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*Counsel to the Debtors  
and Debtors in Possession*

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

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In re:

COTTONWOOD FINANCIAL LTD., *et al.*,<sup>1</sup>

Debtors.

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§  
§  
§  
§

Chapter 11

Case No. 24-80035 (SWE)

(Jointly Administered)

**CERTIFICATE OF NO OBJECTION  
REGARDING DEBTORS' SECOND EMERGENCY MOTION  
FOR ENTRY OF AN ORDER (I) AUTHORIZING THE REJECTION  
OF CERTAIN LEASES, (II) AUTHORIZING THE ABANDONMENT  
OF CERTAIN PROPERTY, AND (III) GRANTING RELATED RELIEF**

Pursuant to the *Procedures for Complex Cases in the Northern District of Texas*, the undersigned counsel for the above-captioned debtors and debtors in possession (collectively, the "Debtors") certify as follows:

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<sup>1</sup> The Debtors in these chapter 11 cases and the last four digits of each Debtors' federal tax identification number are as follows: Cottonwood Financial Ltd. (1001); Cottonwood Financial Administrative Services, LLC (7228); Cottonwood Financial Texas, LLC (9059); Cottonwood Financial Idaho, LLC (5651); Cottonwood Financial Wisconsin, LLC (7075). The Debtors' principal offices are located at 2100 W Walnut Hill Lane, Suite 300, Irving, TX 75038.

1. On May 6, 2024, the Debtors filed the *Debtors' Second Emergency Motion for Entry of an Order (I) Authorizing the Rejection of Certain Leases, (II) Authorizing the Abandonment of Certain Property, and (III) Granting Related Relief* [Docket No. 258] (the "Motion").

2. The Motion was served on the Master Service List maintained in these chapter 11 cases and on the lease counterparties subject to the Motion via email, where available, and first-class mail where email was not available, as set forth on the *Certificate of Service* filed at Docket No. 268. Further, on May 13, 2024, the Motion was served via overnight mail on the lease counterparties to the Motion for those counterparties where email was not available, as set forth in the *Supplemental Certificate of Service* filed at Docket No. 302.

3. On May 17, 2024, the Court entered its *Interim Order (I) Authorizing the Rejection of Certain Leases, (II) Authorizing the Abandonment of Certain Property, and (III) Granting Related Relief* [Docket No. 317] (the "Interim Order"), which, among other things, set a final hearing on the Motion for May 30, 2024, at 10:30 a.m. and an objection deadline of May 28, 2024.

4. The Interim Order was served on the Master Service List maintained in these chapter 11 cases and on the lease counterparties subject to the Motion via email, where available, and via overnight mail, where email was not available, as indicated in the *Certificate of Service* filed at Docket No. 335.

5. Since the entry of the Interim Order, no objections or responses to the Motion have been filed on the Court's docket nor were any other responses, formal or informal, received by the Debtors or counsel to the Debtors. Accordingly, the Debtors request that the Court enter the attached proposed order at its earliest convenience.

Respectfully submitted this 29th day of May, 2024.

**GRAY REED**

By: /s/ Lydia R. Webb

Jason S. Brookner (TX Bar No. 24033684)

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*Counsel to the Debtors  
and Debtors in Possession*

**Certificate of Service**

I certify that on May 29, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Northern District of Texas.

/s/ Lydia R. Webb

Lydia R. Webb

**Exhibit A**

**Proposed Order**

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

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In re:	§	
	§	Chapter 11
	§	
COTTONWOOD FINANCIAL LTD., <i>et al.</i> , <sup>1</sup>	§	Case No. 24-80035 (SWE)
	§	
Debtors.	§	(Jointly Administered)
	§	
	§	<b>Re: Docket No. 258</b>

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**FINAL ORDER (I) AUTHORIZING THE REJECTION OF  
CERTAIN LEASES, (II) AUTHORIZING THE ABANDONMENT  
OF CERTAIN PROPERTY, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”),<sup>2</sup> of the above-captioned debtors and debtors in possession (the “Debtors”) for entry of an order (this “Order”), (a) authorizing the rejection of certain leases set forth on **Exhibit 1** hereto, (b) authorizing the abandonment of any *de minimis* equipment, furniture, and other personal property, and (c) granting related relief, all as more fully

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<sup>1</sup> The Debtors in these chapter 11 cases and the last four digits of each Debtors’ federal tax identification number are as follows: Cottonwood Financial Ltd. (1001); Cottonwood Financial Administrative Services, LLC (7228); Cottonwood Financial Texas, LLC (9059); Cottonwood Financial Idaho, LLC (5651); Cottonwood Financial Wisconsin, LLC (7075). The Debtors’ principal offices are located at 2100 W Walnut Hill Lane, Suite 300, Irving, TX 75038.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion, and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion and the record of the hearing on such motion establish just cause for the relief granted herein; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefore, IT IS HEREBY ORDERED THAT:

1. The Motion is granted on a final basis as set forth herein.
2. The leases set forth on **Exhibit 1** hereto are rejected effective as of the date set forth therein.
3. The Debtors are authorized to abandon property, if any, that does not constitute Purchased Assets under the APA (as defined in the Motion), that may be located at the premises and all such property is deemed abandoned effective as of the date set forth on **Exhibit 1**. The applicable counterparty to each lease may effectuate its rights and remedies with respect to such property. The automatic stay, to the extent applicable, is modified to allow for such utilization or disposition.

