

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

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

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**MOTION FOR ENTRY OF CONSENT ORDER EXTENDING  
MATURITY DATE FOR SECURED POSTPETITION FINANCING  
AND CONTINUED USE OF CASH COLLATERAL**

COME NOW the above-captioned debtors and debtors and debtors-in-possession (collectively, the “**Debtors**”)<sup>1</sup> by and through the undersigned counsel, and file this motion seeking entry of a consent order extending maturity date for secured postpetition financing and continued use of cash collateral (the “**Motion**”). In support of the Motion, the Debtors show the Court as follows:

**Background**

1.

On August 26, 2021 (the “**Petition Date**”), the Debtors each filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Northern District of Georgia, Rome Division (the

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<sup>1</sup> 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.



“**Court**”). The Debtors are authorized to operate their businesses as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

2.

No committee, trustee or examiner has been requested or appointed in this Case.

3.

On or about August 27, 2021, the Debtors filed a Motion for Authority to Use Cash Collateral [Dkt. No. 11].

4.

On or about August 27, 2021, the Debtors filed a Motion for Interim and Final Orders (I) Authorizing Secured Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362 and 364(c) and (d); and (B) Granting Security Interests, Superpriority Claims and Adequate Protection, and (III) Scheduling a Final Hearing; and Memorandum of Points and Authorities [Dkt. No. 12].

5.

On September 2, 2021, the Court entered the Interim Order (I) Authorizing Secured Postpetition Financing; (B) Granting Security Interests to the Bondholders; (C) Superpriority Claims and Other Adequate Protection to the Bond Trustee; (II) Authorizing the Use of Cash Collateral by the Debtors and (III) Scheduling a Final Hearing [Dkt. No. 35] (the “**First Interim DIP Order**”).

6.

On September 22, 2021, the Court entered a Second Interim Order (I) Authorizing Secured Postpetition Financing; (B) Granting Security Interests to the Bondholders; (C) Superpriority Claims and Other Adequate Protection to the Bond Trustee; (II) Authorizing the Use of Cash

Collateral by the Debtors and (III) Scheduling a Final Hearing [Dkt. No. 58] (the “**Second Interim DIP Order**”).

7.

On September 30, 2021, the Court entered a Third Interim Order (I) Authorizing Secured Postpetition Financing; (B) Granting Security Interests to the Bondholders; (C) Superpriority Claims and Other Adequate Protection to the Bond Trustee; (II) Authorizing the Use of Cash Collateral by the Debtors and (III) Scheduling a Final Hearing [Dkt. No. 65] (the “**Third Interim DIP Order**”).

8.

On October 18, 2021, the Court entered a Final Order (I) Authorizing Secured Postpetition Financing; (B) Granting Security Interests to the Bondholders; (C) Superpriority Claims and Other Adequate Protection to the Bond Trustee; (II) Authorizing the Use of Cash Collateral by the Debtors [Dkt. No. 80] (the “**Final DIP Order**” and together with the First Interim DIP Order, the Second Interim DIP Order and the Third Interim DIP Order, the “**Orders**”).

#### **Relief Sought**

9.

The Final DIP Order authorized the Debtors to use cash collateral and DIP Financing through the earlier of (a) an occurrence of an Event of Default or (b) the Maturity Date. The Maturity Date thereunder is January 15, 2022.

10.

The Debtors and the Trustee have agreed to extend the Maturity Date through and including March 12, 2022 as set forth in the proposed consent order attached hereto as Exhibit B.

11.

The Debtors and the Trustee have further agreed that the Budget attached hereto as Exhibit A shall modify and supplement the Budget attached as Exhibit A to the Final DIP Order.

12.

The Debtors and the Trustee have further agreed that Paragraph 24(d) of the Final DIP Order shall be replaced and superseded by the following:

By no later than February 15, 2022, the Debtors shall file an amendment to the Final Order which shall include additional milestones for the sale or reorganization of the Debtors' assets, which milestones shall be subject to the consent of the Bond Trustee.

WHEREFORE, the Debtors respectfully request entry of the proposed Consent Order and such other and further relief as is just and proper.

This 12th day of January, 2022.

SCROGGINS & WILLIAMSON, P.C.

