

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

\_\_\_\_\_  
In re: §  
§ Chapter 11  
§  
NEIGHBORS LEGACY HOLDINGS, INC., § Case No. 18-33836 (MI)  
et al., §  
§ (Jointly Administered)  
\_\_\_\_\_  
Debtors.<sup>1</sup> §

**DEBTORS' FIRST OMNIBUS MOTION TO  
AUTHORIZE AND APPROVE THE REJECTION OF CERTAIN  
UNEXPIRED LEASES AND EXECUTORY CONTRACTS *NUNC PRO TUNC*  
(Real Property)**

**THIS MOTION SEEKS ENTRY OF AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.**

**LESSORS RECEIVING THIS MOTION SHOULD LOCATE THEIR RESPECTIVE NAMES AND LEASES IN THE SCHEDULES OF LEASES TO BE REJECTED, ATTACHED TO THE PROPOSED ORDER.**

**REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEYS.**

Neighbors Legacy Holdings, Inc. (“NLH”) and certain of its affiliates and subsidiaries, as debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”), file this *First Motion for Entry of an Order Authorizing and Approving the Rejection of Certain Unexpired Leases as of the Petition Date* (the “First Motion”). In support of the First Motion,

<sup>1</sup> Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at [www.kccllc.net/neighbors](http://www.kccllc.net/neighbors). The location of Debtors’ principal place of business and the Debtors’ service address is: 10800 Richmond Avenue, Houston, Texas 77042.



the Debtors rely upon and incorporate by reference the Declaration of Chad J. Shandler in Support of Chapter 11 Petitions and First Day Pleadings (the “First Day Declaration”), filed with the Court concurrently herewith. In support of this First Motion, the Debtors, by and through their proposed undersigned counsel, respectfully represent as follows:

### **JURISDICTION AND VENUE**

1. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(b). This matter is a core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. § 1408.

2. The predicates for the relief requested herein are Sections 105 and 365 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 6004, 6006, and 9013 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

### **BACKGROUND**

#### **A. Procedural History**

3. On July 12, 2018 (the “Petition Date”), the Debtors each commenced a case by filing a petition for relief under Chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”). The Debtors have requested that the Chapter 11 Cases be jointly administered.

4. The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

5. To date, no creditors’ committee has been appointed in the Chapter 11 Cases by the Office of the United States Trustee for the Southern District of Texas (the “United States Trustee”). No trustee or examiner has been appointed in the Chapter 11 Cases.

6. The Debtors currently operate 22 freestanding emergency centers (the “Emergency Centers”) throughout the State of Texas, including in South Texas, El Paso, the

Golden Triangle, the Permian Basin, the Panhandle, and the greater Houston area. The Debtors' Emergency Centers are designed to offer an attractive alternative to traditional hospital emergency rooms by reducing wait times, providing better working conditions for physicians and staff, and giving patient care the highest possible priority.

7. The Debtors' original parent was founded in 2008, and the first Neighbors emergency center opened in 2009. At their peak, the Debtors operated 33 Emergency Centers across three states. In recent years, the Debtors have experienced financial difficulties caused in large part by increased competition, less favorable insurance payor conditions, declining revenues, and disproportionate overhead costs as compared to their operational income. These challenges have caused significant strain on the Debtors' liquidity and threatened their ability to continue operating as a going concern. Prepetition, the Debtors engaged professionals and explored various out-of-court solutions, including closing unprofitable Emergency Centers and downsizing their corporate overhead. Ultimately, the Debtors' out-of-court restructuring efforts were unsuccessful and the Debtors elected to commence these Chapter 11 Cases.

8. Additional factual background information regarding the Debtors, including their business operations, their corporate and capital structure, and the events leading to the Chapter 11 Cases, is set forth in detail in the First Day Declaration.

**B. Prepetition Emergency Center Closings**

9. Prior to commencing these cases, the Debtors' management and their advisors engaged in a comprehensive review of the financial performance of the Debtors' freestanding emergency departments and an analysis of their outstanding real estate lease obligations. As a result of that analysis, the Debtors identified certain emergency center locations that were unprofitable and did not fit into the Debtors' go-forward strategy.

