

**IN THE UNITED STATES BANKRUPTCY COURT FOR
THE MIDDLE DISTRICT OF TENNESSEE**

In Re:

CURAE HEALTH INC.,

Debtor.

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**Case No. 3:18-bk-05665
Chapter 11
Judge Charles M Walker**

**LIMITED OBJECTION OF CHCT MISSISSIPPI, LLC TO
NOTICE OF: (I) DEBTORS' INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS, UNEXPIRED LEASES OF PERSONAL PROPERTY,
AND UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY; AND (II)
CURE AMOUNTS RELATED TO THE FOREGOING**

CHCT Mississippi, LLC (“CHCT”) hereby files this Objection (the “Objection”) to the *Notice of: (I) Debtors’ Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property; and (II) Cure Amounts Related to the Foregoing* filed November 30, 2018 [Doc. 513] (the “Notice”). CHCT hereby objects the Notice insofar as it provides for the assumption and assignment of one or more unidentified contracts with a \$33,384.94 cure amount to the Stalking Horse Bidder without any adequate assurance of future performance. In furtherance hereof, CHCT respectfully shows the Court as follows:

1. On November 6, 2018, the Debtors filed their *Motion for Entry of an Order (I) Authorizing and Approving Bidding Procedures for the Sale of Panola Medical Center, (II) Authorizing the Sale of Panola Medical Center Free and Clear of All Liens, Claims, Encumbrances and Other Interests, (III) Approving Stalking Horse Purchaser, Break-up Fee, and Overbid Protections, (IV) Establishing Certain Procedures for the Assumption and*

Assignment of Executory Contracts and Unexpired Leases, (V) Scheduling an Auction, (VI) Scheduling a Hearing and Objections Deadlines With Respect to the Sale of Panola Medical Center, (VII) Approving the Form and Manner of Notice Thereof, and (VIII) Granting Related Relief (Dkt. No. 401) (the “Sale Motion”).

2. On November 30, 2018, the Court entered its *Order (I) Authorizing and Approving Bidding Procedures for the Sale of Panola Medical Center, (II) Authorizing the Sale of Panola Medical Center Free and Clear of All Liens, Claims, Encumbrances and Other Interests, (III) Approving Stalking Horse Purchaser, Break-Up Fee, and Overbid Protections, (IV) Establishing Procedures for the Assumption and Assignment of Executory Contracts and Unexpired Leases, (V) Scheduling an Auction, (VI) Scheduling a Hearing and Objection Deadlines With Respect to the Sale of Panola Medical Center, (VII) Approving the Form and Manner of Notice Thereof, and (VIII) Granting Related Relief* (Doc. 507) (the “Sale Procedures Order”).

3. On October 29, 2018, the Debtors filed the Notice. Attached as Exhibit 1 to the Notice is a list of contracts and leases to be assumed and assigned by the Debtors in connection with the sale of the Panola Medical Center as well as the corresponding cure amounts asserted by the Debtors for contracts and leases listed. Pursuant to the Notice, upon request, the Debtors will provide adequate assurance of future performance with respect to any contract or lease listed in the Notice.

4. The Notice seeks to assume and assign certain unidentified “Real Property Lease (MOB Rent)” with CHCT and asserts a cure amount of \$33,384.94.

5. CHCT and the Debtors are parties to the following leases related to the Debtors’ Panola facility located in Batesville, Mississippi (collectively the “Batesville CHCT Leases”):

- Master Lease Agreement dated May 1, 2017 with Batesville Regional Medical Center, Inc. for 205 Medical Center Drive, Batesville, Mississippi; and
- Master Lease Agreement dated November 1, 2017 with Batesville Regional Medical Center, Inc. for 155 Keating Road, Batesville, Mississippi.

6. According to CHCT's records, the Debtors have defaulted under the Batesville CHCT Leases and are not current on their obligations to CHCT in the combined amount of **\$39,472.32**, plus all reasonable attorneys' fees incurred by CHCT and all other amounts coming due under the Batesville CHCT Leases (collectively, the "CHCT Cure Amount"). Until such time as the CHCT Cure Amount is paid in full, along with the Debtors' compliance with all other provisions of Section 365(b) of the Bankruptcy Code, CHCT objects to the assumption and assignment of the CHCT Leases.

LIMITED OBJECTION

7. At the outset, the Debtors have not identified with sufficient specificity the exact contracts and leases they seek to assume and assign. Absent such identification, CHCT objects to the assumption and assignment of any of the CHCT Leases with the Debtors.

8. CHCT objects to any assumption and assignment of the CHCT Leases unless and until the Debtors pay the entirety of the CHCT Cure Amount to CHCT as required under Section 365(b) of the Bankruptcy Code.

9. CHCT objects to any assumption and assignment of the CHCT Leases unless it is provided with adequate assurance of future performance by the proposed assignee of the CHCT Leases.

WHEREFORE, CHCT respectfully requests the Court enter an order (a) postponing consideration of the assumption and assignment of any Change Agreements until such time as (i) the Debtors specifically identify the CHCT Leases it seeks to assume and assign, (ii) the CHCT

Cure Amount is paid, and (iii) CHCT is provided adequate assurance of future performance, and
(b) granting such further relief as the Court deems just, equitable and proper.

Date: December 10, 2018.

Respectfully Submitted,

BAKER, DONELSON, BEARMAN,
CALDWELL & BERKOWITZ, PC

/s/ Erno Lindner

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CERTIFICATE OF SERVICE

I hereby certify that on the 10th day of December, 2018, a copy of the foregoing electronically filed pleading was served on the parties listed below by first-class mail, postage prepaid, unless said party is a registered CM/ECF participant who has consented to electronic notice, and the Notice of Electronic Filing indicates that Notice was electronically mailed to said party:

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