

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ROME DIVISION

IN RE:) CHAPTER 11
)
REGIONAL HOUSING & COMMUNITY)
SERVICES CORP., et al.,) Jointly Administered Under
) CASE NO. 21-41034-pwb
)
Debtors.)
)
)
)
)

NOTICE OF DEBTORS’ INTENT TO ASSUME AND ASSIGN CERTAIN
UNEXPIRED LEASES AND EXECUTORY CONTRACTS AND
SETTING FORTH THE CURE AMOUNTS

PLEASE TAKE NOTICE that on April 28, 2022, above-captioned debtors and debtors and debtors-in-possession (collectively, the “**Debtors**”)¹, by and through the undersigned counsel, filed with the Bankruptcy Court the *Debtors’ First Motion (A) For Authority To Sell Assets Free And Clear Of Liens, Claims, And Encumbrances; (B) To Assume And Assign Certain Executory Contracts, Leases And Licenses And Establish Cure Costs in Connection Therewith; (C) To Establish Procedures With Respect To Such Sale and the Assumption and Assignment of Executory Contracts and Leases; (D) To Consider Approval of Breakup Fee; and (E) To Shorten and Limit Notice* (the “**Sale Motion**”).²

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Motion, the Debtors seek to sell substantially all of their assets to the successful bidder(s) at an Auction.

PLEASE TAKE FURTHER NOTICE that the Debtors are parties to various executory contracts and unexpired leases (collectively, the “**Contracts**”). Any proposed Purchaser may elect to have the Debtors assume and assign some or all of the Contracts as part of the sale transaction (collectively, the “**Assigned Contracts**”).

PLEASE TAKE FURTHER NOTICE that you have been identified as a counterparty to an Assigned Contract. The Assigned Contract with respect to which you have been identified as a

¹ The Debtors in these Chapter 11 cases include: Regional Housing & Community Services Corporation, RHCSC Columbus AL Holdings LLC, RHCSC Columbus Health Holdings LLC, RHCSC Douglas AL Holdings LLC, RHCSC Douglas Health Holdings LLC, RHCSC Gainesville AL Holdings LLC, RHCSC Gainesville Health Holdings LLC, RHCSC Montgomery I AL Holdings LLC, RHCSC Montgomery I Health Holdings LLC, RHCSC Montgomery II AL Holdings LLC, RHCSC Montgomery II Health Holdings LLC, RHCSC Rome AL Holdings LLC, RHCSC Rome Health Holdings LLC, RHCSC Savannah AL Holdings LLC, RHCSC Savannah Health Holdings LLC, RHCSC Social Circle AL Holdings LLC, and RHCSC Social Circle Health Holdings LLC.

² Unless otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the Sale Motion, which may be viewed at <http://www.kccllc.net/RegionalHousing>.



counterparty and the corresponding proposed cure amount (the “**Cure Amount**”) are set forth on Schedule 1 annexed hereto.

PLEASE TAKE FURTHER NOTICE that the Debtors believe that any and all defaults (other than the filing of this chapter 11 case) and actual pecuniary losses under the Assigned Contracts can be cured by the payment of the Cure Amount.

PLEASE TAKE FURTHER NOTICE that the assumption and assignment of any Assigned Contract shall result in the full release and satisfaction of any claims or defaults, whether monetary or non-monetary, which exist as of the time of assumption and assignment.

PLEASE TAKE FURTHER NOTICE that, on May 11, 2022, the Bankruptcy Court entered an order [Docket No. 145] (the “**Procedures Order**”), which, among other things, establishes procedures relating to the assumption and assignment of Assigned Contracts (as defined in the Motion) of the Debtors.

PLEASE TAKE FURTHER NOTICE that, there will be a hearing (the “**Sale Hearing**”) at **11:00 a.m. on June 29, 2022**, at which the Debtors will seek approval and authorization for the sale of the Debtors’ assets.

PLEASE TAKE FURTHER NOTICE that any objection to the proposed assumption and assignment of any Assigned Contract must (a) be in writing; (b) state with specificity the nature of such objection and the alleged Cure Amount (with appropriate documentation in support thereof); (c) if the objecting party (a “**Requesting Counterparty**”) wishes to receive information regarding adequate assurance of future performance from Successful Bidder that designates the objecting party’s contract or lease for assignment, contain an email address which can be used to contact such Requesting Counterparty after the Auction and before the Sale Hearing; (d) comply with the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules of the Bankruptcy Court; and (e) be filed with the Bankruptcy Court and served upon counsel for the Debtors as follows: Ashley R. Ray, Scroggins & Williamson, P.C., 4401 Northside Parkway, Suite 450, Atlanta, Georgia 30327, on or before **June 22, 2022** (the “**Objection Deadline**”). Requesting Counterparties will be provided the identities of Successful Bidders by email following the Auction on June 28, 2022 and before the Sale Hearing on June 29, 2022. Objections, if any, to adequate assurance of a Successful Bidder may be filed at any time prior the commencement of the Sale Hearing.

PLEASE TAKE FURTHER NOTICE that any counterparty failing to timely file an objection to a Cure Amount or the proposed assumption and assignment of an Assigned Contract shall be forever barred from objecting to the Cure Amount and from asserting any additional cure or other amounts against the Debtors, their estates, or the proposed Purchaser(s) with respect to its Contract.

PLEASE TAKE FURTHER NOTICE that where a counterparty to an Assigned Contract files a timely objection asserting a higher cure amount than the Cure Amount, and the parties are unable to consensually resolve the dispute prior to the Sale Hearing, the amount to be paid under section 365 of the Bankruptcy Code with respect to such objection will be determined at the Sale

Hearing or such other date and time as may be fixed by the Bankruptcy Court. All other objections to the proposed assumption and assignment of the Assigned Contracts will be heard at the Sale Hearing.

