

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re:	Case No.: 24-21217-CMB
SOUTH HILLS OPERATIONS, LLC, <i>et al.</i> , ¹	Chapter 11
Debtors.	<i>Jointly Administered</i>
SOUTH HILLS OPERATIONS, LLC, <i>et al.</i> ,	Doc. No.:
Movant,	Related to Document Nos. 125, 701
-vs -	Hearing Date:
	Hearing Time:
CIBC BANK USA; CUARZO HEALTHCARE CAPITAL; U.S. FOOD SERVICES; PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES; HARMONY PROPERTY MANAGEMENT, LLC; IRWIN PROPERTY MANAGEMENT, LLC; NEW CASTLE PROPERTY MANAGEMENT, LLC; NEW WILMINGTON PROPERTY MANAGEMENT, LLC; LATROBE PROPERTY MANAGEMENT, LLC; WASHINGTON PROPERTY MANAGEMENT, LLC; U.S. DEPARTMENT OF LABOR; INTERNAL REVENUE SERVICE; CENTERS FOR MEDICARE AND MEDICAID SERVICES; NEW WILMINGTON BOROUGH TAX COLLECTOR; RICHARD L.	Response Deadlines:

¹The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are: South Hills Operations, LLC (5527); Monroeville Operations, LLC (3280); Mt. Lebanon Operations, LLC (1133); Murrysburg Operations, LLC (9149); Cheswick Rehabilitation and Wellness Center, LLC (9561); 3876 Saxonburg Boulevard Propco, LLC (3618); North Strabane Rehabilitation and Wellness Center, LLC (1677); 100 Tandem Village Road Propco, LLC (1918); Maybrook-C Briarcliff Opco, LLC (5187); Maybrook-C Briarcliff Propco, LLC (1823); Maybrook-C Evergreen Opco, LLC (5388); Maybrook-C Evergreen Propco, LLC (2000); Maybrook-C Kade Opco, LLC (4033); Maybrook-C Kade Propco, LLC (2097); Maybrook-C Latrobe Opco, LLC (4148); Maybrook-C Latrobe Propco, LLC (2178); Maybrook-C Overlook Opco, LLC (7081); Maybrook-C Overlook Propco, LLC (6804); Maybrook-C Silver Oaks Opco, LLC (7146); Maybrook-C Silver Oaks Propco, LLC (9654); Maybrook-C Whitecliff Opco, LLC (6211); Maybrook-C Whitecliff Propco, LLC (4835). The Debtors' address is 485 Lexington Avenue, 10th Floor, New York, NY 10017.

RAPONE, LAWRENCE COUNTY
TREASURER; UNITY TOWNSHIP TAX
COLLECTOR; WESTMORELAND COUNTY
TAX CLAIM BUREAU; ROBERT OHR, TAX
COLLECTOR; MERCER COUNTY TAX
CLAIM BUREAU; WASHINGTON COUNTY
TAX CLAIM BUREAU; DONALD J.
PROGAR, TAX COLLECTOR; KEYSTONE
COLLECTION GROUP; JULIE LEVENTRY,
TAX COLLECTOR; SHELLEY BUCHANAN,
TAX COLLECTOR; CITY OF NEW CASTLE,

Respondents.

**NOTICE OF CLOSING ON SALE TRANSACTION AND ASSUMPTION
AND ASSIGNMENT OF ASSUMED CONTRACTS**

PLEASE TAKE NOTICE that, on May 24, 2024, South Hills Operations, LLC, and its above-captioned Debtor affiliates (collectively, the “Debtors”) filed the *Debtors’ Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, Other Than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve the Sale of the Maybrook and Consulate Debtors’ Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* [Doc. No. 125] (the “Sale Motion”).

