IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

IN RE:	§	Chapter 11
	§	
FRIENDSHIP VILLAGE OF MILL CREEK, NFP, d/b/a GREENFIELDS OF GENEVA,	§	Case No.: 17-12470
	§	
	§	Hearing: Aug. 31, 2017
FEIN: 20-3300991,	§	2:00 p.m.
	§	
Debtor.	§	Hon. LaShonda A. Hunt

NOTICE OF MOTION AND MOTION FOR (I) APPROVAL OF DISCLOSURE STATEMENT AND TO SCHEDULE HEARING THEREON; (II) TO REDUCE THE TIME WITHIN WHICH PARTIES MAY OBJECT TO THE ADEQUACY OF THE JOINT DISCLOSURE STATEMENT; (III) LIMIT THE PARTIES WHO MAY RECEIVE NOTICE OF THE OBJECTION DEADLINE AND HEARING ON THE ADEQUACY OF THE JOINT DISCLOSURE STATEMENT; AND (IV) GRANTS RELATED RELIEF

Please take notice that on Thursday, August 31, 2017 at 2:00 p.m., we will appear before the Honorable LaShonda A. Hunt, Judge of the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division, at the Everett McKinley Dirksen United States Courthouse, 219 S. Dearborn Street, Courtroom 719, Chicago, IL 60604, or such other judge as may be sitting in Judge LaShonda Hunt's place and stead, and then and there present the "Motion for (i) Approval of Disclosure Statement And To Schedule A Hearing Thereon (ii) To Reduce The Time Within Which Parties May Object To The Approval Of The Joint Disclosure Statement; (iii) Limits The Parties Who May Receive Notice Of The Objection Deadline and Hearing On The Adequacy Of The Joint Disclosure Statement; and (iv) Grants Related Relief," a copy of which is attached hereto and is hereby served upon you.

Dated: August 28, 2017

Friendship Village of Mill Creek, NFP, d/b/a GreenFields of Geneva

By: /s/ Bruce Dopke
One of its attorneys

Bruce Dopke, Member (ARDC # 3127052)
Kevin V. Hunt (ARDC# 6283126)
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CERTIFICATE OF SERVICE

I, Robert Rotman, being over the age of 18 yrs, and an employee of Donlin Recano & Company, Inc. hereby certify that I caused to be served a complete and accurate copy of the **"MOTION FOR ENTRY OF ORDER WHICH (I) SCHEDULES A HEARING ON THE ADEQUACY OF THE JOINT DISCLOSURE STATEMENT; (II) REDUCES THE TIME WITHIN WHICH PARTIES MAY OBJECT TO THE ADEQUACY OF THE JOINT DISCLOSURE STATEMENT; (III) LIMITS THE PARTIES WHO MAY RECEIVE NOTICE OF THE OBJECTION DEADLINE AND HEARING ON THE ADEQUACY OF THE JOINT DISCLOSURE STATEMENT; AND (IV) GRANTS RELATED RELIEF"** via Federal Express Priority Overnight delivery upon the parties as set forth in Exhibit 1; and via USPS Express Mail Overnight upon the parties as set forth in Exhibit 2.

By
Robert Rotman

Sworn before me this
28th day of August, 2017
Notary Public

SUNG JAE KIM
NOTARY PUBLIC STATE OF NEW YORK
QUEENS COUNTY
LIC. #[illegible]1178
COMM. EXP. September 14 2017

EXHIBIT 1

Friendship Village of Mill Creek, NFP
Federal Express
Exhibit Page

000037P001-1366S-029
CENTERPOINT ENERGY
23968 NETWORK PLACE
CHICAGO IL 60673-1239

000050P001-1366S-029
CLINGEN CALLOW & MCLEAN LLC
JOHN A LIPINSKY
2300 CABOT DRIVE STE 500
LISLE IL 60532

000043P001-1366S-029
CRANE HEYMAN SIMON WELCH & CLAR
DAVID K WELCH
138 S LASALLE ST STE 3705
CHICAGO IL 60603

000044P001-1366S-029
CRANE HEYMAN SIMON WELCH & CLAR
JEFFREY C DAN
135 S LASALLE ST STE 3705
CHICAGO IL 60603

000045P001-1366S-029
CRANE HEYMAN SIMON WELCH & CLAR
BRIAN P WELCH
135 S LASALLE ST STE 3705
CHICAGO IL 60603

000023P001-1366S-029
DUANE MORRIS
PAYMENT PROCESSING CHARLIE LEWIS
30 SOUTH 17TH ST
PHILADELPHIA PA 19103-4196

000022P001-1366S-029
GREYSTONE DEVELOPMENT CO
BRAD STRAUB
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IRVING TX 75062

