



U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

**ENTERED**

TAWANA C. MARSHALL, CLERK

THE DATE OF ENTRY IS  
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed October 8, 2014

United States Bankruptcy Judge

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

<b>In re:</b>	§	<b>CASE NO. 14-32821-11</b>
	§	
<b>SEARS METHODIST RETIREMENT SYSTEM, INC., et al.<sup>1</sup></b>	§	<b>CHAPTER 11</b>
	§	
<b>Debtors.</b>	§	<b>Jointly Administered</b>
	§	

**STIPULATION APPROVING  
FOURTH EXTENSION OF INTERIM USE OF CASH  
COLLATERAL BY SEARS PLAINS RETIREMENT CORPORATION  
[RELATED TO DOCUMENT NO. 22]**

WHEREAS, on June 10, 2014 (the "Petition Date"), Sears Plains Retirement Corporation (the "Debtor"), debtor and debtor-in-possession in the above-captioned cases, filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code; and

<sup>1</sup> The debtors in these chapter 11 cases, along with the last four (4) digits of their taxpayer identification numbers, are: Sears Methodist Retirement System, Inc. (6330), Canyons Senior Living, L.P. (8545), Odessa Methodist Housing, Inc. (9569), Sears Brazos Retirement Corporation (8053), Sears Caprock Retirement Corporation (9581), Sears Methodist Centers, Inc. (4917), Sears Methodist Foundation (2545), Sears Panhandle Retirement Corporation (3233), Sears Permian Retirement Corporation (7608), Sears Plains Retirement Corporation (8233), Sears Tyler Methodist Retirement Corporation (0571) and Senior Dimensions, Inc. (4016). The mailing address of each of the debtors, solely for purposes of notices and communications, is 2100 Ross Avenue, 21st Floor, c/o Paul Rundell, Dallas, Texas 75201.

**WHEREAS**, the Debtor filed its Motion Of Sears Plains Retirement Corporation For Interim And Final Orders (I) Authorizing The Use Of Cash Collateral, (II) Granting Adequate Protection To Prosperity And (III) Scheduling A Final Hearing (Docket No. 22) (the “Motion”)<sup>2</sup>; and

**WHEREAS**, the Court entered an interim order on June 12, 2014 (1) authorizing the Debtor to use the Cash Collateral of Prosperity Bank, N.A. (“Lender”), (2) granting the form of adequate protection provided therein to Lender upon the terms set forth therein, and (3) scheduling a final hearing on the Motion and approving the form and manner of notice thereof (Docket No. 64) (the “Interim Order”); and

**WHEREAS**, on July 3, 2014, the Court entered an order approving a stipulation between the Debtor and Lender pursuant to which the Debtor’s use of Cash Collateral, in accordance with the revised budget attached thereto, was extended through July 15, 2014 (Docket No. 140) (the “First Extension Order”); and

**WHEREAS**, on July 15, 2014, the Court entered an order approving a stipulation between the Debtor and Lender pursuant to which the Debtor’s use of Cash Collateral, in accordance with the revised budget attached thereto, was further extended through August 3, 2014 (Docket No. 201) (the “Second Extension Order”); and

**WHEREAS**, on August 17, 2014, the Court entered an order approving a stipulation between the Debtor and Lender pursuant to which the Debtor’s use of Cash Collateral, in accordance with the revised budget attached thereto, was further extended through October 2, 2014 (Docket No. 339) (the “Third Extension Order”); and

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Motion.

**WHEREAS**, in light of the parties continued negotiations, the Debtor and Lender have agreed to the Debtor's continued interim use of Cash Collateral through January 4, 2015 in accordance with the revised budget attached hereto as Exhibit 1 (the "Fourth Extended Budget"); and

**WHEREAS**, the Lender reserves its right to contest the relief being sought in the Motion at the final hearing, including, without limitation, the amount of professional fees set forth in the Fourth Extended Budget.

**NOW, THEREFORE, DEBTOR AND LENDER STIPULATE AND AGREE THAT:**

1. The Debtor is authorized to use Cash Collateral, which Cash Collateral includes the Reserve Funds (as defined in the Motion), on an interim basis under the terms and conditions of the Interim Order, as amended by the First Extension Order, Second Extension Order, Third Extension Order and herein, pending a final determination by the Court.

2. The Debtor's use of Cash Collateral under the Interim Order shall be solely in accordance with the Fourth Extended Budget.

3. Except as otherwise expressly provided herein, all terms, conditions and provisions of the Interim Order are unchanged and remain in full force and effect.