PLEASE TAKE FURTHER NOTICE that on June 14, 2024, the Court entered an *Order (A) Approving Bid Procedures for Sale of Substantially All of the Maybrook and Consulate Debtors’ Assets, Other Than Accounts, (B) Approving Stalking Horse Bid Protections, (C) Scheduling Auction For and Hearing to Approve Sale of the Maybrook and Consulate Debtors’ Assets, (D) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (E) Approving Assumption and Assignment Procedures, and (F) Granting Related Relief* [Doc. No. 246] (the “Sale Procedures Order”), which, among other things, established keys dates and deadlines related to the Auction for, and the sale of, the Purchased Assets.²

PLEASE TAKE FURTHER NOTICE that the Debtors served the *Notice of Sale Motion, Sale Procedures, Sale, Auction, and Sale Order Hearing* on all known parties in interests, *see* Doc. Nos. 158, 283, 306-308, 333-34, 387, 399, 404, 497, 607, 631, 644, 708, and 711.

² Capitalized terms used but not defined herein shall have the meanings given to them in the Sale Motion.

PLEASE TAKE FURTHER NOTICE that on June 14, 2024, the Debtors served the *Notice of Executory Contracts that May Be Assumed and Assigned in Connection with the Sale Transaction* [Doc. No. 248] on all known parties in interests, *see* Doc. No. 264.

PLEASE TAKE FURTHER NOTICE that on July 17, 2024, Debtors filed the *Notice of Successful Bid* [Doc. No. 380] indicating that the Stalking Horse Bidder was the only Qualified Bid received by the Debtors, that the Debtors selected the Stalking Horse Bidder as the highest and best bidder for the Purchased Assets, and that the Debtors cancelled the Auction.

PLEASE TAKE FURTHER NOTICE that on September 30, 2024, the Court convened the Sale Order Hearing, after which the Court entered the *Order Granting Debtors' Motion for Entry of Orders (A) Approving Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, Other Than Accounts, Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Approving Bid Procedures for Sale of Substantially All of the Maybrook and Consulate Debtors' Assets, Other Than Accounts, (C) Approving Stalking Horse Bid Protections, (D) Scheduling Auction for and Hearing to Approve the Sale of the Maybrook and Consulate Debtors' Assets, (E) Approving Form and Manner of Notice of Sale, Auction, and Sale Order Hearing, (F) Approving Assumption and Assignment Procedures, (G) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases, and (H) Granting Related Relief* [Doc. No. 701] (the "Sale Order"), thereby authorizing and approving the entry into the Stalking Horse Agreements attached to the Sale Order as Exhibit 1 and Exhibit 2.

PLEASE TAKE FURTHER NOTICE that on November 1, 2024, the Closing occurred in accordance with the Stalking Horse Agreements and the Sale Order. Attached hereto as **Exhibit A** is the final list of Assumed Contracts as authorized by the Sale Order. Attached hereto as **Exhibit B** is the closing settlement statement (the "Settlement Statement").

PLEASE TAKE FURTHER NOTICE that additional information regarding the above-captioned chapter 11 cases can be obtained, free of charge, by: (i) visiting <https://omniagentsolutions.com/SouthHills> [omniagentsolutions.com]; (ii) calling 866-989-6144 (US & Canada toll free) and 747-288-9439 (International); or (iii) sending an email to southhillsinquiries@omniagnt.com.

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Dated: November 8, 2024

Respectfully submitted:

RAINES FELDMAN LITRELL, LLP

/s/ Daniel R. Schimizzi

Daniel R. Schimizzi (PA ID No. 311869)
Michael J. Roeschenthaler (PA ID No. 87647)
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*Local Counsel to the Debtors and
Debtors in Possession*

-AND-

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*Counsel to the Debtors and
Debtors in Possession*

EXHIBIT A

ASSUMED CONTRACTS

[To Be Filed]

