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COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re: **Northwest Senior Housing Corporation, *et al.*,[1]** **Debtors.**	§	**Chapter 11** **Case No. 22-30659 (MVL)** **Jointly Administered**
Official Committee of Unsecured Creditors, **Plaintiff,** **v.** **UMB Bank, N.A., in its capacity as bond trustee and master trustee,** **Defendant.**	§	**Adv. No. 22-3073-MVL**

AGREED MOTION TO ABATE SCHEDULING ORDER

The Official Committee of Unsecured Creditors (the "**Committee**") and UMB Bank, N.A., in its capacity as bond trustee and master trustee ("**UMB**"), respectfully submit this *Agreed*

1 The Debtors in these chapter 11 cases (the "**Chapter 11 Cases**"), along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.

Motion to Abate Scheduling Order ("**Motion to Abate**"). In support, the parties respectfully represents as follows:

1. This is an adversary proceeding filed by the Committee in light of the Investigation Period (as defined in the Final DIP Order) established under the Court's *Final Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; and (4) Granting Liens, Security Interests and Superpriority Claims* [Docket No. 421] ("***Final DIP Order***").

2. The Committee's served UMB with process on July 14, 2022 [*See* Adv. Docket No. 4]. UMB's current deadline to file a responsive pleading to the Committee's original complaint in this Adversary Proceeding is August 15, 2022.

3. After the filing of this action the parties have had discussions relating to deferring the time periods by which UMB would file a responsive pleading and, given these discussions, UMB has not filed a responsive pleading and has not appeared in this Adversary Proceeding.

4. On July 13, 2022, the Court entered its default scheduling order for this Adversary Proceeding [*See* Adv. Docket No. 3] ("**Default Scheduling Order**").

5. The scope of issues raised in this Adversary Proceeding involve the validity, extent and priority of liens asserted by UMB on certain property of the estate of the Debtors.

6. Prior to filing this action, the parties engaged in good faith discussions concerning a resolution of the merits raised by this Adversary Proceeding. The parties mutually wish to continue good faith negotiations of the issues raised by this Adversary Proceeding without incurring unnecessary fees and expenses associated with the litigation of this Adversary Proceeding.

7. Accordingly, the parties respectfully request that the Court administratively abate UMB's responsive pleading deadline and all deadlines established under the Default Scheduling Order, and hold the same in abeyance pending further development of the issues raised in this Adversary Proceeding and further good faith negotiations of the parties to either an impasse or a settlement (the "**Abeyance Period**").

8. The parties respectfully request that the Abeyance Period run through the date either party serves written notification to the Court that the Abeyance Period should be terminated due to either: (a) a settlement of this Adversary Proceeding; (b) an impasse in negotiations and the need to resume litigation; and/or (c) some combination of either of the foregoing.

9. Either party may unilaterally terminate the Abeyance Period by notifying the Court in writing that good faith negotiations have come to an impasse and the litigation in this Adversary Proceeding should resume accordingly for further proceedings. Such notice may be presented in the form of a motion filed on the docket of this Adversary Proceeding. The terminating party's written notice to the Court shall include a written request to terminate the Abeyance Period and reschedule the pretrial deadlines of this Adversary Proceeding.

10. Upon such written notice and request to terminate the Abeyance Period, the terminating party shall provide the Court with a proposed scheduling order ("**Active Scheduling Order**") to supplant the Default Scheduling Order, after good faith consultation with the non-terminating party. Upon the Court's entry of the Active Scheduling Order, the Abeyance Period shall be deemed terminated without further notice or order of the Court and the deadlines in the Active Scheduling Order shall immediately become effective and control the proceedings of this Adversary Proceeding in due course.

11. In the event the parties reach a settlement of this Adversary Proceeding during the Abeyance Period, the parties shall submit a written notification to the Court via status report accompanied by the appropriate request for relief to either approve the settlement or dismiss this Adversary Proceeding and close the case.

