

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

In re:)
)
PREMIER KINGS, INC., *et al.*,¹) Chapter 11
)
Debtors.) CASE NO.: 23-02871-TOM-11
)
) Jointly Administered
)

OBJECTION AND RESERVATION OF RIGHTS OF JG COASTAL PROPERTIES, INC., AS SUCCESSOR TO PREMIER HOLDINGS OF GEORGIA, LLC, TO MOTION OF RRG OF JACKSONVILLE, LLC FOR RELIEF FROM ORDER ASSUMING AND ASSIGNING CONTRACT

COMES NOW, JG Coastal Properties, Inc. (“JG Coastal Properties”), as successor to Premier Holdings of Georgia, LLC (“Holdings”), and submits this its objection (this “Objection”) to the *Motion of RRG of Jacksonville, LLC for Relief from Order Assuming and Assigning Contract* [Doc. No. 643] (the “Motion”). In support of this Objection, JG Coastal Properties states as follows:

JURISDICTIONAL INFORMATION

1. On or about October 25, 2023 (the “Petition Date”), Debtors filed for bankruptcy protection under Chapter 11 of 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”). Debtors continue to operate its business and manage its property as debtors-in-possession pursuant to Bankruptcy Code §§ 1107(a) and 1108.

2. This Court has jurisdiction over the Motions and this Objection pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of

¹ The Debtors in these cases are: Premier Kings, Inc.; Premier Kings of Georgia, Inc.; and Premier Kings of North Alabama, LLC. The Court has entered an order for joint administration on October 30, 2023 [Doc. No. 84].



Debtors' Chapter 11 case, the Motions, and this Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND FACTS

3. Debtors and Holdings are parties to over fifty (50) commercial real estate leases (the "Leases") for the operation of Burger King restaurants (the "Restaurants").

4. On November 20, 2023 the Court filed an Order granting Debtors' Bidding Procedures for the sale of Debtors' assets, which assets include the Leases and the Restaurants, and scheduling an auction (the "Auction") [Doc. No. 232].

5. Following the Auction, and pursuant to an Order entered on December 13, 2023 [Doc. No. 355] (the "Sale Order") the Court entered an Order approving the sale of certain of Debtor's assets to RRG, as enumerated in the Asset Purchase Agreement (the "APA"). Said assets include a ground lease (the "Ground Lease") dated May 8, 2018 by and between Port Wentworth Fee Owner, LLC and Premier Kings of Georgia, Inc. ("PKGI") for a Burger King restaurant located at 7306 Hwy 21, Port Wentworth, GA 31407 (the "Port Wentworth Store"), and a Development Agreement (the "Development Agreement") for the Port Wentworth Store wherein Holdings agreed to build the Burger King restaurant on the ground leased pursuant to the Ground Lease, and PKGI agreed to pay to Holdings a monthly development fee (the "Development Fee") in return.

6. On or about April 5, 2024, PHGA and JG Coastal Properties entered into that certain *Assignment and Assumption of Development Agreement* (the "Assignment"). Pursuant to the Assignment, PHGA assigned its interest in the Agreement to JG Coastal Properties.

7. Despite the fact that the APA governing the sale to RRG clearly lists the Development Agreement as an asset to be assigned to RRG and the fact that, in that certain *Assignment and Assumption of Lease Agreement*, RRG clearly took assignment of the

Development Agreement, RRG has denied taking an assignment of the Development Agreement and has refused to pay the Development Fee to Holdings.

8. Holdings initiated an Adversary Proceeding, Adv. Proc. No. 24-00016-TOM (the “AP”), by filing a Complaint (the “Complaint”) [Doc. No. 1] against RRG requesting that this Court issue a declaratory judgment that RRG took assignment of the Development Agreement and must perform under the same, and grant relief to Holdings for RRG’s breach of the Development Agreement for its failure pay the Development Fee.

9. RRG filed the Motion on May 8, 2024, requesting that this Court treat the Development Contract as a rejected contract, among other things.

10. On May 22, 2024, this Court held a Scheduling Conference in the AP, and set out certain deadlines in the AP.

OBJECTION

11. Holdings objects to the Motion in its entirety, for the reasons set forth in Holdings’ Complaint filed in *Premier Holdings of Georgia, LLC v. RRG of Jacksonville, LLC* pending before this Court, Adv. Proc. No. 24-ap-00016-TOM.

RESERVATION OF RIGHTS

7. Upon information and belief, the matters set forth in the Motion are to have the same deadlines as those set forth in the AP, so that Holdings’ objection to the Motion is not due to be briefed at this time. Out of an abundance of caution, Holdings submits this Objection to this Court and requests that this Court permit Holdings to reserve all its rights with respect to this Objection including, but not limited to, a full legal briefing of these matters.

DATED this the 7th day of June, 2024.

/s/ Heather A. Jamison

Heather A. Jamison
Chloe E. Champion

*Counsel JG Coastal Properties, Inc., as successor
to Premier Holdings of Georgia, LLC*

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CERTIFICATE OF SERVICE

Service of the foregoing shall be made via ECF to all parties entitled to notice thereunder, and to the following via e-mail, and if e-mail is not available via U.S. mail, on this the 7th day of June, 2024:

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/s/ Heather A. Jamison

OF COUNSEL