

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

SC HEALTHCARE HOLDINGS, LLC, *et al.*¹

Debtors.

Chapter 11

Case No. 24-10443 (TMH)

(Jointly Administered)

Related Docket No. 38

Court Hearing: May 13th 2024 at 9:30 EST

Objection Deadline: May 6th 2024

**OBJECTION OF BANK OF RANTOUL TO DEBTORS' MOTION FOR ENTRY OF
INTERIM AND FINAL ORDERS (I) AUTHORIZING THE DEBTORS TO OBTAIN
POSTPETITION FINANCING, (II) GRANTING SECURITY INTERESTS AND
SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, (III) GRANTING
ADEQUATE PROTECTION TO CERTAIN PREPETITION SECURED CREDIT
PARTIES, (IV) MODIFYING THE AUTOMATIC STAY, (V) AUTHORIZING THE
DEBTORS TO ENTER INTO AGREEMENTS WITH JMB CAPITAL PARTNERS
LENDING, LLC, (VI) AUTHORIZING NON-CONSENSUAL USE OF CASH
COLLATERAL, (VII) SCHEDULING A FINAL HEARING, AND (VIII) GRANTING
RELATED RELIEF**

Bank of Rantoul, by and through undersigned counsel, hereby submits this objection (“Objection”) and joins in the other objections, and more specifically, hereby joins in the *LIMITED OBJECTION OF HICKORY POINT BANK & TRUST TO DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE DEBTORS TO OBTAIN POSTPETITION FINANCING, (II) GRANTING SECURITY INTERESTS AND SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, (III) GRANTING ADEQUATE PROTECTION TO CERTAIN PREPETITION SECURED CREDIT PARTIES, (IV)*

¹ The last four digits of SC Healthcare Holding, LLC's tax identification number are 2584. The mailing address for SC Healthcare Holding, LLC is c/o Petersen Health Care Management, LLC 830 West Trailcreek Dr., Peoria, IL 61614. Due to the large number of debtors in these Chapter 11 Cases, for which the Debtors have requested joint administration, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information will be made available on a website of the Debtors' proposed claims and noticing agent at www.kccllc.net/Petersen.



MODIFYING THE AUTOMATIC STAY, (V) AUTHORIZING THE DEBTORS TO ENTER INTO AGREEMENTS WITH JMB CAPITAL PARTNERS LENDING, LLC, (VI) AUTHORIZING NON-CONSENSUAL USE OF CASH COLLATERAL, (VII) SCHEDULING A FINAL HEARING, AND (VIII) GRANTING RELATED RELIEF

(DE 272) (“Hickory Point Bank’s Objection”), and hereby shows as follows:

1. The Debtors acknowledge the secured loan and mortgage of the Bank of Rantoul as the “Rantoul Facility” in Section 14(b) of the DIP Motion, Local Bank Loans, (b) Bank of Rantoul:

“Bank of Rantoul – Debtor Petersen Health Systems, Inc. is the borrower under a certain loan facility with Bank of Rantoul, as lender (“Rantoul Facility”) secured by a mortgage and assignment of rents pertaining to the Courtyard Estates of Herscher healthcare Facility. Mark Petersen personally guarantees the obligations under the Rantoul Facility. The Rantoul Facility will mature on June 1, 2027. As of the Petition Date, approximately \$2,352,907 in principal amount is outstanding under the Rantoul Facility.”

The address of the mortgaged property is 100 Harvest View Lane, Herscher, IL 60941. The Mortgage is dated 10/5/2007. Copies of Mortgage, Loan Modification Agreement dated 5/31/22, and Promissory note dated 7/30/14 will be provided to Debtors upon request.

2. Bank of Rantoul additionally has approximately \$506K in secured liens on approximately ten (10) 2022 Chrysler Voyager; LX with ten (10) different debtors.²

3. The Bank of Rantoul hereby joins in Hickory Point Bank’s Objection (DE 272) and hereby incorporates said Objection as if fully set forth herein.

² Marigold HCO, LLC; Prairie City HCO, LLC; Rosielcia HCO, LLC; Shelbyville HCO, LLC; Charleston HCO, LLC; Aledo HCO, LLC; CYE Sullivan HCO, LLC; Eastview HCO, LLC; Legacy HCO, LLC; and Petersen Healthcare-Farmer City, LLC

4. Bank of Rantoul requests that the Final DIP Order be revised to include the following language:

Notwithstanding anything to the contrary herein, the DIP Loans shall not prime and shall be subject to and junior to the liens, mortgages, and other security interests of the Bank of Rantoul, including without limitation the Bank's Mortgage on the Herscher Property and the Bank's liens on approximately 10 Chrysler Minivan motor vehicles, to the extent that such liens, mortgages, and other security interests are valid and perfected, and have priority status.

JOINDER

5. Bank of Rantoul hereby joins in objections to the DIP Motion filed by other parties in interest as and to the extent the same may be applicable.

CONCLUSION

WHEREFORE, the Bank of Rantoul requests that this Court

- i. Order that the Debtors provide adequate protection to the Bank;
- ii. Order that the Final DIP Order contains the language provided above in Section 4; and
- iii. Grant such other and further relief as the Court may deem just and proper.

Dated: May 8, 2024

/s/Brian A. Sullivan

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on May 8, 2024, I caused a true and correct copy of the foregoing document to be electronically filed and served via CM/ECF upon all parties requesting electronic notices in this matter, including:

Debtors, Winston & Strawn LLP
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