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COUNSEL TO THE DEBTORS AND **DEBTORS IN POSSESSION** 

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#### 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)

#### APPLICATION OF DEBTORS FOR AUTHORITY TO EMPLOY AND RETAIN JEZERINAC GROUP, PLLC TO PROVIDE EXPERT STRUCTURAL CONDITION ASSESSMENT SERVICES EFFECTIVE AS OF JULY 31, 2022

The above-captioned debtors and debtors in possession (the "**Debtors**") hereby submit this application (this "Application") for entry of an order, substantially in the form attached hereto as Exhibit A (the "Proposed Order"), pursuant to sections 327 and 328 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Northern District of Texas (the "Local Rules"), authorizing the employment and retention of Jezerinac Group,

<sup>&</sup>lt;sup>1</sup> The Debtors in these 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.



PLLC ("Jezerinac"), effective as of July 31, 2022. In support of this Application, the Debtors rely upon and incorporate by reference the *Declaration of Nick Harshfield in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 7] (the "First Day Declaration") and the *Declaration of Graham Brasic in Support of the Application of Debtors for Authority to Employ and Retain Jezerinac Group, PLLC to Provide Expert Structural Condition Assessment Services Effective as of July 31, 2022 (the "Brasic Declaration"), attached hereto as Exhibit C. In further support of this Application, the Debtors, by and through their undersigned counsel, respectfully represent as follows:* 

#### **JURISDICTION AND VENUE**

- 1. The Court has jurisdiction over this case pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Debtors confirm that they consent to the entry of a final order or judgment by the Court in connection with this Motion if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.
  - 2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
- 3. The statutory predicates for the relief requested herein are Bankruptcy Code sections 327 and 328, Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-1. Under Local Rule 2014-1(b)(1) the Application is deemed contemporaneous because it is made within thirty (30) days of the commencement of Jezerinac's provision of services.

#### **BACKGROUND**

4. On April 14, 2022 (the "**Petition Date**"), the Debtors filed voluntary petitions commencing cases for relief under chapter 11 of the Bankruptcy Code (the "**Chapter 11 Cases**") in the United States Bankruptcy Court for the Northern District of Texas (the "**Court**").

- 5. The factual background regarding the Debtors, including their business operations, capital and debt structures, and the events leading to the filing of the Chapter 11 Cases is set forth in detail in the First Day Declaration, which is incorporated herein by reference.
- 6. The Debtors continue to manage and operate their business as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108.
- 7. On May 2, 2022, the Office of the United States Trustee (the "U.S. Trustee") filed the Second Amended Notice of Appointment of the Official Unsecured Creditors' Committee [Docket No. 150] (the "Notice of Committee Appointment").
  - 8. No trustee or examiner has been appointed in the Chapter 11 Cases.
- 9. Intercity Investment Properties, Inc. (the "Landlord") through its agents, Terracon Consultants, Inc. ("Terracon"), reviewed documents related to Edgemere's physical site. Furthermore, the Landlord had six Terracon engineers conduct two full days of on-site inspections of the Edgemere Community on July 13 and July 14, 2022. The Debtors need the authority to retain Jezerinac so that they have the benefit of a full structural condition assessment and are prepared to address specific topics that may be raised in the anticipated Terracon report commissioned by the Landlord for its use in the Chapter 11 Cases.

#### **RELIEF REQUESTED**

10. The Debtors seek to employ and retain Jezerinac effective as of July 31, 2022, to provide expert and litigation support services related to structural condition issues pursuant to the engagement letter (the "Engagement Letter") attached hereto as Exhibit B.

#### **QUALIFICATIONS**

11. Since its inception in 2014, Jezerinac has provided sophisticated structural engineering services to architects, builders, and owners at the local, national, and international levels. Jezerinac services clients by evaluating the adequacy, structural integrity and soundness of

structures and their components. Its services include conducting structural forensic investigations, which involve visual observations, investigative peer review of design documents, material testing, load testing or structural health monitoring recommendations. Similarly, it offers repair and maintenance consulting services, which include servicing buildings exposed to the elements, such as parking garages, and involve expertise on concrete repair. Jezerinac professionals have expertise in structural steel, concrete, precast, masonry, wood/timber, as well as in general structural engineering and building construction. It is licensed to practice structural engineering in the State of Texas, among others.

12. Jezerinac has extensive experience in providing structural condition assessment services and has an excellent reputation for the litigation support and forensic investigation and analysis services they have rendered. Jezerinac's experience in the structural engineering industry is extensive. The structural condition expert proposed by Jezerinac for this engagement is highly experienced and possesses industry-leading qualifications and credentials.

#### **SERVICES TO BE RENDERED**

- 13. The Debtors desire to obtain Jezerinac's expert structural condition assessment and litigation support services in connection with certain Landlord and lease related matters associated with the Chapter 11 Cases (the "**Projects**"). The structural condition assessment services to be provided by Jezerinac are set forth in greater detail within the Engagement Letter and in summary include the following:
  - a) Review existing drawings, such as original architectural and structural drawings, and repair/renovation drawings;
  - b) Limited on-site visual observations of representative exposed structural elements;
  - c) Offer observations and recommendations limited to those that are structural in nature;

- d) If requested by the Debtors, provide analysis with engineered solutions and repair details for pre-established areas requiring repair;
- e) If requested by the Debtors, prepare expert structural condition reports and provide related expert witness testimony services;
- f) As requested by the Debtors and their bankruptcy counsel, offer the Debtors litigation support, including, but not limited to document discovery and records request; and
- g) Perform such other professional services as may be requested by the Debtors and agreed to by Jezerinac in writing.
- 18. The Debtors require an expert to provide the services outlined above and described in more depth within the Engagement Letter. Again, the Debtors anticipate that the Landlord will utilize a report prepared by Terracon during the Chapter 11 Cases. The retention of Jezerinac will assist the Debtors in their continued efforts to maximize the value of their estates because it will enable the Debtors to defend against anticipated challenges from the Landlord. Jezerinac's services will not be duplicative of work performed by any other professional retained by the Debtors.

#### **COMPENSATION**

- 19. Pursuant to the Engagement Letter, the Debtors shall pay Jezerinac \$31,000 related to the Structural Condition Assessment, which includes document review, site observations, and reporting, exclusive of reimbursable expenses. The non-litigation hourly rates for Jezerinac professionals are set forth in the Engagement Letter and range from \$55.00 to \$265.00.
- 20. Further, the Debtors shall pay Jezerinac based on its actual hours expended for document discovery, records request, and litigation support at Jezerinac's standard hourly rates that are in effect when the services are rendered, subject to the limitations discussed herein. Jezerinac's rates generally are revised annually. Its current litigation support hourly rates are as follows:

Professional	Hourly Rate
Senior Principal / President	\$340
Principal / Vice President	\$270
Associate Principal	\$250
Senior Associate	\$215
Associate	\$200
Senior Project Engineer	\$175
Project Engineer	\$160
Senior Engineer	\$145
Engineer	\$125
Certified Building Inspector	\$145
Building Information Modeler Manager	\$165
Senior Building Information Modeler	\$130
Building Information Modeler	\$110
Administrative Support Staff	\$85
Intern	\$75

- 21. Jezerinac shall be entitled to the reimbursement of actual, reasonable out-of-pocket and direct expenses incurred in connection with the services to be provided under the Engagement Letter.
- 22. Prior to the Petition Date, Jezerinac did not provide any services to the Debtors. As of the Petition Date, no amounts were due or outstanding to Jezerinac, and Jezerinac has not been paid any amounts postpetition. Finally, Jezerinac is not holding a retainer.

