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Proposed Counsel for Virginia United Methodist Homes of Williamsburg, Inc., Debtor and Debtor In Possession

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
Richmond Division

In re: VIRGINIA UNITED METHODIST HOMES OF WILLIAMSBURG, INC., Debtor.	Case No. 13-31098 Chapter 11

MOTION OF DEBTOR: (A) TO SHORTEN NOTICE PERIOD WITH RESPECT TO HEARING ON CONFIRMATION OF PLAN OF REORGANIZATION; (B) FOR ORDER SETTING EXPEDITED HEARING THEREON; AND (C) FOR RELATED RELIEF

The debtor and debtor in possession, Virginia United Methodist Homes of Williamsburg, Inc. (the "Debtor"), by its proposed attorneys, hereby moves (the "Motion") this Court for entry of an Order, pursuant to section 105 of Title 11 of the United States Code (the "Bankruptcy Code"), Rule 9006, 2002, and 3017 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 9013-1(M) and (N) of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of Virginia (the "Local Bankruptcy Rules"), setting an expedited hearing (the "Expedited Hearing") to consider shortening the notice period with respect to holding the confirmation hearing of the consensual Chapter 11 plan of reorganization (the "Plan"), deeming the Debtor's notice of the Motion as set forth herein to be

adequate and appropriate notice under the circumstances, and for related relief. In support of this Motion, the Debtor respectfully represents as follows:

Jurisdiction and Venue

1. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are Bankruptcy Code section 105, Bankruptcy Rules 9006, 2002, and 3017, and Local Bankruptcy Rule 9013-1(M) and (N).

Background

3. On the date hereof (the "Petition Date"), the Debtor commenced this case by filing a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. No trustee, examiner or creditors' committee has yet been appointed in this case.

4. The Debtor has continued in the possession of its property and has continued to operate and manage its business as a debtor in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

5. The factual background relating to the Debtor's commencement of this Chapter 11 case and the facts and circumstances supporting the relief requested herein are set forth in greater detail in the Declaration of Christopher P. Henderson in Support of Chapter 11 Petition and First Day Motions (the "Henderson Declaration") filed contemporaneously with this Motion and incorporated herein by reference.

6. On the date hereof, the Debtor filed its Plan, which was negotiated with the Debtor's major constituencies of creditors prior to filing this case and will allow the Debtor to stabilize its business operations, restructure its debt obligations, ensure unsecured creditors are

paid in full, and allow residents to have the security of knowing the project will continue with uninterrupted operations. Pursuant to support agreements entered into prior to the Petition Date, the Plan is supported by the holders (the "Consenting Bondholders") of approximately 66% of the outstanding principal amount of the Series 2007A Bonds (as defined in the Plan) and Series 2007B Bonds (as defined in the Plan).

7. On the date hereof, the Debtor also filed its disclosure statement (the "Disclosure Statement") in support of the Plan. The Debtor has respectfully requested that the Court schedule the hearing to approve the adequacy of the information contained in the Disclosure Statement (the "Disclosure Statement Hearing") for April 10, 2013 at 2:00 p.m.

8. In addition, the Debtor has respectfully requested that the Court schedule the confirmation hearing on the Plan for May 14, 2013, at 11:00 a.m. (the "Confirmation Hearing"), which date is 34 days after the Disclosure Statement Hearing.

Relief Requested

9. A prompt Confirmation Hearing is critical to maintaining the Debtor's current business operations and the value of its bankruptcy estate. Pursuant to the Motion, the Debtor requests entry of an Order to shorten the notice period in connection with the Confirmation Hearing from 35 days to 34 days pursuant to Bankruptcy Rule 9006(c)(1) and section 105(a) of the Bankruptcy Code and scheduling the Confirmation hearing for **May 14, 2013, at 10:00 a.m. (EST)**, or as soon thereafter as counsel may be heard.

10. In addition, the Debtor seeks the Court's entry of an Order granting the Expedited Hearing on this Motion, setting such hearing for **March 5, 2013, at 11:00 a.m. (EST)**, and deeming the Debtor's notice of the Expediting Hearing (the "Expedited Hearing Notice"), a copy

of which is attached as **Exhibit 1** to the proposed Order, to be adequate and appropriate under the circumstances.

Basis for Relief

11. Bankruptcy Rule 9006(c) provides:

> [W] hen an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced.

Fed. R. Bankr. P. 9006(c).[1]

12. Similarly, Local Bankruptcy Rule 9013-1 allows the setting of a hearing on an expedited basis as requested herein. Attached hereto as **Exhibit A** is the certification required under Local Bankruptcy Rule 9013-1(N).

13. Additionally, section 105(a) of the Bankruptcy Code provides this Court with the power to set an expedited Confirmation Hearing. Section 105(a) states that a Bankruptcy Court "may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code]." 11 U.S.C. § 105(a).

14. Sufficient cause exists in this case for this Court to hold the Confirmation Hearing on shortened notice. The Plan provides for the unimpaired treatment of unsecured creditors and, as set forth in greater detail in the Henderson Declaration, the Plan is submitted with the approval of approximately 66% of the only impaired third-party class of creditors. Given the consensual nature of the Plan, the Debtor does not anticipate significant objections to confirmation.

15. Moreover, the Debtor seeks to emerge from Bankruptcy in an expedited time frame in order to conserve its resources while administering this Chapter 11 case. Finally, the

[1] Bankruptcy Rule 9006(c)(2) lists various notice periods that cannot be reduced. However, Rule 9006(c)(2) does not prohibit the reduction of the notice period relating to hearings on plan confirmation.

Debtor seeks to shorten the notice period relating to the Plan by just one day, from 35 days to 34 days. Given the consensual nature of the Plan and proposed unimpaired treatment for unsecured creditors, it is highly unlikely that such a minimal shortening of the notice period will prejudice any creditors or parties in interest.

Waiver of Memorandum of Law

16. Pursuant to Local Bankruptcy Rule 9013-1(G), as there are no novel issues of law presented in the Motion and because all applicable authority is set forth herein, the Debtor respectfully requests that the Court waive the requirement that all motions be accompanied by a separate memorandum of law.

Notice

17. Notice of the Motion has been given to (a) the United States Trustee, (b) counsel for Virginia United Methodist Homes, Inc., as proposed DIP Lender, (c) counsel for UMB Bank, N.A., as master and bond trustee, (d) each of the Debtor's twenty (20) largest creditors, (e) counsel for the Virginia State Corporation Commission, and (f) any party that has filed a notice of appearance in this case. In light of the nature of relief requested, the Debtor submits that no further notice is required.

WHEREFORE, the Debtor respectfully requests that the Court enter an Order, substantially in the form attached hereto as **Exhibit B**, granting the relief requested in the Motion and such other and further relief as may be just and proper.

Dated: March 1, 2013

By: /s/ Robert S. Westermann
Counsel

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