UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS AT KANSAS CITY

In re	:	Chapter 11
JOHN Q. HAMMONS FALL 2006, LLC, *et al.*,	:	Case No. 16-21142 (RDB) *Jointly administered*
Debtors	:	
	x	Related to ECF Nos. 2044, 2045

DEBTORS' OBJECTION TO MOTION OF AJJ HOTEL HOLDINGS INC. (n/k/a JWJ HOTEL HOLDINGS, INC.) FOR SHORTENED OBJECTION DEADLINE AND EXPEDITED HEARING ON ITS MOTION FOR RELIEF FROM STAY TO PROCEED WITH ARBITRATION REGARDING ALL MATTERS RELATING TO W&H REALTY, LLC

On April 18, 2018, AJJ Hotel Holdings, Inc. n/k/a/ JWJ Hotel Holdings, Inc. ("AJJ") filed its *Motion of AJJ Hotel Holdings Inc. (n/k/a JWJ Hotel Holdings, Inc.) for Shortened Objection Deadline and Expedited Hearing on Its Motion for Relief from Stay to Proceed with Arbitration Regarding All Matters Relating to W&H Realty, LLC.* [ECF No. 2045] (the "Motion"). The Motion requests that the Court shorten the time period for parties to object to AJJ's separate motion requesting that the Court lift the automatic stay to allow AJJ to pursue arbitration against Debtor JQH Trust [ECF No. 2044] (the "Motion to Lift Stay") and for the Court to hold an expedited hearing on the Motion to Lift Stay only nine days after filing the motion.

The Court should deny AJJ's Motion because it has failed to meet its burden to show that cause exists to consider the Motion to Lift Stay on an expedited basis. There is no legitimate need to expedite AJJ's Motion to Lift Stay.[1] AJJ argues that expedited treatment is warranted because arbitration would allegedly address the same issues as the JQH Trust's motion pursuant

[1] This Objection is not intended to respond to the Lift Stay Motion, and the JQH Trust intends to file a separate objection to the Lift Stay Motion in due course.

to Section 365(f) of the Bankruptcy Code to assume and assign to JD Holdings the JQH Trust's interest in W&H Realty, LLC ("WHR" and the "JQH WHR Interest") and AJJ's objections to the Plans [ECF No. 1898], which are set for a hearing on April 27, 2018. (Motion ¶¶ 13-14.) But, as will be argued in response to the Lift Stay Motion, whether or not the JQH WHR Interest may be assumed and assigned pursuant to Section 365 of the Bankruptcy Code is a matter within this Court's "core" jurisdiction, and it is a matter entirely outside of the jurisdiction of any arbitration that would be called for under WHR's operating agreement. Moreover, even if there were issues that were committed to the jurisdiction of the arbitrator, it would be impossible for an arbitrator to resolve those issues prior to April 27, 2018. Thus, there is no need to hold a hearing on the Motion to Lift Stay on the same day as the confirmation hearing or otherwise afford the Motion to Lift Stay expedited treatment as AJJ proposes.

AJJ has known about the Debtor's intent to assign the JQH WHR Interest to JD Holdings since February 13, 2018 and, at a minimum, since April 5, 2018 when the Debtors filed a motion to assume and assign the JQH WHR Interest. There is no explanation for this delay; moreover, the fact that AJJ filed its Motion fully aware that it would be impossible to obtain relief on its Motion to Lift Stay ***and*** arbitrate its issues with the JQH Trust prior to the confirmation hearing makes clear that AJJ's Motion was not filed in good faith. Rather, the Motion is nothing more than another attempt by AJJ to gain any leverage it can in its quest to acquire the JQH Trust's interest in WHR—this time by threatening to derail the Plans supported by the JQH Trust. Indeed, AJJ recently purported to exercise a right of first refusal it (incorrectly) believes it has to purchase the JQH WHR Interest for the nominal sum of ***$100***. The Court should not entertain such tactics and should deny AJJ's Motion on this basis alone.

WHEREFORE, the Debtors request that the Court enter an order denying the Motion, setting the Motion for hearing at the May 14, 2018 omnibus hearing, and granting such other and further relief as is just and proper.

Dated: April 23, 2018

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