#### **DISINTERESTEDNESS**

23. In reliance on the Brasic Declaration and to the best of the Debtors' knowledge, other than as set forth in the Brasic Declaration, Jezerinac (a) has no connection with the Debtors, their creditors, or other parties in interest in these Cases; (b) does not hold any interest adverse to

the Debtors' estates; and (c) is a "disinterested person" as defined within Bankruptcy Code section 101(14).

24. If a new parties-in-interest list is provided to Jezerinac, Jezerinac will conduct further review of its files to ensure that no conflicts or other disqualifying circumstances exist or arise. In connection with such review, if any new material facts or relationships are discovered or arise, Jezerinac will supplement its disclosure to this Court.

#### **BASIS FOR RELIEF**

- 25. Pursuant to Bankruptcy Code section 327, a debtor in possession may employ one or more professionals who do not hold or represent an interest adverse to the estate and that are disinterested persons to assist the debtor in possession in carrying out its duties. 11 U.S.C. § 327(a).
- 26. Under Bankruptcy Rule 2014, an application for retention of a professional must contain:
  - specific facts showing the necessity for the employment, the name of the person to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the person's connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee. The application shall be accompanied by a verified statement of the person to be employed setting forth the person's connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.
- 27. Bankruptcy Code section 328 provides, in relevant part, that a debtor in possession "with the court's approval, may employ or authorize the employment of a professional person under section 327 ... on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis." 11 U.S.C. § 328(a).

- 28. To the best of the Debtors' knowledge, information, and belief, and based upon the Brasic Declaration, Jezerinac is a "disinterested person" as defined in Bankruptcy Code section 101(14) and required by Bankruptcy Code section 327(a). Other than as set forth in the Brasic Declaration, Jezerinac has no connection with the Debtors, its creditors, the United States Trustee, or other parties in interest in the Chapter 11 Cases. To the extent Jezerinac discovers additional facts bearing upon the matters described herein during the retention, Jezerinac will supplement the information contained in the Brasic Declaration, as required by Bankruptcy Rule 2014.
- 29. Through this Application, the Debtors seek to obtain approval of the Court to retain Jezerinac on the terms set forth in the Engagement Letter. Employment of Jezerinac will be beneficial to the Debtors and their estates by providing the Debtors with expert structural condition assessment services and litigation services, including, but not limited to, in the context of litigation pertaining to the Landlord's *Motion to Dismiss Chapter 11 Cases Under 11 U.S.C. § 1112(b)* [Docket No. 541], *Motion to Stay Hearing on Debtors' Disclosure Statement* [Docket No. 543], as well as any and all future filings by the Landlord and any other party in interest who may seek to raise issues related to lease and/or the structural condition of the Edgemere community. The assistance of Jezerinac is in the best interest of the estates.
- 30. Given the qualifications of Jezerinac, the compensation requested is more than reasonable and will greatly benefit the Debtors' estates. Denial of this Application will harm the Debtors and their ability to defend against the onslaught of attacks from the Landlord related to the Chapter 11 Cases, the *Disclosure Statement for the Debtors' Plan of Reorganization* [Docket No. 509], as may be amended, the *Debtors' Plan of Reorganization* [Docket No. 508], as may be amended, and any and all future filings any party in interest may make in the Chapter 11 Cases related to the lease and/or structural condition of the Edgemere community. The Debtors' retention

of Jezerinac will assist them as they navigate the issues with the Landlord as well as engage in litigation with the Landlord within the Chapter 11 Cases and the Adversary Proceeding (22-03040-MVL).

31. Therefore, the Debtors submit that the requirements of the Bankruptcy Code, Bankruptcy Rules, and the Local Rules have been met and that entry of an order approving the Application is supported.

#### **NOTICE**

- 32. Notice of this Application shall be provided to: (a) the Office of the United States Trustee; (b) counsel to the Official Committee of Unsecured Creditors; (c) counsel to UMB Bank, N.A., as Trustee; (d) counsel to Lifespace Communities, Inc.; (e) the Texas State Attorney General; and (f) all parties who have requested notice pursuant to Bankruptcy Rule 2002.
- 33. The Debtors respectfully submit that such notice is sufficient and that no further notice of this Application is required.

**WHEREFORE**, the Debtors respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto as <u>Exhibit A</u>, granting the relief requested in the Application and such other and further relief as may be just and proper.

Dated: August 29, 2022 Dallas, Texas

#### **POLSINELLI PC**

/s/ Liz Boydston

Liz Boydston (SBN 24053684) Trinitee G. Green (SBN 24081320) Polsinelli PC 2950 N. Harwood, Suite 2100

Dallas, Texas 75201 Telephone: (214) 397-0030

Facsimile: (214) 397-0033 lboydston@polsinelli.com tggreen@polsinelli.com

-and-

Jeremy R. Johnson (Admitted *Pro Hac Vice*)
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bdolphin@polsinelli.com

Counsel to the Debtors and Debtors in Possession

#### Exhibit A

Proposed Order

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

In re:

Chapter 11

Northwest Senior Housing Corporation, et al.,

Debtors.

Chapter 11

Case No. 22-30659 (MVL)

(Jointly Administered)

## ORDER AUTHORIZING THE DEBTORS TO EMPLOY AND RETAIN JEZERINAC GROUP PLLC TO PROVIDE STRUCTURAL CONDITION ASSESSMENT SERVICES EFFECTIVE AS OF JULY 31, 2022

Upon the application (the "Application") of the Debtors for entry of an order authorizing the employment and retention of Jezerinac Group PLLC ("Jezerinac") to provide structural condition assessment services for the Debtors effective as of July 31, 2022; and the Court having

<sup>&</sup>lt;sup>1</sup> The Debtors in these 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.

reviewed the Application, the Declaration of Graham Brasic in Support of the Application of Debtors for Authority to Employ and Retain Jezerinac Group PLLC to Provide Expert Structural Condition Assessment Services Effective As of July 31, 2022 (the "Brasic Declaration"), and the Declaration of Nick Harshfield in Support of Chapter 11 Petitions and First Day Pleadings [Docket No. 7] (the "First Day Declaration"); and the Court having jurisdiction over this matter pursuant to 28 U.S.C. 157 and §§ 1334(b); and the Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that the Debtors consent to entry of a final order under Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Application in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having determined that the relief requested in the Application is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Application has been given, under the circumstances, and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

#### ORDERED, ADJUDGED, AND DECREED THAT:

- 1. The Application is GRANTED as set forth herein.
- 2. The Debtors are authorized to employ and retain Jezerinac on the terms set forth in the Application and Engagement Letter.
- 3. Jezerinac shall be compensated in accordance with Bankruptcy Code sections 330 and 331, the Bankruptcy Rules, the Local Rules, this Order, any other applicable orders of this Court, and applicable fee and expense guidelines.
  - 4. The terms and conditions of the Engagement Letter are approved.

