

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF KANSAS
AT KANSAS CITY**

In re:)	Case No. 16-21142-RDB
)	
JOHN Q. HAMMONS FALL 2006, LLC,)	Chapter 11
<i>et al.</i>,)	(Jointly Administered)
)	
Debtors.)	[Re: ECF No. 1791]

**LIMITED RESPONSE OF AJJ HOTEL HOLDINGS, INC. TO DEBTORS' MOTION
FOR AUTHORITY TO ENTER INTO PLAN SUPPORT AGREEMENT**

Now comes AJJ Hotel Holdings, Inc. ("AJJ"), by and through counsel, and for its Response to the Debtors' Proposed Plan Support Agreement and files this limited response that the overbreadth of certain provisions contained in the Plan Support Agreement and in the proposed Plan, and the premature actions by representatives of a certain Debtor could have a deleterious effect on that Debtor's assets.

1. AJJ is the co-owner, together with Debtor John Q. Hammons Revocable Trust u/a/d December 28, 1989, as amended and restated ("Debtor Trust"), of W&H Realty, LLC ("WHR"). WHR owns several hotel properties in Ohio and Kentucky and interests in other hotel properties. WHR is managed by two Co-Managers, one each appointed by their respective owners: AJJ and Debtor Trust.

2. Debtor Trust appointed Jacqueline A. Dowdy ("Dowdy") as its Co-Manager for WHR, who, as this Court is aware is also the Co-Trustee for the Debtors.

3. In 2017, WHR's Operating Agreement was amended after extensive negotiation with the Debtor Trust.

4. The Operating Agreement is governed by Ohio law and jurisdiction for any actions thereunder lies only through arbitration in Hamilton County, Ohio.

5. Since 2017 (or earlier, where appropriate), Debtor Trust, through Jacqueline Dowdy, acting as Co-Manager of WHR, specifically consented to WHR's continued management of certain WHR assets and properties, which included new construction and a long term lease, re-development, refinancing and sale of one or more of the hotel properties. Details of the specific actions as to the specific properties are not being provided at this time as those actions are confidential and if disclosed to the public could deleteriously affect the asset values.

6. AJJ's concerns originally arose with the language in the Plan Support Motion (Docket 1791) and the provisions of the Plan regarding the extent of the interest of Debtor Trust in WHR that JD Holdings proposes to acquire and obligations to be imposed on WHR, but those objections would have been raised in accordance with the yet-to-be set deadlines for objections to the Plan.

7. In the last week however, Debtor Trust's and Co-Manager Dowdy's actions have raised additional concerns to AJJ. Specifically, as Co-Manager of WHR:

- a. Dowdy instructed AJJ and WHR that they were prohibited from objecting to the pending motion.
- b. By letter of February 23, 2018 (copy attached hereto as **Exhibit A**), Dowdy notified WHR that it was not permitted to expend any additional funds pursuing the WHR Projects (as defined in her letter) and that Dowdy would not agree to any new binding or definitive agreements as to the Property without the review of JD Holdings, LLC ("JDH"), the proponent of the pending Plan.

8. While WHR asserts Dowdy's actions violate previously agreed-upon operations of WHR, the long term intent of these actions appear more insidious. Therefore, rather than wait for the Plan deadlines, WHR notifies the Debtor Trust and all interested parties that certain

provisions of the Plan are incorrect, vague and ambiguous and that AJJ intends to object to certain provisions, including the following:

- i. The classification of WHR as a “Debtor Party” is inappropriate
- ii. The assumption by JDH that, upon consummation of the Plan, it will step into the shoes of the Debtor Trust as an owner of WHR.
- iii. Delegation by Debtor Trust to JDH of any additional approvals or closing documents required to close any of the WHR Projects prior to plan confirmation.

A more detailed objection will be filed upon approval of the Disclosure Statement and the circulation of the plan.

Dated: February 27, 2018

Respectfully submitted,

POLSINELLI PC

By: /s/ Daniel S. Dooley
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CERTIFICATE OF SERVICE

I, Daniel S. Dooley, hereby certify that on the 27th day of February, 2018, a true and correct copy of the foregoing *Limited Response of AJJ Hotel Holdings, Inc. to Debtors' Motion for Authority to Enter into Plan Support Agreement* was served electronically to Debtors' counsel, the U.S. Trustee, and the interested parties registered to receive ECF notification from the court.

/s/ Daniel S. Dooley