the Debtors’ assets.

6. On November 27, 2024, the Court entered the *Order (I) Approving the Asset Purchase Agreements Between the Debtors and the Successful Bidder; (II) Authorizing the Sale of*

² Capitalized terms used but not defined in this Motion have the meaning ascribed to them in the Expedited Motion.

Substantially All of the Assets of the 4 Illinois Market Rate Facilities and the Pharmacy; and (III) Granting Related Relief [Docket No. 502] (the “Initial Sale Order”). The Initial Sale Order approved the sale of four of the Debtors’ Illinois market rate facilities (the “Illinois Facilities”) and the Pharmacy to CH Arcadia Holdco, LLC (“CH Arcadia”) as the Successful Bidder.

7. Since then, the sales of the four Illinois market rate facilities have closed, however, CH Arcadia failed to close the sale of the Pharmacy by the required closing date.

8. As further described in the Expedited Motion, the Debtors have determined that the terms of the sale of the Pharmacy to a different buyer, RNG BEH CN CL MG LLC (“BEH”), are more beneficial to the Debtors’ estates and employees than those previously approved in the proposed sale to CH Arcadia.

JURISDICTION AND VENUE

9. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 9.01(B) of the Local Rules of the United States District Court for the Eastern District of Missouri. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. §157(b).

10. The statutory and legal predicates for the relief requested herein are § 105(a) of the Bankruptcy Code, Rule 9006(c) of the Bankruptcy Rules, and Local Bankruptcy Rule 9013-2(A).

BASIS FOR RELIEF

11. Pursuant to the Local Bankruptcy Rules, the Debtors are seeking an expedited hearing because the Expedited Motion will be filed and served less than twenty-one (21) days prior to the Hearing.

12. Section 105(a) of the Bankruptcy Code authorizes this Court to “issue any order,

process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” Further, Bankruptcy Rule 9006(c) provides that the Court, for cause shown, may in its discretion reduce the notice period normally required for motions. Finally, Local Bankruptcy Rule 9013-2(A) allows a hearing to be scheduled on an expedited basis “by written motion, setting forth the reason the matter should be considered on an expedited . . . basis.”

13. The Debtors request that the Court shorten the notice period otherwise required by the Local Rules and hear the Expedited Motion on an expedited basis. CH Arcadia is in default of the APA and failed to close the sale of the Pharmacy by the required closing date. The Debtors are now seeking to close the sale of the Pharmacy to BEH by April 2025 (and ideally want to close before the April 22, 2025 omnibus hearing date, hence the request to have this sale approved at the March 26, 2025 omnibus hearing date), but require a sale order entered by this Court in order to effectuate a closing since BEH was not previously approved for this particular asset. BEH did acquire and close other assets (Risen Son in Iowa, Spring River in Missouri and Wabash Apartments in Illinois) and is set to close on the two Illinois Supportive Living Facilities (Wabash Estates and Washington Estates) and are awaiting HUD approval. *See Order (I) Approving the Asset Purchase Agreement Between the Debtors and the Successful Bidder; (II) Authorizing the Sale of Substantially All of the Debtors’ Assets of Washington Village Estates, LLC, Wabash Estates, LLC, Wabash Christian Village Apartments, LLC, Spring River Christian Village, and Risen Son Christian Village Free and Clear of Liens, Claims, Interests and Encumbrances, Except for Certain Assumed Liabilities; (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection Therewith; and (IV) Granting Related Relief* [Docket No. 504].

14. Closing by April will reduce the Pharmacy’s operating burn and payroll costs, as the

Pharmacy lost some of its prior customers as part of the sale of the Debtors' other facilities. Moreover, the Debtors submit that the terms of the BEH APA are substantially similar to the sale terms of the Pharmacy to CH Arcadia this Court previously approved pursuant to the Initial Sale Order entered in November 2024.

15. BEH intends to operate the pharmacy in Monticello and retain the employees there and add new customers. The prior buyer, CH Arcadia, intended to shut down pharmacy operations in Monticello and lay off the existing workforce there.

16. The Debtors understand that the Bond Trustee and Committee are also supportive of the sale of the Pharmacy to BEH.

17. Courts in this district have granted similar relief concerning expedited consideration in other large chapter 11 cases. *See, e.g., Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (“[U]nder normal circumstances the court would defer to the trustee’s judgment so long as there is a legitimate business justification.” (citing *In re Schipper*, 933 F.2d 513, 515 (7th Cir. 1991))); *In re Tower Air, Inc.*, 416 F.3d 229, 238 (3d Cir. 2005) (stating that “[o]vercoming the presumptions of the business judgment rule on the merits is a near-Herculean task”); *see also In re Food Barn Stores, Inc.*, 107 F.3d 558, 564–65 (8th Cir. 1997) (recognizing that paramount goal of any proposed sale of property of estate is to maximize value); *Crystalin, LLC v. Selma Props. Inc. (In re Crystalin, LLC)*, 293 B.R. 455, 463-64 (B.A.P. 8th Cir. 2003).

NOTICE

18. This Motion and notice of this Motion will be served respectively on Master Service List and Master Notice List. Notice of this Motion and any order entered hereon will be served in accordance with Local Rule 9013-3(A)(1). The Debtors submit that, under the circumstances, no other or further notice is required.

WHEREFORE, the Debtors respectfully request entry of an order granting the relief requested herein, together with such other and further relief as the Court deems just and proper.

Dated: March 19, 2025
St. Louis, Missouri

Respectfully submitted,

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/s/ Stephen O'Brien

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