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MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO PC
CHARLES W AZANO, ESQ
ONE FINANCIAL CENTER
BOSTON MA 02111

000019P001-1366S-029
Mintz, Levin, Cohn, Ferris, et al.
Attn: Daniel S. Bleck, Esq
One Financial Center
Boston MA 02111

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NAME INTENTIONALLY OMITTED
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GENEVA IL 60134

000030P001-1366S-029
NAME INTENTIONALLY OMITTED
623 INDEPENDENCE AVE
ELBURN IL 60119

000031P001-1366S-029
NAME INTENTIONALLY OMITTED
43W950 KENMAR DRIVE
ELBURN IL 60119

000032P001-1366S-029
NAME INTENTIONALLY OMITTED
1S316 REVERE HOUSE LANE
GENEVA IL 60134-4806

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CHICAGO IL 60606

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SPRINGER BROWN LLC
RICHARD G LARSEN
300 S COUNTY FARM RD STE 1
WHEATON IL 60187

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U. S. ATTORNEY NORTHERN DISTRICT OF ILLINOIS
JOEL R. LEVIN
219 DEARBORN ST.
5TH FLOOR
CHICAGO IL 60604

000009P001-1366S-029
U. S. ATTORNEY NORTHERN DISTRICT OF ILLINOIS
JOEL R. LEVIN
327 CHURCH ST.
ROOM 3300
ROCKFORD IL 61101

Records Printed : **24**

EXHIBIT 2

Friendship Village of Mill Creek, NFP
USPS Express Mail
Exhibit Page

000039P001-1366S-029
AT&T
BILL PAYMENT CENTER
PO BOX 5080
CAROL STREAM IL 60197

000035P001-1366S-029
MEDIACOM LLC
PO BOX 5744
CAROL STREAM IL 60197

000033P001-1366S-029
MIDAMERICAN ENERGY COMPANY
PO BOX 8019
DAVENPORT IA 52808

000034P001-1366S-029
MILL CREEK WATER DIST
PO BOX 4290
CAROL STREAM IL 60197

000036P001-1366S-029
REPUBLIC
PO BOX 9001154
LOUISVILLE KY 40290

000038P001-1366S-029
VERIZON WIRELESS
PO BOX 25505
LEHIGH VALLEY PA 18002

Records Printed : **6**

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

IN RE:	§	Chapter 11
	§	
FRIENDSHIP VILLAGE OF MILL CREEK, NFP, d/b/a GREENFIELDS OF GENEVA,	§	Case No.: 17-12470
	§	
FEIN: 20-3300991,	§	
	§	
Debtor.	§	Hon. LaShonda A. Hunt

MOTION FOR (I) APPROVAL OF DISCLOSURE STATEMENT AND TO SCHEDULE HEARING THEREON; (II) TO REDUCE THE TIME WITHIN WHICH PARTIES MAY OBJECT TO THE ADEQUACY OF THE JOINT DISCLOSURE STATEMENT; (III) LIMIT THE PARTIES WHO MAY RECEIVE NOTICE OF THE OBJECTION DEADLINE AND HEARING ON THE ADEQUACY OF THE JOINT DISCLOSURE STATEMENT; AND (IV) GRANTS RELATED RELIEF

Friendship Village of Mill Creek, NFP, d/b/a GreenFields of Geneva, debtor and debtor in possession herein (the "Debtor"), for its "Motion for (i) Approval of Disclosure Statement And To Schedule A Hearing Thereon (ii) To Reduce The Time Within Which Parties May Object To The Approval Of The Joint Disclosure Statement; (iii) Limits The Parties Who May Receive Notice Of The Objection Deadline and Hearing On The Adequacy Of The Joint Disclosure Statement; and (iv) Grants Related Relief" (the "Motion"), respectfully states as follows:

1. The Debtor commenced this voluntary Chapter 11 case (the "Case") on April 20, 2017.

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

3. Venue of this Case and this Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The Debtor owns and operates a continuing care retirement community known as GreenFields of Geneva, consisting of (i) 147 independent living units, (ii) 51 assisted living units, (iii) 26 memory support assisted living units, (iv) 43 nursing beds, and (v) related common areas and parking (the "Campus").