4401 Northside Parkway  
Suite 450  
Atlanta, GA 30327  
T: (404) 893-3880  
F: (404) 893-3886  
E: rwilliamson@swlawfirm.com  
aray@swlawfirm.com  
mlevin@swlawfirm.com

/s/ Ashley R. Ray  
J. ROBERT WILLIAMSON  
Georgia Bar No. 765214  
ASHLEY REYNOLDS RAY  
Georgia Bar No. 601559  
MATTHEW W. LEVIN  
Georgia Bar No. 448270

*Counsel for the Debtors*



Manor House (RHCSJ)  
 From the Period 8.29.2021 - 12.25.2021  
 Facility: All

Cash Flow Worksheet	PERIOD											
	12/26/2021	1/2/2022	1/9/2022	1/16/2022	1/23/2022	1/30/2022	2/6/2022	2/13/2022	2/20/2022	2/27/2022	3/6/2022	3/12/2022
Week Beginning Date	12/26/2021	1/2/2022	1/9/2022	1/16/2022	1/23/2022	1/30/2022	2/6/2022	2/13/2022	2/20/2022	2/27/2022	3/6/2022	3/12/2022
Week Ending Date	1/1/2022	1/8/2022	1/15/2022	1/22/2022	1/29/2022	2/5/2022	2/12/2022	2/19/2022	2/26/2022	3/5/2022	3/12/2022	3/19/2022
Beginning Cash Balance	\$1,576,892	\$1,436,529	\$1,341,528	\$1,342,526	\$1,035,891	\$936,952	\$943,265	\$889,918	\$782,241	\$495,744	\$419,391	\$415,464
<b>Cash Receipts</b>												
BK Category												
Cash Collections	\$ 22,916	\$ 293,896	\$ 124,923	\$ 44,197	\$ 19,848	\$ 174,287	\$ 232,354	\$ 69,081	\$ 23,397	\$ 87,282	\$ 283,227	\$ 1,375,406
Draw on DIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Provider Relief Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Cash Receipts</b>	\$ 22,916	\$ 293,896	\$ 124,923	\$ 44,197	\$ 19,848	\$ 174,287	\$ 232,354	\$ 69,081	\$ 23,397	\$ 87,282	\$ 283,227	\$ 1,375,406
<b>Cash Disbursements</b>												
BK Category												
Payroll & Payroll Tax	(125,324)	(209,237)	(60,511)	(209,934)	(33,239)	(47,344)	(210,028)	(47,344)	(211,830)	(47,502)	(210,598)	\$ (1,412,890)
Insurance	-	(22,994)	-	(9,106)	-	(76,537)	-	-	(9,106)	(76,537)	-	\$ (194,280)
Petty Cash	(151)	(151)	(151)	(151)	(151)	(151)	(151)	(151)	(151)	(151)	(151)	\$ (1,666)
Bank Fees	-	-	-	(3,000)	-	-	(3,000)	-	(3,000)	-	(35,000)	\$ (6,000)
Management Fee	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)	\$ (13,428)
Rental / Lease Equipment	(229)	(2,939)	(1,249)	(442)	(198)	(1,743)	(2,324)	(691)	(234)	(873)	(2,832)	\$ (13,754)
Resident Refund	(10,834)	(10,834)	(10,834)	(10,834)	(10,834)	(10,834)	(10,834)	(10,834)	(10,834)	(10,834)	(10,834)	\$ (119,173)
Food and Other Supplies	(13,713)	(13,713)	(14,152)	(14,337)	(14,337)	(14,337)	(14,337)	(14,711)	(14,711)	(14,711)	(14,711)	\$ (157,667)
Utilities	(11,807)	(22,807)	(17,807)	(11,807)	(18,807)	(15,807)	(11,807)	(11,807)	(18,807)	(11,807)	(11,807)	\$ (164,875)
Other	(11,807)	(22,807)	(17,807)	(11,807)	(18,807)	(15,807)	(11,807)	(11,807)	(18,807)	(11,807)	(11,807)	\$ (164,875)
<b>Total Cash Disbursements</b>	\$ (163,279)	\$ (388,896)	\$ (105,925)	\$ (260,831)	\$ (78,787)	\$ (167,973)	\$ (285,701)	\$ (86,758)	\$ (269,894)	\$ (163,635)	\$ (287,153)	\$ (2,258,834)
<b>Cash Flow From Operations w DIP</b>	(140,364)	(95,000)	18,998	(216,635)	(58,939)	6,313	(53,347)	(17,677)	(246,497)	(76,354)	(3,926)	(883,428)
DIP Lender	-	-	-	-	-	-	-	-	-	-	-	\$ -
US Trustee	-	-	(18,000)	-	-	-	-	-	-	-	-	\$ (18,000)
Bankruptcy Professionals	-	-	-	(90,000)	(40,000)	-	-	(90,000)	(40,000)	-	-	\$ (260,000)
<b>Net Cash Flow</b>	\$ (140,364)	\$ (95,000)	\$ 998	\$ (306,635)	\$ (98,939)	\$ 6,313	\$ (53,347)	\$ (107,677)	\$ (286,497)	\$ (76,354)	\$ (3,926)	\$ (1,161,428)
<b>Ending Balance</b>	\$1,436,529	\$1,341,528	\$1,342,526	\$1,035,891	\$936,952	\$943,265	\$889,918	\$782,241	\$495,744	\$419,391	\$415,464	\$415,464

