

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

GULF COAST HEALTH CARE, LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)

) Case No. 21-11336 (KBO)
)

) Jointly Administered
)
)

**CERTIFICATION OF COUNSEL REGARDING ORDER
APPROVING STIPULATION REGARDING MEDIATION
RELATING TO DISCLOSURE STATEMENT AND PLAN**

The undersigned counsel to the above-captioned debtors and debtors-in-possession (the “**Debtors**”)² hereby certifies as follows:

1. On October 14, 2021 (the “**Petition Date**”), each Debtor commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “**Chapter 11 Cases**”). The Chapter 11 Cases are being jointly administered. The Debtors continue to operate their businesses and manage their properties as debtors and debtors-in-possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

2. On October 25, 2021, the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”) appointed an Official Committee of Unsecured Creditors in the

¹ The last four digits of Gulf Coast Health Care, LLC’s federal tax identification number are 9281. There are 62 Debtors in these chapter 11 cases, which cases are being jointly administered for procedural purposes only. A complete list of the Debtors and the last four digits of their federal tax identification numbers are not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://dm.epiq11.com/GulfCoastHealthCare>. The location of Gulf Coast Health Care, LLC’s corporate headquarters and the Debtors’ service address is 9511 Holsberry Lane, Suite B11, Pensacola, FL 32534.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Stipulation.

Chapter 11 Cases (the “**Committee**”) pursuant to Bankruptcy Code section 1102(a) [Docket No. 111]. No trustee or examiner has been appointed in the Chapter 11 Cases.

3. On October 28, 2021, the Debtors filed their *Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code* [Docket No. 124] (as subsequently amended, supplemented, or modified, the “**Plan**”) and *Disclosure Statement with Respect to the Debtors’ Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code* [Docket No. 129] (as subsequently amended, supplemented, or modified, the “**Disclosure Statement**”), along with the *Motion of Debtors for Entry of Order (A) Approving Disclosure Statement; (B) Scheduling Hearing on Confirmation of Plan; (C) Establishing Deadlines and Procedures for (I) Filing Objections to Confirmation of Plan, (II) Claim Objections, and (III) Temporary Allowance of Claims for Voting Purposes; (D) Determining Treatment of Certain Unliquidated, Contingent, or Disputed Claims for Notice, Voting, and Distribution Purposes; (E) Setting Record Date; (F) Approving (I) Solicitation Packages and Procedures for Distribution, (II) Form of Notice of Hearing on Confirmation and Related Matters, and (III) Forms of Ballots; (G) Establishing Voting Deadline and Procedures for Tabulation of Votes; and (H) Granting Related Relief* [Docket No. 144] (the “**Solicitation Procedures Motion**”). A hearing on approval of the Disclosure Statement and the Solicitation Procedures Motion is currently scheduled for February 10, 2022.

4. In an effort to reach consensual resolution of certain outstanding issues prior to approval of the Debtors’ Disclosure Statement, the Debtors, the Committee, and the RSA Parties³ (collectively, the “**Parties**”) have agreed to participate in mediation, currently scheduled

³ The “**RSA Parties**” include certain affiliates and subsidiaries of Omega Healthcare Investors, Inc. and OHI Asset Funding (DE), LLC (collectively, the “**Omega Entities**”), New Ark Capital, LLC (“**New Ark**”), Health Care Navigator LLC (“**HCN**”), HMS Purchasing, LLC (“**HMS**”), Halcyon Rehabilitation, LLC (“**Halcyon**” and together with HCN and HMS, the “**Service Providers**”), Gulf Coast Health Care Holdings, LLC (“**Holdings**”), PAH II, LLC (“**PAH II**”), GCMTH II, LLC (“**GCMTH II**”), Argent Properties 2012, LLC (“**Argent**”), Barrow Street Real Estate Fund III, L.P. (“**Barrow Street**”), BSREF III Parallel Investor I, LLC (“**Investor I**”), BSREF III Parallel Investor II, L.P. (“**Investor II**”), BSREF III Parallel Investor III, L.P. (“**Investor III**”), BSREF III

to begin on January 31, 2022. The Parties have memorialized their agreement in the *Stipulation Regarding Mediation Relating to Disclosure Statement and Plan* (the “**Stipulation**”). A proposed form of order approving the Stipulation is attached hereto as **Exhibit A** (the “**Proposed Order**”). The Stipulation is attached as Exhibit 1 to the Proposed Order.

5. Counsel to each of the Parties have signed the Stipulation and have agreed that it may be submitted under certification of counsel for approval by the Court. The Debtors also have circulated the Stipulation to counsel to the U.S. Trustee and the U.S. Trustee indicated to the Debtors that it is not taking a position regarding the Stipulation.

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Parallel Investor IV, LLC (“**Investor IV**”), BSREF III Parallel Investor V, LLC (“**Investor V**”), and Barrow Argent, LLC (“**Barrow**” and, collectively with Holdings, PAH II, GCMTH II, Argent, Barrow Street, Investor I, Investor II, Investor III, Investor IV, and Investor V, the “**Equity Sponsors**”).

Accordingly, the Debtors respectfully request that the Court enter the Proposed Order attached hereto as **Exhibit A** at the convenience of the Court.

Dated: Wilmington, Delaware
January 11, 2022

MCDERMOTT WILL & EMERY LLP

/s/ David R. Hurst

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