5. The Campus is secured by valid and perfected liens held by UMB Bank, National Association, in its capacity as successor Bond Trustee (for the benefit of the holders of the bonds (the "Bondholders")) under the Bond Indenture and as successor Master Trustee under the Master Trust Indenture (together, the "Bond Trustee"), which claim is in excess of $100,000,000 (the "Bond Claim").

6. In November of 2016, prior to the commencement of the Case, the Debtor, with the consent of the Bond Trustee, commenced a marketing and sale process (the "Sale Process") which was designed to encourage interested parties who were capable of owning and operating a business such as the Campus to submit bids for the purchase of the Debtor's assets or the refinancing of the obligations owed to the Bondholders, with the highest and best bid to be implemented in a future chapter 11 case which the Debtor intended to commence (*i.e.*, this Case).

7. After the commencement of this Case, the Court granted the Debtor's motion to set bid procedures to govern the continued post-petition marketing and solicitation of bids contemplated by the Sale Process (Order dated May 9, 2017, Doc. 66). Under those bid procedures, a pre-petition proposal made by the Debtor's corporate Member, Friendship Senior Options, NFP ("FSO"), was selected by the Debtor to be the highest and therefore the "initial bid" against which all other interested parties would bid during this Case. The deadline for

parties other than the Bond Trustee to submit bids for the Debtor's business expired on July 19, 2017. No bids were submitted, apart from FSO's initial bid.

8. Shortly after the July 19, 2017 bid deadline expired, the Debtor began to work on the terms of a plan of reorganization (the "Plan") jointly sponsored by the Debtor and FSO, with the objective of implementing FSO's bid as quickly as possible in order to preserve, to the extent possible, the value of the Campus. The Debtor and FSO intend to file that Plan, together with a joint disclosure statement (the "Disclosure Statement"), on August 30, 2017.

9. Under the Plan:

a. FSO will retain its membership interest in the Debtor, and the property of the Debtor's bankruptcy estate will revest in the Debtor.

b. The Debtor will "assume" all of its contracts with current residents of the Campus, as well as those former residents of the Campus (or their estates) whose residency agreements with the Debtor have not yet been fully performed, leaving the interests of these current and former residents unimpaired.

c. The Debtor will "assume" most if not all of its executory contracts with its current suppliers and vendors, leaving the interests of such contract counter-parties unimpaired.

d. The Debtor will make a payment to the Bond Trustee, for distribution to the Bondholders under the terms of the bond indenture and trust agreements which are now in effect, of $52.8 million, plus an additional amount of the Debtor's cash which remains on hand when the Plan becomes effective.

e. FSO will contribute $5 Million of new equity to the Debtor.

f. Most of the cash needed to fund the Plan and make payments to the Debtor's creditors under the Plan will be raised through separate bond transactions which are subject to the advance approval of the Illinois Finance Authority (the "IFA"), the State agency which has authority over such matters.

g. The Debtor and FSO expect to present their separate bond proposals to the IFA on September 14, 2017 for initial consideration, and on October 12, 2017 for final approval.

10. Although the Debtor is quite confident that it can grow and preserve the Campus after it exits chapter 11, occupancy in the independent living and assisted living areas of the Campus has declined since the commencement of the Case and as compared to occupancy levels one year ago. As the Debtor believes that the decline in occupancy is primarily due to uncertainties perceived by prospective residents generated by the pendency of this Case, the Debtor is keenly interested in exiting chapter 11 as quickly as the Bankruptcy Code and the applicable rules permit. In addition, the Debtor, in its business judgment, believes that it is essential for the reorganized Debtor to attempt to increase occupancy by launching a marketing program immediately upon the substantial consummation of the Plan, preferably, no later than November 3, 2017. The December holidays are typically a less favorable time for CCRC properties to launch a marketing program. This, in the Debtor's business judgment, creates an urgent need to take reasonable steps to accelerate the Debtor's exit from chapter 11, if this can be done without materially sacrificing the right of the stakeholders in this case to be heard.