10. To preserve company value, prior to the Petition Date, the Debtors closed approximately 13 emergency centers and determined not to open 8 centers that were under construction and had never opened (collectively, the “Closed Centers”). The Closed Centers were each party to an unexpired real property lease, a full list of which is set forth on Exhibit A hereto (collectively, the “Rejected Leases”). The Debtors have ceased operations at the Closed Centers. In some cases, the Debtors have fully vacated the premises and have tendered possession to the applicable landlord. In other cases, certain of the Debtors’ equipment, supplies, and other items remain on the premises of the Closed Center. Regardless, the Debtors ceased receiving any benefit from the Closed Centers and Rejected Leases prior to the Petition Date.

**RELIEF REQUESTED**

11. By this First Motion, the Debtors request entry of an order substantially in the form of the attached proposed order authorizing and approving the Debtors’ rejection of the Rejected Leases effective as of the Petition Date.

**BASIS FOR RELIEF**

**C. Legal Standard**

12. Bankruptcy Code section 365(a) of the United States Bankruptcy Code authorizes a debtor to reject its executory contracts and unexpired leases subject to the approval of the bankruptcy court:

(a) Except as provided in . . . subsections (b), (c) and (d) of this section, the trustee, subject to the court’s approval, may assume or reject any executory contract or unexpired lease of the debtor.

11 U.S.C. § 365(a).

13. Courts evaluate a decision to reject an executory contract or unexpired lease under the “business judgment” standard. *See Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1309 (5th Cir. 1985) (“It is well established that the question whether a lease should be

rejected is one of business judgment”) (internal quotations omitted); *see also Lifemark Hospitals, Inc. v. Liljeberg Enters., Inc. (In re Liljeberg Enters., Inc.)*, 304 F.3d 410, 438 (5th Cir. 2002); *NLRB v. Bildisco (In re Bildisco)*, 682 F.2d 72, 79 (3d Cir. 1982) (“The usual test for rejection of an executory contract is simply whether rejection would benefit the estate, the ‘business judgment’ test.”).

14. The standard is satisfied if the debtor determines in its business judgment that the rejection of the contract or lease would benefit the estate. *See In re Pisces Energy, LLC*, No. 09-36591-H5-11, 2009 WL 7227880, at \*6 (Bankr. S.D. Tex. Dec. 21, 2009) (citing *Lubrizol Enters., Inc. v. Richmond Metal Finishers, Inc.*, 756 F.2d 1043, 1046–47 (4th Cir.1985)); *In re MPF Holding U.S. LLS*, No. 08-36084, 2013 WL 3197658, at \*9 (Bankr. S.D. Tex. June 21, 2013); *Sharon Steel Corp. v. Nat’l Fuel Gas Distribution Corp. (In re Sharon Steel Corp.)*, 872 F.2d 36, 40 (3d Cir. 1989). The business judgment standard mandates that a court approve a trustee’s business decision unless the decision is the product of bad faith, whim or caprice. *In re Pisces Energy*, 2009 WL 7227880, at \*6; *In re Pilgrim’s Pride Corp.*, 403 B.R. 413, 422 (Bankr. N.D. Tex. 2009); *Summit Land Co. v. Allen (In re Summit Land Co.)*, 13 B.R. 310, 315 (Bankr. D. Utah 1981) (absent extraordinary circumstances, court approval of a debtor’s decision to assume or reject an executory contract “should be granted as a matter of course”). If the trustee’s or debtor’s business judgment has been reasonably exercised, a court should approve the assumption or rejection of an unexpired lease or executory contract. *See, e.g., Richmond Leasing*, 762 F.2d at 1309; *In re Idearc Inc.*, 423 B.R. 138, 162 (Bankr. N.D. Tex. 2009), *aff’d*, 662 F.3d 315 (5th Cir. 2011) (“In the absence of a showing of bad faith or an abuse of business discretion, the debtor’s business judgment will not be altered”).

15. Rejection under Section 365 of the Bankruptcy Code is intended to enable the debtor to relieve its estate from burdensome and unprofitable contracts. *Stewart Title Guar. Co. v. Old Republic Nat'l Ins. Co.*, 83 F.3d 735, 741 (5th Cir. 1996) (“[Section 365] allows a trustee to relieve the bankruptcy estate of burdensome agreements which have not been completely performed”) (quoting *In re Murexco Petroleum, Inc.*, 15 F.3d 60, 62 (5th Cir. 1994)).