**IT IS FURTHER STIPULATED AND AGREED** that a copy of the signatures on this stipulation may be treated as an original for all purposes.

**STIPULATED AND AGREED:**

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**Exhibit 1**

**Fourth Extended Budget**

CH0 Budget  
SMRS - Garrison (Plains) in Lubbock

Week	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	Weeks 13-30 Total	
Week Ending	9/7/2014	9/14/2014	9/21/2014	9/28/2014	10/5/2014	10/12/2014	10/19/2014	10/26/2014	11/2/2014	11/9/2014	11/16/2014	11/23/2014	11/30/2014	12/7/2014	12/14/2014	12/21/2014	12/28/2014	1/4/2015	9/7/2014 1/4/2015	
Beginning Book Cash Balance	\$ 553,636	\$ 468,052	\$ 349,743	\$ 213,023	\$ 325,350	\$ 67,276	\$ 25,460	\$ (19,010)	\$ 15,616	\$ (71,685)	\$ (113,501)	\$ (157,971)	\$ (303,609)	\$ (182,614)	\$ (280,711)	\$ (293,959)	\$ (449,247)	\$ (493,717)	\$ 553,636	
Receipts																				
Deposits	92,643	92,643	61,321	61,321	92,643	92,643	61,321	61,321	92,643	92,643	61,321	61,321	61,321	92,643	92,643	61,321	61,321	92,643	1,383,676	
Medical	33,721	-	-	-	185,465	33,721	-	185,465	33,721	-	-	-	185,465	33,721	-	-	-	185,465	876,743	
Medical	-	54,383	-	-	54,383	-	-	54,383	-	54,383	-	-	-	54,383	-	-	-	54,383	489,446	
Shared Services Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Entireance Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Disbursements																				
Payroll & Benefits	35,348	118,399	35,348	118,399	35,348	118,399	35,348	118,399	35,348	118,399	35,348	118,399	35,348	118,399	35,348	118,399	35,348	118,399	1,383,726	
Trade Payables	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	70,443	1,287,974	
Entrance Fee Refunds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Shared Services Expenses	106,147	-	-	-	106,147	-	-	-	106,147	-	-	-	-	106,147	-	-	-	138,681	564,287	
Utility Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debtors Counsel - DIA	-	-	36,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36,500	
Debtors Counsel - A&M	-	-	26,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,500	
Debtors Advisor - R&M	-	-	2,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500	
Debtors Banker - RBC	-	-	2,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500	
Creditors Professionals	-	-	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,000	
Claims Agent - GCG	-	-	4,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,500	
Ombudsman	-	-	2,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500	
US Trustee	-	-	9,750	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,750	
System Conversion / Special Projects	-	76,502	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	76,502	
DIP Interest and Fees	-	-	-	-	-	-	-	-	1,827	-	-	-	-	-	-	-	-	-	1,827	
Total Disbursements	211,938	265,344	188,041	188,842	394,438	188,842	105,791	265,342	213,865	188,842	105,791	281,342	105,791	298,843	105,791	271,092	105,791	576,554	4,048,281	
Net Cash Flow	(65,574)	(118,319)	(136,720)	112,327	(258,074)	(41,816)	(44,470)	34,827	(87,601)	(41,816)	(44,470)	(145,638)	140,995	(118,097)	(13,148)	(155,388)	(44,470)	(244,063)	(1,281,416)	
Ending Book Cash Balance	\$ 468,062	\$ 349,743	\$ 213,023	\$ 325,350	\$ 67,276	\$ 25,460	\$ (19,010)	\$ 15,616	\$ (71,685)	\$ (113,501)	\$ (157,971)	\$ (303,609)	\$ (182,614)	\$ (280,711)	\$ (293,959)	\$ (449,247)	\$ (493,717)	\$ (737,780)	(737,780)	
Beginning DIP Balance	-	-	-	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	850,000
DIP Funding	-	-	-	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	850,000
Ending DIP Balance	-	-	-	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	850,000
Adjusted Ending Cash Balance	\$ 468,062	\$ 349,743	\$ 213,023	\$ 325,350	\$ 317,276	\$ 275,460	\$ 230,980	\$ 285,876	\$ 178,315	\$ 138,489	\$ 92,028	\$ 186,391	\$ 337,386	\$ 219,289	\$ 206,141	\$ 300,753	\$ 256,283	\$ 112,220	\$ 112,220	
Cumulative Fees Incurred Case to Date	255,000	255,000	255,000	332,500	332,500	332,500	332,500	405,000	405,000	405,000	405,000	405,000	477,500	477,500	477,500	477,500	710,000	710,000	710,000	