- 5. Notwithstanding anything to the contrary in the Engagement Letter, the Debtors are authorized to indemnify and hold harmless Jezerinac as set forth in Section 14 of Exhibit to the Engagement Letter, subject to the following conditions:
  - a. subject to the provisions of subparagraphs (b) and (c) below, the Debtors are authorized to indemnify, and shall indemnify Jezerinac in accordance with the Engagement Letter for any claim arising from, related to, or in connection with the services provided by Jezerinac as specified in the Engagement Letter; and
  - the Debtors shall have no obligation to indemnify, hold harmless, or b. reimburse Jezerinac, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen primarily from Jezerinac's gross negligence, willful misconduct, breach of fiduciary duty (if any), bad faith, or fraud, unless the Court determines that indemnification would be permissible under applicable law; (ii) for a contractual dispute in which the Debtors allege the breach of Jezerinac's contractual obligations unless the Court determines that indemnification, would be permissible under applicable law; or (iii) settled prior to a judicial determination as to Jezerinac's gross negligence, willful misconduct, breach of fiduciary duty (if any), bad faith, fraud, or breach of Jezerinac's contractual obligations the exclusions set forth in clauses (i) and (ii) above, but determined by this Court, after notice and a hearing, to be a claim or expense for which Jezerinac should not be held harmless, receive indemnity, or reimbursement under the terms of the Engagement Letter as modified by this Order; and
  - c. if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these Chapter 11 Cases, Jezerinac believes that it is entitled to the payment of any amounts by the Debtors on account of the indemnification, hold harmless, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including without limitation the advancement of defense costs, Jezerinac must file an application in this Court, and the Debtors may not pay any such amounts to Jezerinac before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by Jezerinac for indemnification, contribution, or reimbursement, and not to limit the duration of the Debtors' obligation to indemnify Jezerinac.
- 6. Notwithstanding anything to the contrary in the Engagement Letter, any indemnification provisions and related rights and obligations shall comply with and be subject to

*In re Pac. Lumber Co.*, 584 F.3d 229 (5th Cir. 2009) and, under no circumstances, shall the Debtors be obligated to pay any fees incurred by Jezerinac in defense of any fee applications filed in these Chapter 11 Cases.

- 7. Any dispute arising from or relating to the Debtors' engagement of Jezerinac shall be subject to the exclusive jurisdiction and venue of the court so long as these Chapter 11 Cases remain pending.
- 8. Notwithstanding anything to the contrary in the Engagement Letter, Jezerinac's liability, including but not limited to lost profits, consequential, indirect, punitive, exemplary or special damages, arising in tort, contract or otherwise, shall not be limited in the case of Jezerinac's own willful misconduct, gross negligence, breach of fiduciary duty, self-dealing and/or bad faith.
- 9. The Debtors and Jezerinac are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.
- 10. Notice of the Application as provided therein is deemed to be good and sufficient notice of such Application, and the requirements of the Bankruptcy Local Rules are satisfied by the contents of the Application.
- 11. Notwithstanding any Bankruptcy Rule or Local Rule to the contrary, this Order shall be immediately effective and enforceable upon its entry.
- 12. To the extent there is any inconsistency between the terms of the Engagement Letter, the Application, and this Order, the terms of this Order shall govern.
- 13. This Court shall retain jurisdiction over any and all matters arising from the interpretation, implementation, or enforcement of this Order.

#### ### End of Order ###

#### Ordered submitted by:

#### POLSINELLI PC

/s/ Liz Boydston

Liz Boydston (SBN 24053684) Trinitee G. Green (SBN 24081320) Polsinelli PC 2950 N. Harwood, Suite 2100 Dallas, Texas 75201

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Counsel to the Debtors and Debtors in Possession

#### Exhibit B

Engagement Letter



jeremy.johnson@polsinelli.com

July 21, 2022

Mr. Jeremy Johnson Shareholder Polsinelli PC 2950 N. Hardwood, Suite 2100 Dallas, TX 75201

REFERENCE: EDGEMERE SCA

Dallas, TX

PROPOSAL FOR STRUCTURAL CONDITION ASSESSMENT SERVICES

Dear Mr. Johnson & Team,

Thank you for inviting Jezerinac Group, PLLC to provide this proposal to Polsinelli PC (the Client) for Structural Condition Assessment services in relation to Edgemere SCA (the Project).

The following paragraphs outline our understanding of the project, our proposed scope, and the proposed fee structure.

#### I. Project Description

Our fee proposal is based on information provided to us in a phone call with the Chris Soden (Lifespace) on July 15, 2022, which included a verbal discussion of the property history.

To summarize in general terms, the project consists of Structural Condition Assessment of the building structures on the campus of The Edgemere in Dallas, TX. The approximate square footage of the campus is believed to be ~820,000 sf based on square footage information extracted from the Improvements summary for 8523 Thackery St as listed on the Dallas Central Appraisal District website. The building structures are understood to be of mixed construction type between the different buildings and constructed over a period from 2001 to 2016.

The Structural Condition Assessment will include limited visual observations of representative exposed structural elements for which the assessment team is provided reasonable access and as the presence of finishes allows. A sufficient number of typical structure members will be examined, as determined by the personnel on site performing the assessment, to permit reasonable conclusions to be drawn as to behavior and performance of the existing structure based on the conditions observed.

Observations and recommendations will be limited to those that are structural in nature. Material testing and destructive testing/removal of finishes are not included in this scope. Analysis with engineered solutions and repair details (if required) will be an additional phase not included in the base scope of this Structural Condition Assessment other than pre-established areas requiring repair that are known prior to the time of proposal and specifically included within this Project Description.

Mr. Jeremy Johnson Polsinelli PC Re: Edgemere SCA July 21, 2022 Page 2 of 3

Beyond the assessment and report, it is understood that there is the possibility that litigation support is requested as a follow-up phase. This scope, if requested, will be under separate contract and subject to a different rate table than those contained in Exhibit B, attached.

Access to existing drawings, such as original Architectural and Structural drawings, is of great value prior to field work associated with a Structural Condition Assessment. Review of these documents allows the assessment team on site to gain an understanding of the structure, layout, and load path prior to visiting the site and allows for a more targeted review while on site. We highly encourage that all avenues be exhausted to obtain existing drawings through whatever available means are reasonable by the Client and are able and willing to participate in the effort to obtain existing documents/drawings with this Record Request and Document Discovery pre-phase billed on an hourly basis per the rates that are shown within Exhibit B – Billing Rates unless a mutually agreed lump sum is agreed upon prior to that effort commencing.