WHEREFORE, the parties respectfully request that the Court abate UMB's responsive pleading deadline and all deadlines contained in the Default Scheduling Order and administratively hold this Adversary Proceeding in abeyance pending further notification of the parties. The parties respectfully request that the Abeyance Period run through the date either party serves written notification to the Court that the Abeyance Period has terminated. The parties respectfully request that the Court grant any further relief as is just and equitable.

[*signature page follows*]

Dated: August 9, 2022

Respectfully submitted,

/s/ Thomas C. Scannell

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COUNSEL FOR UMB BANK, N.A., AS TRUSTEE

CERTIFICATE OF SERVICE

I certify that on August 9, 2022, a true and correct copy of this document was served via ECF-electronic mail on the parties receiving electronic notice in the above-styled and numbered adversary proceeding.

/s/ Thomas C. Scannell
Thomas C. Scannell

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re: **Northwest Senior Housing Corporation, *et al.*,[1]** **Debtors.**	§ § § § § § §	**Chapter 11** **Case No. 22-30659 (MVL)** **Jointly Administered**
Official Committee of Unsecured Creditors, **Plaintiff,** **v.** **UMB Bank, N.A., in its capacity as bond trustee and master trustee,** **Defendant.**	§ § § § § § § § § § §	**Adv. No. 22-3073-MVL**

[1] The Debtors in these chapter 11 cases (the "**Chapter 11 Cases**"), along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.

ORDER

Came on for consideration this day the *Agreed Motion to Abate Scheduling Order* ("**Motion**")[2] filed by the Official Committee of Unsecured Creditors ("**Committee**") and UMB Bank, N.A., in its capacity as bond trustee and master trustee ("**UMB**"); and the Court, having reviewed the Motion and the relief requested therein; the Court having determined that the relief requested in the Motion is in the best interests of the parties to this Adversary Proceeding and the Debtors' bankruptcy estates and parties in interest thereto; the Court having jurisdiction to consider the Motion and relief requested therein in accordance with 28 U.S.C. 157 and 1334; the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; upon the record herein and in consideration of the parties' agreement, as set forth in the Motion; after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED, as set forth herein.

2. All proceedings in this Adversary Proceeding are administratively held in abeyance pending further notification of the parties.

3. All deadlines contained in the Default Scheduling Order are abated during the Abeyance Period.

4. UMB's deadline to file a responsive pleading in this Adversary Proceeding is abated during the Abeyance Period.

[2] All defined terms used herein bear the meanings assigned in the Motion.

5. Either party may unilaterally terminate the Abeyance Period by notifying the Court in writing that good faith negotiations have come to an impasse and the litigation in this Adversary Proceeding should resume accordingly for further proceedings. Such notice may be presented in the form of a motion filed on the docket of this Adversary Proceeding. The terminating party's written notice to the Court shall include a written request to terminate the Abeyance Period and reschedule the pretrial deadlines of this Adversary Proceeding.

6. Upon either party's written request to the Court to terminate the Abeyance Period, the terminating party shall provide the Court with a proposed scheduling order ("**Active Scheduling Order**") to supplant the Default Scheduling Order, after good faith consultation with the non-terminating party. Upon the Court's entry of the Active Scheduling Order, the Abeyance Period shall be deemed terminated without further notice or order of the Court, and the deadlines in the Active Scheduling Order shall immediately become effective and control the proceedings of this Adversary Proceeding in due course.

7. In the event the parties reach a settlement of this Adversary Proceeding during the Abeyance Period, the parties shall submit a written notification to the Court via status report accompanied by the appropriate request for relief to either approve the settlement or dismiss this Adversary Proceeding and close the case.

8. The terms and conditions of this Order shall be immediately effective and enforceable upon entry of this Order.

9. The Court retains exclusive jurisdiction to consider any further relief arising from and/or related to this Order.

End of Order

Prepared by:

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