11. Section 1125(b) of the Bankruptcy Code generally prohibits a plan proponent in cases like the present Case from soliciting votes on a plan of reorganization after the commencement of a chapter 11 case, except through a disclosure statement which has been approved by the bankruptcy court. Thus, to confirm the Plan, it is necessary for the Court to first hold a hearing on the adequacy of the disclosures contained in the Debtor's Disclosure Statement. After that hearing successfully concludes, the Court must hold a confirmation hearing, after a solicitation of votes and the consideration of any objections which may be filed to confirmation.

12. Federal Rule of Bankruptcy Procedure 2002(b) (cited hereafter, e.g., as Rule 2002(b)) requires that parties in interest be given 28 days' notice of the hearings on the adequacy of a disclosure statement, and the hearing on confirmation.

13. The Debtor calculates that if the notice periods required by Rule 2002(b) are applied in this case, then, given the additional time needed to copy the solicitation packages and physically transmit them to creditors and other parties in interest, it would be very difficult to complete the hearing on the adequacy of the Disclosure Statement prior to mid-October of 2017. Further, if the approval of the Disclosure Statement does not occur until mid-October of 2017, it is likely that confirmation of the Plan would not be possible before late November of 2017. Under this schedule, and because the bond financings needed to fund the Plan might not close until after the confirmation order becomes final and non-appealable, it is likely that the Plan would not become "effective" until December of 2017. This, in the Debtor's business judgement, would negatively impact the Debtor's effort to increase occupancy at the Campus through a post-exit marketing blitz, and create other operational risks for the Campus as well as concerns about the impact of a significant delay in the Debtor's exit from chapter 11 on the proposed bond financings that will fund the Plan.

14. To minimize these potential risks, the Debtor proposes that the Court exercise its discretion under Bankruptcy Rule 9006(c) to advance the hearings on the adequacy of the Disclosure Statement and the hearing on confirmation of the Plan. The Debtor's ultimate objective is to position the Case for confirmation no later than October 19, 2017, and to substantially consummate the Plan no later than November 3, 2017.

15. Rule 9006(c) provides:

> (c) REDUCTION.
>
> (1) *In General*. Except as provided in paragraph (2) of this subdivision, when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced.
>
> (2) *Reduction Not Permitted*. The court may not reduce the time for taking action under Rules 2002(a)(7), 2003(a), 3002(c), 3014, 3015, 4001(b)(2), (c)(2), 4003(a), 4004(a), 4007(c), 4008(a), 8002, and 9033(b). In addition, the court may not reduce the time under Rule 1007(c) to file the statement required by Rule 1007(b)(7).

16. Courts have held that because Rule 9006(c) does not prohibit the Court from reducing the notice periods reflected in Rule 2002(b), the Court, for good cause shown, may reduce those time periods. *In re Holland*, 85 B.R. 735, 736 (Bankr. W.D. Tx. 1988).

17. Pursuant to Rules 2002(b) and 9006(c), the Debtor asks the Court set the following deadlines and hearing dates and times, relative to the determination of the adequacy of the disclosures made in the Joint Disclosure Statement:

- On or before 5:00 p.m. Eastern Time on September 1, 2017, the Debtor, through its noticing agent, Donlin Recano & Co., Inc., will send a copy of the Court's order which grants this Motion together with a copy of the Plan and Disclosure Statement to the Debtor's 20 largest creditors, counsel for the Bond Trustee, the United States Trustee, the United States Attorney, and all parties which have appeared in this case and requested notice of proceedings (the "Notice Parties").
- The Notice Parties shall have until Monday, September 18, 2017, to file objections to the adequacy of the disclosures contained in the Disclosure Statement.
- A hearing will be held on Wednesday, September 20, 2017 at 2:00 p.m. (effectively, nineteen (19) days after the transmission of notice of the hearing on approval of the

Disclosure Statement to the Notice Parties) to consider any objections to the Disclosure Statement filed by the Notice Parties and to address any concerns about the Disclosure Statement that the Court may raise *sua sponte*.