For this project, it is understood that the City of Dallas does have content available for the existing structures on this site. Based on conversations between Jezerinac Group and the department within the City of Dallas that handles records requests, it is also understood that they are not set up for distribution of electronic documents to respond to a records request of this type. The documents that are available for this project are understood to be in hard copy format and/or locally accessible only through the network on site at the city offices. Jezerinac Group can send a representative, at the client's request, to physically access the available documents and obtain electronic copies. This additional effort is scoped below under Additional Potential Phases in Section III, plus expenses.

#### II. Scope of Services

Our scope of services will be as provided in Exhibit A Basic Scope of Services – Structural Conditions Assessment, attached, modified per the previous section.

#### III. Fees

We propose to perform the above Scope of Services for the Lump Sum Fees listed below plus reimbursable expenses as defined by AIA B104.

Structural Condition Assessment \$31,000

- O Document Review
- Site Observations
- Reporting
- Additional Potential Phase(s)
  - O Document Discovery/Records Request \$2,000
  - O Litigation Support (separate contract and rate schedule) Hourly

The above fees do not include reimbursable expenses. For this project, we anticipate reimbursable expenses to include travel, meals, lodging, records request, and printing. For budgeting purposes, we estimate their total cost not to exceed \$2,000. Note that this reimbursable cost estimate is for the information available to us at the time of scoping and only applicable to the Structural Condition Assessment phases scoped above. Additional Potential Phase(s) may result in additional expenses.



Mr. Jeremy Johnson Polsinelli PC Re: Edgemere SCA July 21, 2022 Page 3 of 3

#### IV. Payment

We will invoice the Client monthly for fees and expenses. Amounts due will be proportional to the completion of the phases described in Section III. Payment is due per the terms provided within Exhibit C, Standard Conditions. Jezerinac Group reserves the right to suspend or terminate services should payment fail to comply with these terms.

#### V. Additional Services

Should we be requested to perform services outside our Basic Scope of Services, as outlined in Exhibit A, we will make a request for additional fees in writing. We will proceed with the additional services only upon approval by the Client. Additional services will be rendered on an hourly basis per the rates that are shown within Exhibit B - Billing Rates unless a negotiated lump sum is mutually agreed upon.

#### VI. Standard Conditions

We will perform all services in accordance with Exhibit C, Standard Conditions. Should Client elect to enter into an AIA Architect/Consultant Agreement or other Agreement, we will expect that these mutually beneficial terms are included within. This Proposal Letter in combination with its Exhibits represents our entire agreement.

Again, we would like to thank you for this opportunity and look forward to your favorable response to our proposal and are ready to get started.

Very Truly Yours,

**JEZERINAC GROUP, PLLC** 

Accepted by: Polsinelli PC

Elizabeth Baydston

A686ACC8DE57486...

DocuSigned by:

(signature)

Elizabeth Boydston

(printed)

7/31/2022

(date)

Ronald M. Jezerinac, P.E., S.E.

President



#### EXHIBIT A

#### **Basic Scope of Services - Structural Condition Assessment**

In general, our Basic Scope of Services includes the review of available documentation for the existing structure, observation of the building's primary structural frame (as finishes and access allows), structural aspects of the building enclosure, and the presentation of our observations and findings within a signed and sealed report. Litigation support, if required, is not included in the base scope of services and will be under separate contract and billing rates. See sections below for further explanation of activities per phase. Note that the Consultant will not proceed into any subsequent phase without written direction to do so.

#### **Document Review**

- · Review of available pertinent documentation including but not limited to the following:
  - Structural design documents.
  - o Architectural design documents.
  - Shop drawing submittals that may pertain to the primary structural frame and/or the structural aspects of the building enclosure.
  - o Repair/renovation drawings.
- If required, assist the Client in locating said documents within the facility's records room or via a records request with the local authority having jurisdiction (building department). Note that

#### Site Observations

Regarding all site observations, it is important to note that all observations are visual only and are limited observations to the extent that building finishes and access permit. Should a greater level of certainty be desired by the Client, a selective demolition program and/or a testing regimen (either destructive or nondestructive) could be co-authored with the building's Owner for expanded scope of services as an additional service. Demolition and testing are not included in the base scope of services and, if desired, will require involvement from a specialty firm to perform the required field work.

- · Observe and document the following structural conditions within the building footprint:
  - o Ground floor slab noting significant cracking or signs of settlement.
  - Building superstructure including columns, walls, beams, and slabs noting signs of distress such as cracking or spalling
    of concrete and concrete masonry units (CMU); yielding, cracking, or fracture of structural steel members, bolts, or
    welds; excessive deflection or warping of any structural member.
  - Signs of water or moisture intrusion including water staining, efflorescence, corrosion, and rot nothing the potential means of water ingress
  - Building finishes that may indicate structural distress, noting items such as cracked paint or protective coatings on structural members and the substantial cracking of wall or floor finishes.
- Observe and document the following conditions outside of the building footprint:
  - o Site Conditions adjacent to building structure noting signs of soil erosion, foundation settlement, or foundation heave.
  - Structural elements outside of the building footprint. This may include but not be limited to site retaining walls, planter walls, signage walls, signage support, flag and light poles and their supports, or building support equipment such as generators or mechanical equipment and their support.



#### EXHIBIT A

#### **Basic Scope of Services - Structural Condition Assessment**

 Previously agreed upon outbuildings and miscellaneous structures, such as porte cochere, guardhouse, clubhouse, etc. Unless specifically scoped within the Project Description section these are not included in the base scope of services.

#### Reporting

- Discuss with Client initial findings and determine report organization and emphasis.
- · Prepare a report which presents our findings. Specifically, the report will include the following:
  - Description of the structural systems present.
  - Summary of the observed conditions.
  - Provide an overall opinion of the building's structural condition.
  - Summary of any potential issues with the building structure and the structural aspects of the building enclosure.
  - o Provide recommendations to the Client.
- Report will be inclusive of photos and/or graphics as required to describe the extent of observations, existing conditions, recommendations or to better illustrate complex structural behavior.