EXHIBIT B

SETTLEMENT STATEMENT

CLOSING STATEMENT

Property Name:	The Grove at Greenville	The Grove at New Wilmington	The Grove at Irwin	The Grove at New Castle
Property Location:	110 & 116 Fredonia Road Greenville, PA, 16125	520 S New Castle Street New Wilmington, PA 16142	249 Maus Drive Irwin, PA, 15642	715 Harbor Street New Castle, PA 16101
Buyer:	Greenville Property Management LLC	New Wilmington Property Management	Irwin Property Management, LL	New Castle Property Manager
Seller:	Maybrook-C Whitecliff Propco, LLC	Maybrook-C Overlook Propco, LLC	Maybrook-C Briardcliff Propco, L	Maybrook-C Silver Oaks Propc
Property Name:	The Grove at Harmony	The Grove at Latrobe	Cheswick Rehabilitation and North Strabane Rehabilitation	
Property Location:	191 Evergreen Mill Rd Harmony, PA 16037	576 Fred Rogers Dr Latrobe, PA 15650	3876 Saxonburg Blvd Cheswick, PA 15024	100 Tandem Village Rd Canonsburg, PA 15317
Buyer:	Harmony Property Management, LLC	Latrobe Property Management, LLC	Cheswick Property Management North Strabane Property Manag	
Seller:	Maybrook-C Evergreen Propco, LLC	Maybrook-C Latrobe Propco, LLC	3876 Saxonburg Boulevard Prc 100 Tandem Village Road Prop	
Funding Date:	11/1/2024	Client Job No.:	LAAPA236	

PURCHASE AMOUNT:		\$	53,000,000.00
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Borrower Credits	Deposit held by Omni Agent Solutions, Inc	\$	1,350,000.00
	PTO	\$	831,346.11
	Misc Repair Credit	\$	400,000.00

Seller Credits	RE Tax Credit	\$	(326,366.38)
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TOTAL DUE BY BUYER		\$	2,254,979.73	\$	50,745,020.27
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LOAN AMOUNT	CIBC	\$	42,400,000.00
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Less: Fees and Costs Incurred	Good Faith Deposit - 2023	\$	(2,663.52)
	Good Faith Deposit - 2024	\$	(97,500.00)
	Commitment Fee	\$	477,000.00
	Appraisal Cost - As Is Values	\$	29,432.25
	Appraisal Review Fee	\$	7,800.00
	Environmental Review Fee	\$	1,400.00
	Real Estate Tracking Fee	\$	711.00
	Initial Capital Reserve Funding - Acct. #xxx4255	\$	67,058.00
	Environmental Reserve Funding - Acct. #xxx6234	\$	25,000.00
	Capitalization of Operations - Acct. #xxx4826	\$	4,000,000.00

TOTAL HOLDBACKS		\$	4,508,237.73
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NET LENDERS WIRE		\$	37,891,762.27
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Less: Third Party Vendor Payments	(POC)		
	Koss & Schonfeld LLP	\$	150,000.00
	Gutnicki LLP	\$	75,000.00
	Blew & Associates PA	\$	9,200.00
	ACM Services LLC	\$	8,421.50
	Platinum Filings	\$	22,340.90

TOTAL VENDOR DISBURSEMENTS		\$	291,412.40
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Less: Proceeds to Escrow Agent