**D. The Requested Relief is Supported by the Debtors’ Sound Business Judgment**

16. Rejection of the Rejected Leases is amply supported by sound business judgment. The Debtors have ceased operations at the Closed Centers and no longer receive any benefit from maintaining the Closed Centers or the Rejected Leases. Those centers are not the subject of any asset purchase agreement and cannot realistically be expected to be the subject of the Debtors’ auction and sale process. In the analysis that the Debtors conducted prior to the Petition Date, the Debtors determined that the Closed Centers are unprofitable for the Debtors’ operations and would negatively impact the Bankruptcy Cases if the Debtors were to incur post-petition rent and related operational expenses. Accordingly, the Rejected Leases have no economic value to the estates and there is no business reason to justify the Debtors’ continued performance under the Rejected Leases.

**E. Nunc Pro Tunc Relief is Appropriate**

17. The Debtors respectfully request that the Court enter an order rejecting the Rejected Leases, effective as of the Petition Date. The Court may grant this retroactive rejection of unexpired leases and executory contracts based on a balance of the equities. *See, e.g., In re Cafeteria Operators, L.P.*, 299 B.R. 384, 394 (Bankr. N.D. Tex. 2003) (granting retroactive relief for contract rejection where debtors were “receiving no benefit” from the lease and the contract counterparties “had unequivocal notice of Debtors’ intent to reject to the filing of the Motions”); *In re Amber’s Stores, Inc.*, 193 B.R. 819, 827 (Bankr. N.D. Tex. 1996) (finding that

“nothing precludes a bankruptcy court, based on the equities of the case, from approving” retroactive rejection); *In re Chi-Chi’s, Inc.*, 305 B.R. 396, 399 (Bankr. D. Del. 2004) (acknowledging that a bankruptcy court may approve a rejection retroactive to the date the motion is filed after balancing the equities in the particular case).

18. Here, the balance of equities favors retroactive rejection as of the Petition Date. As stated above, the Debtors are no longer operating at the Closed Centers and are therefore receiving no benefit from the unexpired leases and executory contracts at the Closed Centers. In order to ensure that no attendant administrative obligations accrue post-petition, *nunc pro tunc* relief is appropriate as of the Petition Date.

**F. Requirements of Bankruptcy Rule 6006(f)**

19. Bankruptcy Rule 6006(f) requires, in relevant part, that a motion to reject multiple executory contracts or unexpired leases:

- a. state in a conspicuous place that parties receiving the motion should locate their names and their contracts or leases in the motion;
- b. list parties alphabetically and identify the corresponding contract or lease;
- c. be numbered consecutively with other omnibus motions to assume, assign, or reject executory contracts or unexpired leases; and
- d. be limited to no more than 100 executory contracts or unexpired leases.

The Debtors have complied with the foregoing requirements.

**RESERVATION OF RIGHTS**

20. The Debtors are currently reviewing and evaluating other unexpired leases and/or executory contracts that are not the subject of this First Motion. As this process continues, the Debtors may identify additional unexpired leases and/or executory contracts to be assumed or rejected. Accordingly, the Debtors reserve the right to seek to assume or reject additional executory contracts and unexpired leases.

**NOTICE**

21. Notice of this First Motion shall be given to (a) the Office of the United States Trustee for the Southern District of Texas; (b) the Debtors' 50 largest unsecured creditors on a consolidated basis; (c) Reed Smith LLP, Three Logan Square, 1717 Arch Street, Suite 3100, Philadelphia, PA 19103 (Attn: Matthew E. Tashman), and via email to [mtashman@reedsmith.com](mailto:mtashman@reedsmith.com), counsel to KeyBank National Association in its capacity as Agent and DIP Agent; (d) the contract counterparties to the Rejected Leases as listed on **Exhibit A**; (e) the United States Attorney's Office for the Southern District of Texas; (f) the Internal Revenue Service; (g) any party that has requested notice pursuant to Bankruptcy Rule 2002 as of the time of service; and (h) any party required to be served under Bankruptcy Local Rule 9013-1(d). Due to the nature of the relief requested herein, the Debtors submit that no other or further notice need be provided

**CONCLUSION**

22. The Debtors respectfully request that this Court enter an order that rejects the Rejected Leases as of the Petition Date and that grants such other and further relief as the Court may deem just and proper.

Dated: Houston, Texas  
July 13, 2018.

**PORTER HEDGES LLP**

By: /s/ John F. Higgins  
John F. Higgins  
State Bar No. 09597500  
Eric M. English  
State Bar No. 24062714  
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**PROPOSED COUNSEL FOR DEBTORS  
AND DEBTORS IN POSSESSION**

**CERTIFICATE OF SERVICE**

I certify that on July 13, 2018, I caused a copy of the foregoing document to be served by the Electronic Case Filing System to all registered ECF users in this case in the United States Bankruptcy Court for the Southern District of Texas.