#### **Further Clarifications to Scope**

While most of these services can be performed by Jezerinac Group, the following items are specifically excluded from this particular Scope of Services:

- As-built survey or field verification of constructed geometry. This scope, if required, shall be performed by others under separate contract.
- Structural analysis and detailed evaluation of existing structure. Code compliance review of the original design drawings for load path and structural integrity. These services can be provided at the Client's request as an additional service.
- Root cause determination or forensic evaluation of distress noted.
- Litigation support. These services can be provided at the Client's request as an additional service.
- Testing, either destructive or non-destructive, or other subcontractor services, including rental fees of equipment. This scope, if required, shall be performed by others under separate contract.
- Selective demolition and/or finish removal, including localized finish removal as required for testing processes. This scope, if required, shall be performed by others under separate contract.
- Repair, patching, painting, or otherwise restoring finishes or materials associated with selective demolition. This scope, if required, shall be performed by others under separate contract.
- Opinions and estimates of Cost of Work. The Owner shall retain a qualified Construction Professional (or other qualified professional) to perform such services if required.
- Revisions to work that has already been completed and approved. This includes work performed after the issuance of our final report if modifications are required at the Client's request. Such services will be billed on an hourly basis per the rates shown in Exhibit B.
- Construction Documentation services, including engineered repair design and documentation, is not included in the above cost(s) and shall be provided in a future phase if required, except as modified herein.
- Construction Administration services associated with repairs, if required, are not included in the above costs and, if requested, shall be billed on an hourly basis per the rates shown in Exhibit B.
- Follow-up site visits, beyond the initial visit scoped herein, would be an additional service unless specifically included in a follow-up phase as required. Additional site visits associated with Construction Administration services during repair work, if desired per the above language, can be expanded to include additional site visits.



## EXHIBIT B 2022 Billing Rates

TITLE	HOURLY BILLING RATE
Senior Principal / President	\$265.00
Principal / Vice President	\$205.00
Associate Principal	\$190.00
Senior Associate	\$180.00
Associate	\$160.00
Senior Project Engineer	\$145.00
Project Engineer	\$135.00
Senior Engineer	\$120.00
Engineer	\$105.00
Certified Building Inspector	\$120.00
Building Information Modeler Manager	\$140.00
Senior Building Information Modeler	\$110.00
Building Information Modeler	\$75.00
Administrative Support Staff	\$65.00
Intern	\$55.00

<sup>\*</sup>Rates are effective through December 31, 2022



#### **EXHIBIT C**

#### Standard Conditions - Owner and Consultant

- 1. These Standard Conditions, along with the Proposal Letter and its referenced Exhibits, represent the entire and integrated agreement between the Owner and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Consultant (Jezerinac Group, PLLC).
- 2. The portion of the Project for which the Consultant shall provide services is defined in the Proposal Letter along with its referenced exhibits and is hereinafter called This Portion of the Project. Except as set forth herein, the Consultant shall not have any duties or responsibilities for any other portion of the Project.
- 3. Except as authorized by the Owner, all communications between the Consultant and the Architect, Contractor or other consultants for the Project shall be forwarded through the Owner. The Owner shall be the administrator of the professional services for the Project, and shall facilitate the exchange of information among the Architect, Consultant, and other consultants as necessary for the coordination of This Portion of the Project.
- 4. The Consultant shall perform its services consistent with the professional skill and care ordinarily provided by professionals practicing in the same or similar locality under the same or similar circumstances. The Consultant shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.
- 5. The Consultant shall not be responsible for the acts or omissions of the Owner, Owner's other consultants, Contractor, Subcontractors, their agents or employees, or other persons performing any of the Work. The Consultant shall provide prompt written notice to the Owner if the Consultant becomes aware of any errors, omissions or inconsistencies in the services or information provided by the Owner or other consultants.
- 6. The Consultant shall submit for the Owner's approval a schedule for the performance of the Consultant's services consistent with the requirements of the Owner's Program, which may be adjusted as the Project proceeds. The Consultant's schedule shall allow reasonable time for the Owner and other consultants to review the Consultant's submittals. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Consultant or Owner. Should the project schedule be adjusted causing a material change to its staffing plan, through no fault of the Consultant, the Consultant shall be entitled to additional fees for services rendered per Article 8.
- 7. The Owner shall provide available information in a timely manner regarding requirements for and limitations on This Portion of the Project, including a copy of the Owner's program for the Project. The Owner shall identify a representative authorized to act on the Owner's behalf with respect to This Portion of the Project. The Owner or such identified representative shall render decisions in a timely manner pertaining to documents submitted by the Consultant in order to avoid unreasonable delay in the orderly and sequential progress of the Consultant's services. If the Consultant reasonably requests information from investigations, surveys, tests, analyses and reports, or the services of other consultants not within the scope of the Consultant's services, the Owner shall furnish the information or services.
- 8. Additional Services may be provided after execution of this Agreement without invalidating the Agreement. Upon recognizing the need to perform Additional Services that may arise as the Project proceeds, the Consultant shall notify the Owner. The Consultant, however, shall not proceed to provide such services until the Consultant receives the Owner's written authorization.
- 9. The Owner shall confer with the Consultant before issuing interpretations or clarifications of documents prepared by the Consultant and shall request the recommendation of the Consultant before providing interpretations or clarifications of shop drawings, product data, samples, or other submissions of the Contractor, or upon Change Orders and Construction Change Directives affecting This Portion of the Project.
- 10. For purposes of this Agreement, the Cost of the Work is defined as set forth in AIA B101. If at any time the estimate for the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Consultant shall make appropriate recommendations to the Owner to adjust the Project's size, quality or budget related to This Portion of the Project. Additionally, the Consultant shall cooperate with the Owner and the Owner's other consultants in redesigning the Work for This Portion of the Project to comply with the budget for the Cost of the Work. Should the project require redesign, through no fault of the Consultant, the Consultant shall be entitled to additional fees for services rendered per Article 8.
- 11. Consultant shall not have control or charge of, and shall not be responsible for, construction means, methods, techniques, sequences or procedures, for safety precautions and programs in connection with work or activities at the project site, for the acts or omissions of any contractor, subcontractors or any other persons performing any work or undertaking any activities at the project site, or for the failure of any of them to carry out any work or perform their activities in accordance with their contractual obligations, including, but not limited to, the requirements of any drawings, specifications or other documents prepared by Consultant.
- 12. The Owner and the Consultant shall not make changes in each other's Instruments of Service without written permission of the other party.



