

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION-DETROIT

In re:

Law-Den Nursing Home, Inc.

Debtor.

Ch. 11

No. 16-52058

Hon. Phillip Shefferly

**SUPPLEMENTAL OBJECTION OF CAN CAPITAL ASSET SERVICING, INC. TO  
COMBINED PLAN AND DISCLOSURE STATEMENT**

TO THE HONORABLE UNITED STATES BANKRUPTCY COURT:

CAN Capital Asset Servicing Inc. ("CAN Capital") represents:

1. Docket entry 159 is a stipulation between Law-Den Nursing Home, Inc. and CAN Capital concerning the date by which CAN Capital was to file objections to the proposed plan of reorganization. The new deadline was stipulated to be June 7, 2017.

2. On June 7, 2017, CAN Capital filed its objection. (dkt. no. 170)

3. The next day on June 8, 2017, the Debtor filed an Amended Exhibit "F" to Chapter 11 Plan Payments (dkt. no. 170). This Amendment changes the treatment proposed by the Debtor in its plan. This Amendment was filed after the date by which the Debtor and CAN Capital stipulated to as the deadline for CAN Capital's objection.

4. CAN Capital makes this Supplemental Objection because the changes made to its treatment in the Amended Exhibit "F" to Chapter 11 Plan Payments.

**SUPPLEMENT OBJECTION**

5. Amended Schedule "F" (dkt. No. 174) makes material changes to the treatment of CAN Capital's claim under the proposed plan.

6. The plan provides that CAN Capital is to be paid sixty monthly payments until CAN Capital's plan is paid in full. CAN Capital's claim is fully secured in the amount of \$192,804.11. This claim amount divided by sixty equals a monthly payment of \$3,213.40.

7. The Amended Exhibit "F" reduces the \$3,213.40 monthly payment to \$2,296.28.

8. Not only does the Debtor intend to reduce monthly payments to CAN Capital, Amended Exhibit "F" shows, inexplicably, credits to be applied to CAN Capital, in other words, the plan seems to require CAN Capital to make payments to the Debtor.

9. Perhaps CAN Capital does not understand Amended Exhibit "F". The Debtor is to avoid confusion by providing a disclosure statement that provides "adequate information" so that a creditor can make an "informed judgment" about the proposed plan treatment. 11 U.S.C. §1125.

10. The Debtor has not filed any disclosure that explains the changes made to the plan treatment by Amended Exhibit "F". To be clear, no additional disclosure has been filed in conjunction with Amended Exhibit "F".

11. The proposed plan removes CAN Capital's first lien against insurance receivables (non-Medicare/Medicaid) and personal property and replaces its secured position with a fourth lien on real property of the Debtor.

12. The plan is not fair and equitable as to CAN Capital because:

(A) With respect to a class of secured claims, the plan provides--

(i)

(I) that the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims; and

(II) that each holder of a claim of such class receive on account of such claim deferred cash payments totaling at least the allowed amount of such claim, of a value, as of the effective date of the

plan, of at least the value of such holder's interest in the estate's interest in such property;

(ii) for the sale, subject to section 363(k) of this title [11 USCS § 363(k)], of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (i) or (iii) of this subparagraph; or

(iii) for the realization by such holders of the indubitable equivalent of such claims.

11 USCS § 1129(b)(2)(A); *United Sav. Asso. v Timbers of Inwood Forest Associates, Ltd.*, 484 US 365, 98 L Ed 2d 740, 108 S Ct 626 (1988); *In re Union Meeting Partners*, 165 B.R. 553, 1994 (Bankr. E.D. Pa. 1994); *In re Griswold Bldg., LLC*, 420 B.R. 666, 2009 (Bankr. E.D. Mich. Dec. 7, 2009)

4. Furthermore, the Combined Plan and Disclosure Statement does not provide adequate information to CAN Capital to allow it to be able to make an informed decision with respect to its treatment under the proposed plan. Specifically, it does provide any information that discloses why CAN Capital should not retain its lien on the personal property of the Debtor and why it should not be paid interest on its claim.

5. To the extent CAN Capital retains liens on property, it should be allowed in the plan confirmation order to file deeds of trust and UCC financing statements where appropriate.

6. Any plan should provide that any distribution to CAN Capital should be made payable as follows: The Gerger Law Firm PLLC and mailed to 2211 Norfolk Suite 2211, Houston, Texas 77098.

WHEREFORE, CAN Capital prays that the Court deny confirmation of the plan and final approval of the disclosure statement and grant CAN Capital such other and further relief, in law and in equity, as is just.

Date: June 17, 2017

The Gerger Law Firm, PLLC

By: /s/ Alan S. Gerger

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(Admitted to Eastern District of Michigan  
United States District Court on 12/29/2016)

**CERTIFICATE OF SERVICE**

Alan S. Gerger hereby certifies that on June 17, 2017, he did serve Supplemental Objection of Can Capital Asset Servicing, Inc. to Combined Plan And Disclosure Statement by filing said pleadings via the Court's ECF filing system, which will serve electronic notice upon:

Clinton Hubbell  
Dylan J. DuVall  
Hubbell DuVall, PLLC  
26211 Central Park Blvd., Ste. 514  
Southfield, MI 48076

BY:     /s/ Alan S. Gerger      
Alan S. Gerger