*/s/ John F. Higgins*

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John F. Higgins

**Exhibit A**

**Rejected Leases**

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
UCP Texas Management, LLC	NEC Lakeline Emergency Center, LP f/k/a NEC Cedar Park Emergency Center, LLC	Medical Office Building Lease	11/1/2013	87 months	3/31/2021	07/13/18	32	Facility Leases

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
Spirit Realty, L.P.	NEC Zaragoza Emergency Center, LP	Lease Agreement	11/10/2014	12 years	8/31/2027	07/13/18	109	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
Spirit Realty, L.P.	NEC Tyler Emergency Center, LP	Lease Agreement	7/23/2015	12 years	12/31/2027	7/13/2018	113	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
RKMS Texas City LLC	NEC Texas City Emergency Center, LP	Lease Agreement	12/17/2014	12 years	12/31/2027	07/13/18	113	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
AT&T	Neighbors Health, LLC Phone services	Contract ID - 8550343 AT&T Fiber Broadband Bundle Express Agreement	9/28/2017	2 years	9/27/2019	07/13/18	14	IT
BBVA Compass Financial Corporation	Neighbors Global Holdings, LLC	00619-0004 System Multix Fusion wi-D YMAT, Somatom Scope, P300 Ultrasound System	05/01/16	60 months	05/01/21	07/13/18	33	Equipment Leases
Central Bank of St. Louis (formerly EverBank Commercial Finance, Inc. and All Points Solution, Inc. d/b/a 3i International)	Neighbors Global Holdings, LLC	41404520 Various IT products	07/31/16	63 months	10/31/21	07/13/18	39	Equipment Leases
Comcast Cable Communications Management, LLC	Neighbors Legacy Holdings, Inc. f/k/a Neighbors Health System, Inc. d/b/a Neighbors Emergency Center	MSA ID # TX-328093-MJUNG SO ID # TX-328093-MJUNG Comcast Enterprise Services Sales Order Form Internet and cable services	7/8/2016	36 months	7/7/2019	07/13/18	11	IT
DataVox, Inc	NEC Wichita Falls Emergency Center, LP	012-1145319-000 Toshiba Telephone System	04/20/16	45 months	01/20/20	07/13/18	18	Equipment Leases
DataVox, Inc	NEC Wichita Falls Emergency Center, LP	1167164 Toshiba DECT 6.0 Phone + Base	07/19/16	48 months	07/19/20	07/13/18	24	Equipment Leases
The Don Levin Trust	NEC Wichita Falls Emergency Center, LP	Lease Agreement	10/1/2015	12 years	5/31/2028	07/13/18	118	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
RKMS Longview LLC	NEC Longview Emergency Center, LP	Lease Agreement	10/1/2015	12 years	7/31/2028	07/13/18	120	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
Spring Gulch, LLC	NEC San Angelo Emergency Center, LP	Lease Agreement	10/1/2015	12 years	8/31/2028	07/13/18	121	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
Midway Hospitality, LP	Century Square Commercial Venture, LLC	Ground Lease Agreement	6/18/2015	15 years	6/30/2031	07/13/18	155	Facility Leases

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
RKMS Lufkin LLC	NEC Lufkin Emergency Center, LP	Lease Agreement	3/9/2016	12 years	10/31/2028	07/13/18	123	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
Harry Leiser, Trustee of the Harry Leiser Revocable trust	NEC West Warwick Emergency Center, LP	Lease	1/1/2016	5 years 2 months	6/30/2022	07/13/18	47	Facility Leases

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
RKMS Greeley LLC	NEC Greeley Emergency Center, LP	Lease Agreement	10/9/2015	12 years	1/31/2029	07/13/18	126	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
RKMS Kerrville LLC	NEC Kerrville Emergency Center, LP	Lease Agreement	5/31/2016	12 years	2/28/2029	07/13/18	127	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
AT&T	Neighbors Health, LLC Phone services	Contract ID - 8550343 AT&T Fiber Broadband Bundle Express Agreement	9/28/2017	2 years	9/27/2019	07/13/18	14	IT
Burton Construction Co	NEC Amarillo South Emergency Center, LP	Standard Form of Agreement Between Owner and Contractor	8/3/2016	200 calendar Days from the commencement of the building core and shell	N/A	07/13/18	N/A	Construction
RKMS Amarillo #2 LLC	NEC Amarillo South Emergency Center, LP	Lease Agreement	6/15/2016	12 years	5/31/2029	07/13/18	130	Facility Lease