#### **EXHIBIT C**

#### Standard Conditions - Owner and Consultant

- 13. The Consultant shall indemnify and hold the Owner and the Owner's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Consultant, its employees and its consultants in the performance of professional services under this Agreement.
- 14. The Owner shall indemnify and hold the Consultant and the Consultant's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Owner, its employees and its other consultants in the performance of professional services under this Agreement.
- 15. The Consultant shall, within time limits agreed upon or otherwise with reasonable promptness, render written recommendations on claims, disputes and other matters in question between the Owner and Contractor relating to the execution or progress of This Portion of the Project as provided by the Contract Documents. Should the Owner request these services, the Consultant shall be entitled to additional fees for services rendered per Article 8.
- IN CONSULTANT SHALL ONLY BE LIABLE TO PAY DAMAGES TO OWNER ARISING OUT OF OR IN CONNECTION WITH THIS PORTION OF THE PROJECT, TO THE EXTENT THAT SUCH DAMAGES ARE CAUSED BY, AND ARE IN PROPORTION TO, THE NEGLIGENCE OF, OR BREACH OF THE STANDARD OF CARE BY, CONSULTANT. NOTHING CONTAINED IN THIS AGREEMENT SHALL CREATE A CONTRACTUAL RELATIONSHIP WITH OR A CAUSE OF ACTION IN FAVOR OF A THIRD PARTY, INCLUDING THE PROJECT OWNER AND ANY CONTRACTOR, SUBCONTRACTOR, VENDOR OR MATERIAL SUPPLIER, AGAINST EITHER THE OWNER OR CONSULTANT. NOTWITHSTANDING ANYTHING TO THE CONTRARY PROVIDED FOR IN THIS AGREEMENT, TO THE EXTENT PERMITTED BY LAW, IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT THERE SHALL BE NO PERSONAL LIABILITY ON THE PART OF THE OWNERS, DIRECTORS, OFFICERS, MEMBERS, SHAREHOLDERS OR EMPLOYEES OF CONSULTANT OR ANY OF ITS AFFILIATES OR ITS SUCCESSORS AND ASSIGNS WITH RESPECT TO THE SERVICES OR ANY OF THE TERMS, COVENANTS, OBLIGATIONS AND CONDITIONS OF THIS AGREEMENT.
- 17. Any claim, dispute or matter in question shall be subject to mediation as a condition precedent to binding dispute resolution. Mediation shall be conducted as set forth in AIA Document B101. When applying those provisions to this Agreement, "Consultant" shall be substituted for "Architect." If the parties do not resolve a claim, dispute, or matter in question through mediation, the method of binding dispute resolution shall be the following: Litigation in a court of competent jurisdiction.
- 18. It is expressly understood and agreed that, to the fullest extent permitted by law and not withstanding any other provision of this Agreement, the aggregate total of Consultant's liability (and the liability of its owners, directors, officers and employees, if any such liability otherwise exists) arising from any and all claims, suits, demands, damages, losses, judgments, payments, awards, and expenses relating to the Project, Services and/or this Agreement shall be limited to and in no event exceed three times the fee actually received by Consultant for services rendered on the project and in no case greater than the proceeds of Consultant's Professional Liability Insurance Policy.
- 19. Except as otherwise provided below, the Owner or Consultant may terminate this Agreement with a 30-day notice. In the case of Consultant termination, Consultant shall be paid for its services rendered to date.
- 20. This Agreement shall be governed by the Florida Law unless venue is otherwise provided in the Prime Agreement.





#### **EXHIBIT C**

#### Standard Conditions - Owner and Consultant

- 21. The Owner and Consultant, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither Owner nor Consultant shall assign this Agreement without the written consent of the other.
- 22. Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Consultant.
- 23. Unless otherwise required in this Agreement, the Owner and Consultant shall have no responsibility for the discovery, presence, handling, removal, or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.
- 24. If the Consultant or Owner receives information specifically designated by the other party as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except to (1) its employees, (2) those who need to know the content of such information in order to perform services or construction solely and exclusively for the Project, or (3) its consultants and contractors whose contracts include similar restrictions on the use of confidential information.
- 25. The Owner shall reimburse the Consultant for the Reimbursable Expenses necessarily incurred by the Consultant or the Consultant's employees directly relating to the Project.
- 26. The Consultant shall submit invoices for services and Reimbursable Expenses in accordance with the provisions of the Prime Agreement. The Owner shall review such invoices and, if they are considered incorrect or untimely, the Owner shall, within ten days from receipt of the Consultant's billing, review the matter with the Consultant and confirm in writing to the Consultant the Owner's understanding of the disposition of the issue.
- 27. Consultant reserves the right to stop work or withhold deliverables should Consultant be unable to collect prompt payment.





# **EXHIBIT B 2022 Billing Rates – Litigation Support**

TITLE	HOURLY BILLING RATE
Senior Principal / President	\$340.00
Principal / Vice President	\$270.00
Associate Principal	\$250.00
Senior Associate	\$215.00
Associate	\$200.00
Senior Project Engineer	\$175.00
Project Engineer	\$160.00
Senior Engineer	\$145.00
Engineer	\$125.00
Certified Building Inspector	\$145.00
Building Information Modeler Manager	\$165.00
Senior Building Information Modeler	\$130.00
Building Information Modeler	\$110.00
Administrative Support Staff	\$85.00
Intern	\$75.00

<sup>\*</sup>Rates are effective through December 31, 2022



#### Exhibit C

Brasic Declaration

#### 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)

# DECLARATION OF GRAHAM BRASIC IN SUPPORT OF THE APPLICATION OF DEBTORS FOR AUTHORITY TO EMPLOY AND RETAIN JEZERINAC GROUP, PLLC TO PROVIDE EXPERT STRUCTURAL CONDITION ASSESSMENT SERVICES EFFECTIVE AS OF JULY 31, 2022

Pursuant to 28 U.S.C. § 1764, I, Graham Brasic, declare as follows:

- 1. I am a professional engineer, structural engineer and associate with Jezerinac Group, PLLC ("Jezerinac"). I am licensed as a professional engineer and structural engineer in Georgia and Florida. Except as otherwise noted, I have personal knowledge of the matters set forth herein, and if called and sworn as a witness, I could and would testify competently thereto.
- 2. This declaration ("**Declaration**") is made in support of the *Application of Debtors* to Employ and Retain Jezerinac Group, PLLC to Provide Expert Structural Condition Assessment Services Effective As of July 31, 2022 (the "Application"). The Debtors and Jezerinac have agreed, subject to the Court's approval, to the terms and conditions set forth in the engagement letter (the "Engagement Letter") discussed in, and attached to, the Application.
- 3. To the extent Jezerinac discovers additional facts bearing upon the matters described herein during the retention, Jezerinac will supplement the information contained in this Declaration, as required by Bankruptcy Rule 2014.

<sup>&</sup>lt;sup>1</sup> The Debtors in these 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.

#### **QUALIFICATIONS**

- 4. Since its inception in 2014, Jezerinac has provided sophisticated structural engineering services to architects, builders, and owners at the local, national, and international levels. Jezerinac services clients by evaluating the adequacy, structural integrity and soundness of structures and their components. Its services include conducting structural forensic investigations, which involve visual observations, investigative peer review of design documents, material testing, load testing or structural health monitoring recommendations. Similarly, it offers repair and maintenance consulting services, which include servicing buildings exposed to the elements, such as parking garages, and involve expertise on concrete repair. Jezerinac professionals have expertise in structural steel, concrete, precast, masonry, wood/timber, as well as in general structural engineering and building construction. It is licensed to practice structural engineering in the State of Texas, among others.
- 5. Jezerinac has extensive experience in providing structural condition assessment services and has an excellent reputation for the litigation support and forensic investigation and analysis services they have rendered. Jezerinac's experience in the structural engineering industry is extensive. The structural condition expert proposed by Jezerinac for this engagement is highly experienced and possesses industry-leading qualifications and credentials.