The Debtor requests that apart from the foregoing, that the Court find that no further notice need be sent to parties in interest concerning the hearing on the adequacy of the Disclosure Statement.

18. If the Court grants this Motion on August 31, 2017, and schedules a hearing on the adequacy of the Disclosure Statement for September 20, 2017, the Debtor would intend to file a separate motion, noticed to be heard on September 20, 2107, which would ask the Court, among other things, to exercise its discretion under Bankruptcy Rules 2002(b) and 9006(c) to set the following notice, objection and hearing dates relative to the confirmation of the Plan:

- On or before 5:00 p.m. Eastern Time on September 27, 2017, the Debtor, through Donlin Recano & Co., Inc., will send a solicitation package consisting of the scheduling order and notice entered by the Court, the Disclosure Statement, the Plan, and such further notices and ballots in forms approved by the Court (the "Solicitation Package") to the approximately 550 entities who are creditors of the Debtor's estate, including residents, but excluding Bondholders.
- On or before 5:00 p.m. Eastern Time on September 27, 2017, the Debtor, through Globic Advisors, the Debtor's noticing agent for notices to be sent to Bondholders, will send the Solicitation Package to the approximately 3,000 Bondholders or agents for Bondholders.
- All parties in interest shall have until Monday, October 16, 2017, to file ballots and file objections to confirmation of the Plan.
- The Debtor shall file a balloting report on Tuesday, October 17, 2017.

- A confirmation hearing will be held on Thursday, October 19, 2017 at 2:00 p.m. (effectively, twenty-two (22) days after the transmission of notice of the hearing on confirmation to parties in interest).

19. The schedule which the Debtor proposes through this Motion for the approval of the Disclosure Statement, and the schedule which the Debtor intends to propose (through separate motion) relative to confirmation of the Plan, would allow a confirmation order entered on October 19, 2017 to become final and non-appealable on November 3, 2017. This schedule would permit the bond financings which will be the primary source of payments to creditors under the Plan, to close on that day.

20. The Debtor's request in this Motion, to shorten the time for objection and hearing on the Disclosure Statement and limit notice of those hearing and objection dates to the parties who have been active in this Case, should cause no prejudice to parties in interest. The Plan does not disturb or impair the contract rights or claims of the Debtor's current or former residents whose residency agreements remain executory. The contracts of most or all of the Debtor's current vendors will likely be assumed by the reorganized Debtor under the Plan. The Debtor's remaining creditors, apart from the Bond Trustee and Bondholders, are primarily priority claimants who must be paid in full under the Bankruptcy Code for the Plan to be confirmed. The proposed payment of the Bond Claim through the receipt of the $52.8 million in proceeds (and other cash consideration from the Debtor) has been disclosed to creditors (including Bondholders) for many months. In addition, Bondholders will have the full period to review and vote on the proposed Plan.

21. The reduction in the notice, objection and hearing dates associated with the approval of the Disclosure Statement requested in this motion will go far to minimize the

concerns of the Debtor, FSO, and the parties who are working to prepare and obtain the requisite governmental approvals for the bond issues which will provide the primary funding for the Plan, which could potentially arise if the Debtor's exit from chapter 11 was delayed until December of 2017 or later.

22. No previous motion for the relief sought herein has been made by the Debtor to this or any other court.

WHEREFORE, the Debtor respectfully requests that the Court enter an order which (a) pursuant to Federal Rules of Bankruptcy Procedure 2002(b) and 9006(c), schedules a hearing to consider the adequacy of the disclosures made in the Debtor's Disclosure Statement for September 20, 2017 at 2:00 p.m. Central Time; (b) after that hearing, approves the Disclosure Statement (c) shortens the time for parties to file objections to the approval of the Debtor's Disclosure Statement to September 18, 2107 at 5:00 p.m. Central Time, (d) limits notice of the foregoing hearing and objection deadlines to the Notice Parties described in paragraph 17 of this Motion; and (e) grants to the Debtor such further and additional relief as the Court deems just.

Dated: August 28, 2017

FRIENDSHIP VILLAGE OF MILL CREEK, NFP, Debtor and Debtor In Possession

By: /s/ Bruce Dopke
One of the attorneys for the Debtor

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