Facility #	Status	Facility Name	Original Lessor (Landlord)	Current Lessor (Landlord)	Lessee (Tenant)	Location	Agreement Name or No.	Lease signed date	Opening dates of facilities	Effective Date	Commencement Date to pay rent	Term	Lease expiry date	Square Feet	Monthly lease expense (\$)	Extension/Renewal Option
6000	Corp	EDMG, LLC	N/A	Pearland Town Center Limited Partnership	Neighbors Legacy Holdings, Inc. f/k/a Neighbors Health System, Inc.	11200 Broadway St., Suite 2320, Pearland, Texas 77584	Office Lease Agreement	9/17/2014	N/A	9/17/2014	1/1/2016	63 months	12/31/2019	12,607	26,000	1 additional period of 5 years
6000	Corp	EDMG, LLC	N/A	Neighbors Legacy Holdings, Inc. f/k/a Neighbors Health System, Inc.	Freese and Nichols, Inc.	11200 Broadway St., Suite 2320, Pearland, Texas 77584	Sub-lease agreement	9/17/2014	N/A	12/8/2016	1/7/2017	3 years and 8 months	8/31/2020		19,583	N/A

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

<b>In re:</b>  <b>NEIGHBORS LEGACY HOLDINGS, INC.,  <i>et al.</i>,</b>  <b>Debtors.<sup>1</sup></b>	§ § <b>Chapter 11</b> § § <b>Case No. 18-18-33836 (MI)</b> § § <b>(Jointly Administered)</b> §
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**ORDER GRANTING DEBTORS’ FIRST OMNIBUS MOTION TO AUTHORIZE AND APPROVE THE REJECTION OF CERTAIN UNEXPIRED LEASES AND EXECUTORY CONTRACTS NUNC PRO TUNC (Real Property)**  
[Relates to Doc. No. \_\_\_\_ ]

The above-referenced debtors and debtors-in-possession (collectively, the “Debtors”) filed their motion (the “First Motion”)<sup>2</sup> pursuant to section 365 of title 11 of the United States Code (the “Bankruptcy Code”), and Rule 6006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) to authorize and approve the rejection of certain unexpired leases and executory contracts *nunc pro tunc*. The Court has jurisdiction over the Motion and the relief requested in the Motion pursuant to 28 U.S.C. § 1334 and venue is proper in this District pursuant to 11 U.S.C. § 1408. The Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and the Court may enter a final order on the Motion. The relief requested by the Motion is in the best interests of the Debtors, their estates, creditors, stakeholders, and other parties in interest and the Debtors’ gave sufficient and proper notice of the Motion and related hearings. Upon consideration of the Motion and First Day Declaration and after hearing statements in support of

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<sup>1</sup> Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at [www.kccllc.net/neighbors](http://www.kccllc.net/neighbors). The location of Debtors’ principal place of business and the Debtors’ service address is: 10800 Richmond Avenue, Houston, Texas 77042.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

the Motion during proceedings before this Court, the Court finds that good cause exists to grant the requested relief.

It is therefore **ORDERED THAT**

1. The First Motion is granted to the extent set forth herein.
2. The requirements of Bankruptcy Code section 365 and Federal Rule of Bankruptcy Procedure 6006 have been satisfied with respect to the Rejected Leases.
3. The Rejected Leases identified on **Exhibit A** to this Order are hereby rejected *nunc pro tunc* to the Petition Date.
4. Nothing in the First Motion or this Order shall prohibit the Debtors from filing one or more motions to reject executory contracts or unexpired leases.
5. The Debtors reserve all rights to contest any rejection claims and/or the characterization of any Lease as an unexpired lease.
6. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this order.
7. Counsel for the Debtors is directed to serve a copy of this Order on the parties that received service of the First Motion within three (3) days of the entry of this Order and to file a certificate of service with the Clerk of Court.

