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ATTORNEY FOR ROSEMONT SUMMIT OPERATING LLC

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

<b>In re:</b>	§	<b>Chapter 11</b>
	§	
<b>THE LASALLE GROUP, LLC, et al.,<sup>1</sup></b>	§	<b>Case No. 19-31484-sgj-11</b>
	§	
<b>Debtors.</b>	§	<b>(Jointly Administered)</b>

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**APPLICATION OF ROSEMONT SUMMIT OPERATING LLC  
FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE CLAIM**

**A HEARING WILL BE CONDUCTED ON THIS MATTER ON NOVEMBER 7, 2019 AT 2:30 PM IN COURTROOM #1, EARLE CABELL FEDERAL BUILDING, 1100 COMMERCE ST., RM. 1428, DALLAS, TX 75242-1496. IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH PARAGRAPH OF THIS PLEADING. UNLESS OTHERWISE DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE WITH THE CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY-THREE DAYS FORM THE DATE YOU WERE SERVED WITH THIS PLEADING. YOU MUST SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE: OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNUPPOSED AND GRANT THE RELIEF REQUESTED.**

NOW COMES Rosemont Summit Operating LLC (“Rosemont”) and applies for Allowance and Payment of Administrative Claim (the “Application”) pursuant to 11 U.S.C. §§ 503(b) and 507(a)(1), and in support of this Application respectfully represents as follows:

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<sup>1</sup> The debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: The LaSalle Group, Inc. (0143); West Houston Memory Care, LLC (2760); Cinco Ranch Memory Care, LLC (2716); Pearland Memory Care, LLC (5311); and Riverstone Memory Care, LLC (5407) (collectively, the “Debtors”). The Debtors’ mailing address is 545 E. John Carpenter Freeway, Suite 500, Irving, Texas 75062.

### **Overview**

1. This Application is based on the post-petition use and occupancy of three office suites located in Irving, Texas between the period of May 2, 2019 (the "Petition Date") and May 31, 2019 (the "Suite 670 Exit Date") and June 30, 2019 (the "Suites 500 and 620 Exit Date") by The LaSalle Group, Inc. ("LaSalle"), a Debtor in these cases. During this time, the Debtor retained the use and enjoyment of the three suites, to the exclusion of others, but failed to pay the rental charges and expenses related thereto. The rent and related expenses incurred since the Petition Date total \$98,318.86, and are proper administrative expenses entitled to priority under 11 U.S.C. § 507.

### **Factual and Procedural Background**

2. On November 5, 2010, Rosemont and LaSalle entered in that certain Lease Agreement, as amended by that certain First Amendment to Lease Agreement dated as of October 17, 2012 and as amended by that certain Amended and Restated Second Amendment to Lease Agreement dated as of March 6, 2015 (collectively, the "Lease"), concerning the rental of Suites 500, Suite 620 and Suite 670 in that certain office building located at 545 East John Carpenter Freeway, Irving, Texas 75062. The Lease is attached hereto as Exhibit A.

3. On May 2, 2019, the Debtors each filed their voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

4. On May 31, 2019, the Lease expired by its own terms and LaSalle continued to occupy the Lease space in Suites 500 and 620 as a hold-over tenant.

5. On June 18, 2019, Rosemont and LaSalle executed that certain Letter Agreement, wherein LaSalle acknowledged and agreed that it was a holdover tenant pursuant to Section 22 of the Lease and further agreed that it (a) would vacate Suite 500 before June 30, 2019 and (b)

fully and completely relinquishes any interest it has in Suites 620 and 670. A copy of the Letter Agreement is attached hereto as Exhibit B.

6. On June 30, 2019, LaSalle ceased its use and occupancy of Suite 500. However, LaSalle's assets were not completely removed from the leased premises and on August 3, 2019, per agreement between LaSalle and Rosemont, Rosemont removed the personal property from the leased premises at the cost of \$3,382.81 and placed the personal property at an agreed upon location for LaSalle to retrieve at its own expense.

7. LaSalle, by its own admission in the Letter Agreement, continued to occupy the leased premises following the Petition Date until and including, respectively, the Suite 670 Exit Date and Suites 500 and 620 Exit Date. During that post-petition period, LaSalle failed to make post-petition monthly rental payments, utility payments, maintenance payments related to the leased premises, and payments for other expenses related to the leased premises (i.e., access cards and parking tokens), totaling approximately \$75,273.80. Additionally, Rosemont incurred approximately \$19,662.25 in legal fees in its attempts to have LaSalle relinquish the leased premises and approximately \$3,382.81 in fees related to the removal of LaSalle's assets from the leased premises. Rosemont's post-petition claims against LaSalle total \$98,318.86 (the "Post-Petition Rental Claim").

**Statement of Relief Requested and Grounds Therefor**

8. By this Application, because LaSalle retained possession, use and enjoyment of the leased premises after the Petition Date and after the expiration of the Lease, Rosemont is entitled to receive an administrative expense claim in the amount of \$98,318.86 pursuant to 11 U.S.C. § 503(b) and 507(a)(1).

9. This Court has previously found that “[a] landlord must be paid its administrative claim for the amount of rent due under the lease agreement for the post-petition, pre-rejection period and a landlord need not establish its claim for administrative status under Section 503(b)(1)(A).” *In re Amber’s Stores, Inc.*, 193 B.R. 819, 825 (N.D. Tex. 1996). Here, following the Petition Date, per 11 U.S.C. § 365, LaSalle had a continuing obligation to pay its rent and other related expenses under the Lease -- it failed to do so and as a result, Rosemont is entitled to allowance and payment of an administrative claim in the amount of \$98,318.86.

#### **Reservation of Rights**

10. Rosemont reserves all rights under the Bankruptcy Code, the Bankruptcy Rules, the local rules of this Court, and applicable non-bankruptcy law, including, but not limited to, with respect to the Post-Petition Rent Claim including the right to amend, supplement, or withdraw this Application, or any portion thereof, at or prior to any final hearing on this Application. Moreover, Rosemont reserves all rights and claims in connection with any other pre-petition or post-petition claim related to the Lease.

#### **Request for Relief**

11. Rosemont respectfully requests that this Court (i) grant the relief requested in the Application; (ii) allow Rosemont and require payment of an administrative claim to Rosemont in the amount of \$98,318.86; and (iii) grant Rosemont such other and further relief to which it may be justly entitled, both at law and in equity.

**DATED September 16, 2019**

Respectfully submitted by:

/s/ Edward L. Ripley  
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ATTORNEY FOR ROSEMONT SUMMIT OPERATING LLC

**Certificate of Conference**

On September 10, 2019, Counsel for the Debtors was emailed this Application has not responded to date. The Debtors should be considered opposed to the Application for purposes of conference.

**Certificate of Service**

I hereby certify that a true and correct copy of the foregoing pleading was served upon parties on the attached Limited Service List via e-mail, U.S. Mail and/or electronic transmission via the Court's ECF noticing system on this 16<sup>th</sup> day of September, 2019.

By: /s/ Edward L. Ripley  
Edward Ripley