#### SERVICES TO BE RENDERED

6. The Debtors desire to obtain Jezerinac's expert structural condition assessment and litigation support services in connection with certain Landlord and lease related matters associated with the Chapter 11 Cases (the "**Projects**"). The structural condition assessment services to be provided by Jezerinac are set forth in greater detail within the Engagement Letter and in summary include the following:

- a) Review existing drawings, such as original architectural and structural drawings, and repair/renovation drawings;
- b) Limited on-site visual observations of representative exposed structural elements;
- c) Offer observations and recommendations limited to those that are structural in nature;
- d) If requested by the Debtors, provide analysis with engineered solutions and repair details for pre-established areas requiring repair;
- e) If requested by the Debtors, prepare expert structural condition reports and provide related expert witness testimony services;
- As requested by the Debtors and their bankruptcy counsel, offer the Debtors litigation support, including, but not limited to document discovery and records request; and
- g) Perform such other professional services as may be requested by the Debtors and agreed to by Jezerinac in writing.

#### **COMPENSATION**

- 7. Pursuant to the Engagement Letter, the Debtors shall pay Jezerinac \$31,000 related to the Structural Condition Assessment, which includes document review, site observations, and reporting, exclusive of reimbursable expenses. The non-litigation hourly rates for Jezerinac professionals are set forth in the Engagement Letter and range from \$55.00 to \$265.00.
- 8. Further, the Debtors shall pay Jezerinac based on its actual hours expended for document discovery, records request, and litigation support at Jezerinac's standard hourly rates that are in effect when the services are rendered, subject to the limitations discussed herein. Jezerinac's rates generally are revised annually. Its current litigation support hourly rates are as follows:

Professional	Hourly Rate
Senior Principal / President	\$340
Principal / Vice President	\$270
Associate Principal	\$250

Senior Associate	\$215
Associate	\$200
Senior Project Engineer	\$175
Project Engineer	\$160
Senior Engineer	\$145
Engineer	\$125
Certified Building Inspector	\$145
Building Information Modeler Manager	\$165
Senior Building Information Modeler	\$130
Building Information Modeler	\$110
Administrative Support Staff	\$85
Intern	\$75

- 9. Jezerinac shall be entitled to reimbursement of actual, reasonable out-of-pocket and direct expenses incurred in connection with the services to be provided under the Engagement Letter.
- 10. Prior to the Petition Date, Jezerinac did not provide any services to the Debtors. As of the Petition Date, no amounts were due or outstanding to Jezerinac, and Jezerinac has not been paid any amounts postpetition. Finally, Jezerinac is not holding a retainer.

#### **DISINTERESTEDNESS**

11. Jezerinac is aware that the Debtors have numerous creditors, stakeholders, and other parties with whom they maintain business relationships. Prior to the filing of this Declaration, Jezerinac obtained from the Debtors the names of the Debtors' directors and officers, prepetition and postpetition lenders, secured creditors, certain unsecured creditors, five percent (5%) or greater shareholders, significant contract parties, and professionals, and other individuals and entities which may be parties in interest in these Chapter 11 Cases (collectively, the "Potential Parties in **Interest**"), a list of which is attached hereto as Exhibit 1. Jezerinac maintains a database, using a Client Relationship Management software, which tracks clients and contractual relationships as well as allows Jezerinac to search previous and ongoing projects to evaluate potential conflicts. I caused Jezerinac to review and analyze the Client Relationship Management software to determine whether Jezerinac has any connection with the Potential Parties in Interest. A list of connections to such Potential Parties in Interest is set forth on Exhibit 2.

- 12. Jezerinac has performed in the past, and may perform in the future, structural condition assessment services for other communicates managed by Lifespace Communities, Inc. ("Lifespace"), a party in interest in these Chapter 11 Cases. We do not believe Jezerinac's prior engagements for Lifespace cause a conflict for Jezerinac in this matter. Similarly, we do not believe Jezerinac's current engagement related to The Waterford causes a conflict for Jezerinac in this matter.
- 13. In addition, Jezerinac has in the past, may currently, and may in the future be working with or against other professionals involved in these Chapter 11 Cases in matters unrelated to the Debtors and these Chapter 11 Cases. For example, the Client Relationship Management software contains contact information for personnel from Terracon and Marsh & McLennan; these do not cause a conflict in this matter, they indicate that Jezerinac has contact information for personnel from Terracon and Marsh & McLennan but that there are no projects or opportunities associated with the contact information. Based on our current knowledge of the professionals involved, and to the best of my knowledge, none of these relationships create interests materially adverse to the Debtors in matters upon which Jezerinac is to be employed, and none are in connection with these Chapter 11 Cases. Jezerinac's connection to any Parties in Interest are attached hereto as Exhibit 2.

- 14. Other than as set forth on <u>Exhibit 2</u>, I have determined that Jezerinac has not provided services to any Potential Party in Interest related to the Debtors or these Chapter 11 Cases.
- 15. To the best of my knowledge, and in view of the foregoing, Jezerinac and its senior professionals are disinterested persons who do not hold or represent an interest adverse to the estates and, except as set forth above, do not have any connection either with the Debtors, their creditors, or any other party in interest in these Chapter 11 Cases or with their respective professionals or accountants, with the judges of this Court, or with the United States Trustee or any person employed in the Office of the United States Trustee.
- 16. Jezerinac makes the following additional disclosures with respect to Jezerinac's disinterestedness. References to Jezerinac include all members expected to render services in these Chapter 11 Cases:
  - a) Jezerinac is not a creditor, equity security holder, or insider of the Debtors;
  - b) Jezerinac is not and was not within two (2) years before the date of the filing of the petition, directors, officers, or employees of the Debtors; and
  - c) Jezerinac does not have interests materially adverse to the interests of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.
- 17. By reason of the foregoing, I believe Jezerinac is eligible for retention by the Debtors.
- 18. Although Jezerinac is unaware of any other connections at the present time, it is possible that Jezerinac may have provided services for certain other creditors or other parties in interest in these Chapter 11 Cases in matters unrelated to the Debtors or the Chapter 11 Cases. If I am provided any updates to the Parties in Interest list and become aware of any connections not already described herein, I will supplement this Declaration to disclose those facts.

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19. If a new parties in interest list is provided to Jezerinac, Jezerinac will conduct

further review of its Client Relationship Management Software to ensure that no conflicts or other

disqualifying circumstances exist or arise. In connection with such review, if any new material

facts or relationships are discovered or arise, Jezerinac will supplement its disclosure to this Court.

20. I am generally familiar with the Bankruptcy Code and the Bankruptcy Rules, and

Jezerinac will comply with them, subject to the Orders of this Court.

21. This Declaration is being provided pursuant to Bankruptcy Code sections 327 and

328, and Bankruptcy Rule 2014.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true

and correct.

Dated: August 29, 2022

Dallas, Texas

/s/ Graham Brasic\_

Graham Brasic, PE, SE

Associate

Jezerinac Group, PLLC

#### Exhibit 1

#### Listing of Parties-in-Interest Reviewed for Current and Recent Former Relationships

#### **Debtor**

Northwest Senior Housing Corporation Senior Quality Lifestyles Corporation

#### **Affiliated Parties**

Abbey Delray

Abbey Delray South

AON CCRC LLC (Iowa LLC)

Augustine Home Health Texas LLC

Barton Creek Senior Living Center, Inc.