Dated: \_\_\_\_\_, 2018

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**THE HONORABLE MARVIN ISGUR**  
**UNITED STATES BANKRUPTCY JUDGE**

**Exhibit A**

**Rejected Leases**

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
UCP Texas Management, LLC	NEC Lakeline Emergency Center, LP f/k/a NEC Cedar Park Emergency Center, LLC	Medical Office Building Lease	11/1/2013	87 months	3/31/2021	07/13/18	32	Facility Leases

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
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Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
Spirit Realty, L.P.	NEC Tyler Emergency Center, LP	Lease Agreement	7/23/2015	12 years	12/31/2027	7/13/2018	113	Facility Lease

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RKMS Texas City LLC	NEC Texas City Emergency Center, LP	Lease Agreement	12/17/2014	12 years	12/31/2027	07/13/18	113	Facility Lease

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BBVA Compass Financial Corporation	Neighbors Global Holdings, LLC	00619-0004 System Multix Fusion wi-D YMAT, Somatom Scope, P300 Ultrasound System	05/01/16	60 months	05/01/21	07/13/18	33	Equipment Leases
Central Bank of St. Louis (formerly EverBank Commercial Finance, Inc. and All Points Solution, Inc. d/b/a 3i International)	Neighbors Global Holdings, LLC	41404520 Various IT products	07/31/16	63 months	10/31/21	07/13/18	39	Equipment Leases
Comcast Cable Communications Management, LLC	Neighbors Legacy Holdings, Inc. f/k/a Neighbors Health System, Inc. d/b/a Neighbors Emergency Center	MSA ID # TX-328093-MJUNG SO ID # TX-328093-MJUNG Comcast Enterprise Services Sales Order Form Internet and cable services	7/8/2016	36 months	7/7/2019	07/13/18	11	IT
DataVox, Inc	NEC Wichita Falls Emergency Center, LP	012-1145319-000 Toshiba Telephone System	04/20/16	45 months	01/20/20	07/13/18	18	Equipment Leases
DataVox, Inc	NEC Wichita Falls Emergency Center, LP	1167164 Toshiba DECT 6.0 Phone + Base	07/19/16	48 months	07/19/20	07/13/18	24	Equipment Leases
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Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
RKMS Lufkin LLC	NEC Lufkin Emergency Center, LP	Lease Agreement	3/9/2016	12 years	10/31/2028	07/13/18	123	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
Harry Leiser, Trustee of the Harry Leiser Revocable trust	NEC West Warwick Emergency Center, LP	Lease	1/1/2016	5 years 2 months	6/30/2022	07/13/18	47	Facility Leases

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
RKMS Greeley LLC	NEC Greeley Emergency Center, LP	Lease Agreement	10/9/2015	12 years	1/31/2029	07/13/18	126	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
RKMS Kerrville LLC	NEC Kerrville Emergency Center, LP	Lease Agreement	5/31/2016	12 years	2/28/2029	07/13/18	127	Facility Lease

Vendor/Lessor	NEC Entity	Agreement Name or No.	Effective Date	Term	Ending Date	Today's date	Remaining Months	Department
AT&T	Neighbors Health, LLC Phone services	Contract ID - 8550343 AT&T Fiber Broadband Bundle Express Agreement	9/28/2017	2 years	9/27/2019	07/13/18	14	IT
Burton Construction Co	NEC Amarillo South Emergency Center, LP	Standard Form of Agreement Between Owner and Contractor	8/3/2016	200 calendar Days from the commencement of the building core and shell	N/A	07/13/18	N/A	Construction
RKMS Amarillo #2 LLC	NEC Amarillo South Emergency Center, LP	Lease Agreement	6/15/2016	12 years	5/31/2029	07/13/18	130	Facility Lease

Facility #	Status	Facility Name	Original Lessor (Landlord)	Current Lessor (Landlord)	Lessee (Tenant)	Location	Agreement Name or No.	Lease signed date	Opening dates of facilities	Effective Date	Commencement Date to pay rent	Term	Lease expiry date	Square Feet	Monthly lease expense (\$)	Extension/Renewal Option
6000	Corp	EDMG, LLC	N/A	Pearland Town Center Limited Partnership	Neighbors Legacy Holdings, Inc. f/k/a Neighbors Health System, Inc.	11200 Broadway St., Suite 2320, Pearland, Texas 77584	Office Lease Agreement	9/17/2014	N/A	9/17/2014	1/1/2016	63 months	12/31/2019	12,607	26,000	1 additional period of 5 years
6000	Corp	EDMG, LLC	N/A	Neighbors Legacy Holdings, Inc. f/k/a Neighbors Health System, Inc.	Freese and Nichols, Inc.	11200 Broadway St., Suite 2320, Pearland, Texas 77584	Sub-lease agreement	9/17/2014	N/A	12/8/2016	1/7/2017	3 years and 8 months	8/31/2020		19,583	N/A