

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
	§	
NEIGHBORS LEGACY HOLDINGS,	§	Case No. 18-33836
INC., et al.,¹	§	
	§	Chapter 11
	§	
Debtors.	§	Jointly Administered

OBJECTION TO DEBTORS' PROPOSED CURE AMOUNTS
[Related to Docket No. 236 and 255]

Wells Fargo Equipment Finance, Inc. ("Wells Fargo") files its objection to the proposed cure amounts for its contracts with Neighbors Legacy Holdings f/k/a Neighbors Health System, Inc. set forth in the *Debtors' Amended Notice of Executory Contracts and Unexpired Leases Subject to Possible Assumption and Assignment and Proposed Cure Amounts* [Docket No. 255]. In support of its objection, Wells Fargo respectfully states as follows:

1. On August 15, 2018, the Debtors filed their Notice of Executory Contracts and Unexpired Leases Subject to Possible Assumption and Assignment and Proposed Cure Amounts ("Cure Notice") [Docket No. 236] setting forth the executory contracts and unexpired leases that are subject to potential assumption and/or assignment to the successful bidder(s) to be identified at the conclusion of the auction of the Debtors' assets. The Cure Notice also included the amounts the Debtors believe to be sufficient to cure any defaults under each potentially assumed executory contract.

2. On August 17, 2018, the Debtors filed an Amended Notice of Executory Contracts and Unexpired Leases Subject to Possible Assumption and Assignment and Proposed Cure Amounts ("Amended Cure Notice") [Docket No. 255].

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



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2. The following Wells Fargo contracts were listed among the executory contracts and unexpired leases that may be included as part of the sale of the Debtors' assets:

EX #	Contract	Date	NEC Entity	Description	Debtors' Proposed Cure Amount
1	#459248-101	9/21/2015	Neighbors Legacy Holdings, Inc. f/k/a Neighbors Health System, Inc.	Siemens Medical Equipment: (1) New Somatom Scope CT s/n 91108; (1) Acuson P300 Ultrasound System s/n 2035; and (1) Multix Fusion - Digital X-Ray s/n 40146 (Midland, TX)	\$7,712.08
2	#459248-102	12/2/2015	Neighbors Legacy Holdings, Inc.	Siemens Medical Equipment: (1) New Somatom Scope Scanner s/n 91179; (1) Acuson P300 Ultra Sound System s/n 2130; and (1) Multix Fusion - Digital X-Ray s/n 40220 (Port Arthur, TX)	\$7,721.68
3	#459248-103	12/2/2015	Neighbors Legacy Holdings, Inc.	Siemens Medical Equipment: (1) New Somatom Scope Scanner s/n 91178; (1) Acuson P300 Ultrasound System s/n 2129; and (1) Multix Fusion - Digital X-Ray s/n 40240 (Odessa, TX)	\$7,721.67
4	#459248-104	12/2/2015	Neighbors Legacy Holdings, Inc.	Siemens Medical Equipment: (1) New Somatom Scope Scanner s/n 91191; (1) Acuson P300 Ultrasound System s/n 2114; and (1) Multix Fusion - Digital X-Ray s/n 40228 (El Paso, TX)	\$2,739.95
5	#459248-106	1/13/2016	Neighbors Legacy Holdings, Inc.	Siemens Medical Equipment: (1) Somatom Scope CT s/n 91263; (1) Acuson P300 Ultrasound System s/n 2170; and (1) Multix Fusion - Digital X-Ray 40275 (Amarillo, TX)	\$9,329.92
					\$35,225.30

3. The Debtors' list reflects a total cure amount of \$35,225.30 for the Wells Fargo contracts. This amount is incorrect. Wells Fargo's records reflect that a minimum of \$67,520.21 is due and owing to Wells Fargo under the lease agreements, broken down as follows:

Contract	Last Paid	Next Due	Rent	Tax	Late Fees	Total Due	Debtors' Proposed Cure Amount	Difference (objection amount)
#459248-101	5/19/2018	6/28/2018	\$21,422.46	\$1,713.78	\$714.08	\$23,850.32	\$7,712.08	\$16,138.24
#459248-102	8/13/2018	8/15/2018	\$7,133.19	\$588.49	-	\$7,721.68	\$7,721.68	\$0.00
#459248-103	6/11/2018	7/15/2018	\$14,266.38	\$1,176.96	\$356.66	\$15,800.00	\$7,721.67	\$8,078.33
#459248-104	8/13/2018	7/15/2018	\$9,664.32	\$797.31	\$356.66	\$10,818.29	\$2,739.95	\$8,078.34
#459248-106	8/13/2018	8/15/2018	\$8,289.03	\$683.85	\$357.04	\$9,329.92	\$9,329.92	\$0.00
						\$67,520.21	\$35,225.30	\$32,294.91

4. Wells Fargo does not object to the assumption of the lease agreements provided that all defaults under the leases are fully cured as required by Section 365 of the Bankruptcy Code, and any successful bidder provides adequate assurance of future performance.

5. Wells Fargo continues to investigate this issue and reserves the right to modify, supplement and/or amend this objection as further information becomes available, as well as object to the assumption and/or assignment of the lease agreements and the sale of assets, including any objections to any assignee and any proposed adequate assurance.

WHEREFORE, Wells Fargo respectfully requests that this Court approve the Debtors' request to assume the lease agreements only with the corrected cure amounts paid and grant it such other relief as is just and proper.

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**Attorneys for Wells Fargo Equipment
Finance, Inc.**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this Objection was served electronically upon each of the parties listed on the Court's ECF Service List for this case on August 21, 2018.

/s/ Steven A. Leyh
Steven A. Leyh