PLEASE TAKE FURTHER NOTICE that if no Cure Amount is due under the Assigned Contract, and the counterparty to such agreement does not otherwise object to the assumption and assignment of such agreement, no further action needs to be taken on the part of that counterparty.

PLEASE TAKE FURTHER NOTICE that the Debtors' decision to assume and assign the Assigned Contracts is subject to Bankruptcy Court approval and consummation of the sale of the Debtors' assets. Absent consummation of the sale of the applicable assets related to a particular Debtor, each Assigned Contract shall not be deemed assumed and assigned and shall in all respects be subject to further administration under the Bankruptcy Code. The designation of any agreement as an Assigned Contract shall not constitute or be deemed to be a determination or admission by the Debtors or the proposed purchaser that such document is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code (all rights with respect thereto being expressly reserved).

This 1st day of June, 2022.

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Counsel for the Debtors

Schedule 1

Potential Assigned Contracts and Proposed Cure Costs

RHCSC Columbus AL Holdings LLC

Counterparty	Description	Cure Amount
A Little Off the Top	Lease Agreement	\$0.00
Hitachi Capital America Corp.	Equipment Finance Agreement: Your Laundry Source	\$0.00
RHCSC Columbus Health Holdings LLC	Real Property Lease for Facility Located at The Landings at Columbus	\$0.00
Sharp Electronics Corporation dba Sharp Business Systems	Equipment Finance Agreement: Sharp MX3070V, Sharp MXB355W	\$0.00

RHCSC Columbus Health Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Columbus AL Holdings LLC	Real Property Lease for Facility Located at The Landings at Columbus	\$0.00

RHCSC Douglas AL Holdings LLC

Counterparty	Description	Cure Amount
Hitachi Capital America Corp.	Equipment Finance Agreement: Your Laundry Source	\$0.00
RHCSC Douglas Health Holdings LLC	Real Property Lease for Facility Located at The Landings at Douglas	\$0.00
Sharp Electronics Corporation dba Sharp Business Systems	Equipment Finance Agreement: Sharp MX3070V	\$0.00

RHCSC Douglas Health Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Douglas AL Holdings LLC	Real Property Lease for Facility Located at The Landings at Douglas	\$0.00

RHCSC Gainesville AL Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Gainesville Health Holdings LLC	Real Property Lease for Facility Located at The Landings at Gainesville	\$0.00
SBS Leasing a Program of De Lage Landen Financial Services	Equipment Finance Agreement: Sharp MX3070V	\$583.93

RHCSC Gainesville Health Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Gainesville AL Holdings LLC	Real Property Lease for Facility Located at The Landings at Gainesville	\$0.00

RHCSC Montgomery I AL Holdings LLC

Counterparty	Description	Cure Amount
Enterprise FM Trust	Master Lease Agreement: 2017 Dodge Gran	\$0.00
RHCSC Montgomery I Health Holdings LLC	Real Property Lease for Facility Located at The Gardens of Waterford	\$0.00

RHCSC Montgomery I Health Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Montgomery I AL Holdings LLC	Real Property Lease for Facility Located at The Gardens of Waterford	\$0.00

RHCSC Montgomery II AL Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Montgomery II Health Holdings LLC	Real Property Lease for Facility Located at The Landings at Montgomery	\$0.00
Sharp Electronics Corporation dba Sharp Business Systems	Equipment Finance Agreement: Sharp MXM3570, Sharp MXB355W	\$1,389.08

RHCSC Montgomery II Health Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Montgomery II AL Holdings LLC	Real Property Lease for Facility Located at The Landings at Montgomery	\$0.00

RHCSC Rome AL Holdings LLC

Counterparty	Description	Cure Amount
Hitachi Capital America Corp.	Equipment Finance Agreement: Your Laundry Source	\$0.00
RHCSC Rome Health Holdings LLC	Real Property Lease for Facility Located at The Gardens of Rome	\$0.00
SBS Leasing a Program of De Lage Landen Financial Services	Equipment Finance Agreement: Sharp MX3070V	\$272.52

RHCSC Rome Health Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Rome AL Holdings LLC	Real Property Lease for Facility Located at The Gardens of Rome	\$0.00

RHCSC Savannah AL Holdings LLC

Counterparty	Description	Cure Amount
Hitachi Capital America Corp	Equipment Finance Agreement: Your Laundry Source	\$0.00
RHCSC Savannah Health Holdings LLC	Real Property Lease for Facility Located at The Gardens of Savannah	\$0.00
SBS Leasing a Program of De Lage Landen Financial Services	Equipment Finance Agreement: Sharp MX3070V	\$272.52

RHCSC Savannah Health Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Savannah AL Holdings LLC	Real Property Lease for Facility Located at The Gardens of Savannah	\$0.00

RHCSC Social Circle AL Holdings LLC

Counterparty	Description	Cure Amount
Hitachi Capital America Corp	Equipment Finance Agreement: Your Laundry Source	\$0.00
RHCSC Social Circle Health Holdings LLC	Real Property Lease for Facility Located at The Gardens of Social Circle	\$0.00
Georgia Department of Community Health	Medicaid Provider Agreement	\$0.00

RHCSC Social Circle Health Holdings LLC

Counterparty	Description	Cure Amount
RHCSC Social Circle AL Holdings LLC	Real Property Lease for Facility Located at The Gardens of Social Circle	\$0.00
Georgia Department of Community Health	Medicaid Provider Agreement	\$0.00