4. Village Center Station LLC (Store 233), an affiliate of Phillips Edison & Company (together “PECO” or “Landlord”) may exercise its nonbankruptcy rights and remedies with respect to any personal property remaining in the Village Center Station premises (Store 233) upon and following the effective date of rejection of its lease (which effective date shall be the later of the date set forth on Exhibit 1 hereto or the date on which the Debtors provide notice to the Landlord that they have vacated the space and are abandoning any remaining personal property located thereon), and the DIP Lender and Prepetition Secured Lender consent to such relief and waive any and all claims against the Landlord relating to the exercise of such rights.

5. Approval of this Order will not prevent the Debtors from seeking to assume or reject an executory contract or unexpired lease by separate motion or pursuant to a chapter 11 plan.

6. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

7. All rights and defenses of the Debtors are preserved, including all rights and defenses of the Debtors with respect to a claim for damages arising as a result of an executory contract or lease rejection, including any right to assert an offset, recoupment, counterclaim, or deduction. In addition, nothing in this Order or the Motion shall limit the Debtors’ ability to subsequently assert that any particular executory contract or lease is terminated and is no longer an executory contract or unexpired lease, respectively.

8. Notwithstanding the relief granted in this Order pursuant to the Motion and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors’ or any other party in

interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Order or the Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

9. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

10. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rules 6006(c) and 6007(a), and the Local Rules are satisfied by such notice.

11. The requirements of Bankruptcy Rule 6006(f) have been satisfied.

12. The Debtors are authorized to take all reasonable actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

13. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

### END OF ORDER ###

Agreed to as to form by:

/s/ Lydia R. Webb

Jason S. Brookner (TX Bar No. 24033684)  
Aaron M. Kaufman (TX Bar No. 24060067)  
Lydia R. Webb (TX Bar No. 24083758)

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***Counsel to Nehimba Holdings, LLC, the DIP  
Lender***

**Exhibit 1**

**Rejected Leases**

Debtor Counterparty	Description of Lease	Abandoned Personal Property	Rejection Date
Cottonwood Financial Texas, LLC	Store 7131, located at 2600 S. Kirkwood Rd., Ste. 300, Houston, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 729, located at 5949 Broadway Blvd., Ste. 140, Garland, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 710, located at 301 E US Highway 82 Ste D-1, Sherman, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Wisconsin, LLC	Store 233, located at 5630 Washington Ave Ste 9, Racine, WI	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 783, located at 6921 Lakeview Haven Drive Ste. 100, Houston, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 709, located at 1922 E Southeast Loop 323 Ste 1912, Tyler, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 727, located at 1517 Interstate 35 N. Ste. 110, Waco, TX	Safe; filing cabinet(s)	May 31, 2024

Debtor Counterparty	Description of Lease	Abandoned Personal Property	Rejection Date
Cottonwood Financial Idaho, LLC	Store 806, located at 589 E. 17th St., Idaho Falls, ID	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 715, located at 811 Hillcrest Dr, Vernon, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 7103, located at 2050 W University Dr Ste 130, McKinney, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 7231, located at 7600 N. MacArthur Blvd., Ste. 150, Irving, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Idaho, LLC	Store 812, located at 1850 Caldwell Blvd, Ste 150, Nampa, ID	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Wisconsin, LLC	Store 223, located at 421 Main St W, Ashland, WI	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Wisconsin, LLC	Store 203, located at 1111 N. Sherman Ave., Madison, WI	Safe; filing cabinet(s)	May 31, 2024

Debtor Counterparty	Description of Lease	Abandoned Personal Property	Rejection Date
Cottonwood Financial Wisconsin, LLC	Store 219, located at 135 S. Water St., Platteville, WI	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Wisconsin, LLC	Store 221, located at 37885 Selch Rd Ste 101, Prairie du Chien, WI	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Wisconsin, LLC	Store 234, located at 1907 Market Way, Ste. G, Watertown, WI	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Wisconsin, LLC	Store 237, located at 530 Walton Dr., Plymouth, WI	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Wisconsin, LLC	Store 206, located at 1931 N Shawano St Ste 250, New London, WI	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 728, located at 1301 W Glade Rd Ste 144, Euless, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 750, located at 5345 N Garland Ave Ste 380, Garland, TX	Safe; filing cabinet(s)	May 31, 2024

Debtor Counterparty	Description of Lease	Abandoned Personal Property	Rejection Date
Cottonwood Financial Texas, LLC	Store 7105, located at 721 Hebron Pkwy, Ste 110, Lewisville, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 721, located at 4045 S Great Southwest Pkwy Ste 117, Grand Prairie, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 7185, located at 27676-C Tomball Parkway, Tomball, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 7511, located at 2207 Hwy 79 S, Henderson, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 7143, located at 6387 Camp Bowie Blvd Ste A., Fort Worth, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 7133, located in Rockport, TX	Safe; filing cabinet(s)	May 31, 2024
Cottonwood Financial Texas, LLC	Store 7198, located at 2005 S Washington Street, Kaufman, TX	Safe; filing cabinet(s)	May 31, 2024

Debtor Counterparty	Description of Lease	Abandoned Personal Property	Rejection Date
Cottonwood Financial Administrative Services, LLC	Lease Agreement, dated as of April 30, 2021, by and between 1901 Gateway Holdings, LLC and Cottonwood Financial Administrative Services, LLC, as amended by that certain Notice of Lease Renewal, dated January 5, 2023, and that certain Notice of Lease Renewal, dated October 4, 2023.	None	April 30, 2024