(Querencia)

Beacon Hill

Claridge Court

Friendship Village of Bloomington

Friendship Village of South Hills

Harbour's Edge

Lifespace, Inc.

Lifespace Communities, Inc.

Lifespace Management, Inc.

Lifespace Services, Inc.

Newcastle Place LLC

Oak Trace

Prairie View Club of Kansas

Seniority Inc.

SQLC LSA, LLC

Tarrant County Senior Living Center, Inc.

dba The Stayton at Museum Way

The Lifespace Foundation

The Waterford

Village on the Green

### <u>Former, Assumed and Trade Names of</u> the Debtor

d/b/a Edgemere

The Plaza at Edgemere

**Current and Former Directors and** 

Officers (2019 & 2020 Form 990) Abdul Shakoor

Ann Joyce

Chris Hutfless

Christopher Santuae

Eddie Fenoglio

Elizabeth White

Jesse Jantzen

Keri McAnally

Larry Smith

Leslie Brownlee

Martha Holloway

Nick Harshfield

Scott Collier

Susan Carter

Thomas Brod

#### **Lifespace Managers**

John B. Falldine

Teresa E. Bates

#### **Ordinary Course Professionals**

AJ Gallagher

Marsh & McLennan Agency, LLC

#### **Current & Former Banking Institutions**

**Bankers Trust** 

Regions Bank

UMB Bank, NA

#### **Restructuring Professionals**

Assessment Technologies, Ltd. d/b/a A.T.

Tax Advisory

FTI Consulting, Inc.

Kurtzman Carson Consultants, LLC

Polsinelli

Sidley Austin LLP

#### **Bondholders**

Alliance Bernstein LP

First Trust Advisors LP

FMR LLC

Holloway Wealth Management LLC

Lapis Advisers, LP
Massachusetts Financial Services Co.
Nuveen Asset Management, LLC as
investment adviser for certain
funds/accounts
Olive Street Investment Advisers LLC
Royal Bank of Canada
Silvercrest Asset Management Group LLC
State Street Corp.
T Rowe Price Group Inc.

Teachers Insurance & Annuity Association of America

USAA Mutual Funds on behalf of its USAA
Tax Exempt Long-Term Fund and its
USAA Growth and Tax Strategy Fund
Van Eck Associates Corp
Victory Capital Management Inc.

#### **Insurance Providers**

Argonaut Insurance Company
Ascot Insurance Company
Beazley Insurance Company
Caring Communities
Ironshore Specialty Insurance Company
Liberty Mutual Fire Insurance Company
Liberty Mutual Insurance Company
Life Insurance Company
Life Insurance Company
Sentry Indemnity Company
RSUI Indemnity Company
Sentry Casualty Company
Sentry Insurance
Underwriters at Lloyds, London (Hiscox)

## **Government Regulatory & Taxing Authorities**

Centers for Medicare and Medicaid
Services
City of Dallas
Dallas County Tax Office, John R. Ames,
CTA Tax Assessor/Collector
Department of the Treasury
Texas Comptroller of Public Accounts
Texas Department of Insurance
Texas Department of Labor

Texas Department of Licensing & Regulation
Texas Health & Human Services
Texas Workforce Commission
United States Treasury

#### **Utility Companies**

AT&T
Atmos Energy
City of Dallas
Community Waste Disposal LP
Fusion LLC
Reliant Energy Services
Spectrum
Spectrum (f/k/a Time Warner Cable)
Verizon

#### **Employee Benefit Administrators**

ADP, LLC
Delta Dental
Eyemed
Metlife
OptumRx
Symetra Life Insurance Company
Wellmark BCBS of Iowa

#### <u>Judges in the United States Bankruptcy</u> <u>Court for the Northern District of Texas</u> <u>Dallas Division</u>

Judge Scott W. Everett
Judge Robert L. Jones
Judge Stacey G. C. Jernigan
Judge Mark X. Mullin
Judge Edward L. Morris
Judge Michelle V. Larson

#### <u>Office of the United States Trustee –</u> <u>Region 6 Dallas Office</u>

Lisa L. Lambert, Assistant United States Trustee William T. Neary – United States Trustee

#### <u>U.S. Trustee Employees – Region 6 Dallas</u>

#### Office

Asher Bublick

Kara Croop

Christi C. Flanagan

C. Marie Goodier

Meredyth Kippes

Felicia P. Palos

Bradley D. Perdue

Nancy S. Resnick

Kendra M. Rust

Erin Schmidt

Joseph W. Speranza

Rafay Suchedina

Steven Whitehurst

Cheryl H. Wilcoxson

Cindy Worthington

Elizabeth Young

#### **Litigants / Litigation Parties**

Cherry Petersen Landy Albert LLP

Intercity Investment Properties, Inc.

Maryln B. Calloway

Christopher C. Calloway

R.W. Calloway Jr.

Pamela Siviglia

Andrew Adams

Michael Frost

Julianne Frost

**David Steve Donsky** 

Robert Ogden

#### **Other Parties As Known**

Credit Agricole Group

DLA Piper LLP

Dorsey & Whitney LLP

Holland & Knight LLC

Invesco Ltd

Locke Lord LLP

Lumen (f/k/a Level 3)

Reliant Energy Services

**Waste Connections** 

Alliance Bernstein LP

Kong Capital, LLC

Terracon Consultants, Inc.

#### Exhibit 2

#### **Listing of Parties-in-Interest Noted for Court Disclosure**

#### **Relationships in Matters Related to These Proceedings**

None.

#### **Relationships in Unrelated Matters – Current Projects**

Lifespace Communities, Inc. – The Waterford: Jezerinac completed a Structural Condition Assessment of this property in 2021. Jezerinac is the Engineer of Record and contracted with THW Architects, for an expansion project on this campus for the design of a new building and some renovation scope on existing buildings. Jezerinac is providing consulting services for the evaluation of two (2) existing buildings on campus. Jezerinac also provides ongoing consulting services on an as-needed basis for structural issues as they appear.

#### Relationships in Unrelated Matters - Closed Projects

Lifespace Communities, Inc. – Harbour's Edge: Jezerinac completed a Structural Condition Assessment of this property in 2021. Jezerinac had initial conversations with a contractor that is bidding on the repair work identified in the Structural Condition Assessment, but there is not contractual relationship at this time.

Lifespace Communities, Inc. – Abbey Delray: Jezerinac completed a Structural Condition Assessment of this property in 2021.

Lifespace Communities, Inc. – Abbey Delray South: Jezerinac completed a Structural Condition Assessment of this property in 2021.

Lifespace Communities, Inc. – Village on the Green: Jezerinac completed a Structural Condition Assessment of this property in 2021.