EXHIBIT B

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

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

**CONSENT ORDER EXTENDING MATURITY DATE FOR SECURED  
POSTPETITION FINANCING AND CONTINUED USE OF CASH COLLATERAL**

THIS MATTER came before the Court to consider the *Motion for Entry of Consent Order Extending Maturity Date for Secured PostPetition Financing and Continued Use of Cash Collateral* [Dkt. No. \_\_\_\_] filed by above-captioned debtors and debtors and debtors-in-possession (collectively, the “**Debtors**”)<sup>1</sup> on January 12, 2022. Terms not defined herein shall have the

<sup>1</sup> 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.

meaning ascribed to such terms in the Motion. The Court having considered the Motion, the record, and for cause shown, and it appearing that the Debtor and UMB Bank, as successor trustee for certain bonds (the “**Bond Trustee**”) have consented to entry of this Order:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. The Motion is granted, as set forth herein.
2. Except as otherwise modified herein, the First Interim DIP Order, the Second Interim DIP Order, the Third Interim DIP Order and the Final DIP Order shall remain in effect in accordance with their terms.
3. The Maturity Date shall be extended through and including March 12, 2022. The Budget attached hereto as Exhibit A shall modify and/or supplement the Budget attached as Exhibit A to the Final DIP Order. The Maturity Date may be extended by further Stipulation between the parties.
4. Paragraph 24(b) of the Final DIP Order shall be replaced and superceded by the following:

By no later than February 15, 2022, the Debtors shall file an amendment to the Final Order which shall include additional milestones for the sale or reorganization of the Debtors’ assets, which milestones shall be subject to the consent of the Bond Trustee.
5. This Court shall retain jurisdiction to enforce the terms and provisions of this Order.

**END OF DOCUMENT**



Prepared and presented by:

SCROGGINS & WILLIAMSON, P.C.

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J. ROBERT WILLIAMSON  
Georgia Bar No. 765214  
ASHLEY REYNOLDS RAY  
Georgia Bar No. 601559  
MATTHEW W. LEVIN  
Georgia Bar No. 448270

4401 Northside Parkway, Suite 450  
Atlanta, GA 30327  
T: (404) 893-3880  
F: (404) 893-3886  
E: rwilliamson@swlawfirm.com  
aray@swlawfirm.com  
mlevin@swlawfirm.com

*Counsel for the Debtors*

Consented to by:

GREENBERG TRAURIG, LLP

---

JOHN D. ELROD  
Georgia Bar No. 246604  
Terminus 200  
3333 Piedmont Road, NE, Suite 2500  
Atlanta, GA 30305  
Tel. (678) 553-2259  
Fax (678) 553-2212  
elrodj@gtlaw.com

Kevin J. Walsh (admitted *pro hac vice*)  
Charles W. Azano (admitted *pro hac vice*)  
One International Place, Suite 2000  
Boston, MA 02110  
Tel. (617) 310-6000  
Fax (617) 310-6001  
walshke@gtlaw.com  
azano@gtlaw.com

*Counsel for UMB Bank, N.A., as indenture trustee*

**CERTIFICATE OF SERVICE**

This is to certify that on this date a true and correct copy of the within and foregoing **Motion for Entry of Consent Order Extending Maturity Date for Secured Post-Petition Financing and Continued Use of Cash Collateral** was served by the Court's CM/ECF system on all counsel of record registered in this case through CM/ECF.

This 12th day of January, 2022.

SCROGGINS & WILLIAMSON, P.C.

4401 Northside Parkway  
Suite 450  
Atlanta, GA 30327  
T: (404) 893-3880  
F: (404) 893-3886  
E: rwilliamson@swlawfirm.com  
aray@swlawfirm.com  
mlevin@swlawfirm.com

By: /s/ Ashley R. Ray  
J. ROBERT WILLIAMSON  
Georgia Bar No. 765214  
ASHLEY REYNOLDS RAY  
Georgia Bar No. 601559  
MATTHEW W. LEVIN  
Georgia Bar No. 448270

*Counsel for the Debtors*