Purchaser Title Charges

The Grove at Greenville	Owners Policy	\$	20,536.67
	Loan Policy	\$	-
	Endorsements	\$	16,722.00
	Transfer Tax (50%) [\$3,184,615.35]	\$	47,769.24
The Grove at New Wilmington	Owners Policy	\$	19,572.80
	Loan Policy	\$	-
	Endorsements	\$	17,900.96
	Transfer Tax (50%) [\$2,985,576.75]	\$	29,855.77
The Grove at Irwin	Owners Policy	\$	24,319.19
	Loan Policy	\$	-
	Endorsements	\$	19,241.52
	Transfer Tax (50%) [\$4,179,807.90]	\$	41,798.08
The Grove at New Castle	Owners Policy	\$	14,278.64
	Loan Policy	\$	-
	Endorsements	\$	12,767.17
	Transfer Tax (50%) [\$1,940,625.00]	\$	19,406.27
The Grove at Washington	Owners Policy	\$	12,260.84
	Loan Policy	\$	-
	Endorsements	\$	11,556.49
	Transfer Tax (50%) [\$1,542,548.25]	\$	15,425.48
The Grove at Harmony	Owners Policy	\$	24,509.00
	Loan Policy	\$	-
	Endorsements	\$	19,105.40
	Transfer Tax (50%) [\$4,229,567.10]	\$	42,295.68
The Grove at Latrobe	Owners Policy	\$	17,808.08
	Loan Policy	\$	-
	Endorsements	\$	14,884.85
	Transfer Tax (50%) [\$2,637,259.65]	\$	26,372.60
Cheswick Rehabilitation and Well	Owners Policy	\$	13,893.32
	Loan Policy	\$	-
	Endorsements	\$	12,535.99
	Transfer Tax (50%) [\$1,864,800.00]	\$	18,648.00
North Strabane Rehabilitation & W	Owners Policy	\$	10,956.68
	Loan Policy	\$	-
	Endorsements	\$	10,774.01
	Transfer Tax (50%) [\$1,285,200.00]	\$	12,852.00
	Closing Service Letter	\$	125.00
	Recording Fees	\$	15,300.00
	Search Fees	\$	31,500.00
	Settlement Fee	\$	5,000.00

TOTAL TO TITLE COMPANY/ESCROW AGENT	\$	599,971.73
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TOTAL NET AMOUNT TO BE SENT TO TITLE COMPANY	\$	13,744,642.13
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CLOSING STATEMENT

Property Name:	The Grove at Greenville	The Grove at New Wilmington	The Grove at Irwin	The Grove at New Cast	The Grove at Washington
Property Location:	110 & 116 Fredonia Road Greenville, PA, 16125	520 S New Castle Street New Wilmington, PA 16142	249 Maus Drive Irwin, PA, 15642	715 Harbor Street New Castle, PA 16101	1198 W Wylie Ave Washington, PA 15301
Buyer:	Greenville Property Management LLC	New Wilmington Property Management	Irwin Property Management	New Castle Property Mar	Washington Property Management, LLC
Seller:	Maybrook-C Whitecliff Propco, LLC	Maybrook-C Overlook Propco, LLC	Maybrook-C Briarcliff Propco	Maybrook-C Silver Oaks	Maybrook-C Kade Propco, LLC
Property Name:	The Grove at Harmony	The Grove at Latrobe	Cheswick Rehabilitation	North Strabane Rehabilitation & Wellness Center	
Property Location:	191 Evergreen Mill Rd Harmony, PA 16037	576 Fred Rogers Dr Latrobe, PA 15650	3876 Saxonburg Blvd Cheswick, PA 15024	100 Tandem Village Rd Canonsburg, PA 15317	
Buyer:	Harmony Property Management, LLC	Latrobe Property Management, LLC	Cheswick Property Management	North Strabane Property Management, LLC	
Seller:	Maybrook-C Evergreen Propco, LLC	Maybrook-C Latrobe Propco, LLC	3876 Saxonburg Boulevard	100 Tandem Village Road Propco, LLC	
Funding Date:	11/1/2024	Client Job No.:	LAAPA236		

PURCHASE AMOUNT:		\$ 53,000,000.00
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Borrower Credits			
PTO		\$	831,346.11
Misc Repair Credit		\$	400,000.00
Seller Credits			
RE Tax Credit		\$	(326,366.38)
Funds from Debtor for Payment of Real Estate Taxes		\$	(1,650,000.00)

TOTAL DUE BY BUYER		\$ (745,020.27)	\$ 53,745,020.27
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Less: Third Party Vendor Payments			
CIBC (\$36,355,033.83-\$400,000.00 reduction for repair credit)		\$	35,955,033.83
Omni Agent Solutions, Inc	Post-Closing Escrow	\$	3,000,000.00
BluePrint Healthcare Real Estate Advisors, LLC		\$	265,000.00
Known Pre-Closing CMS Liabilities (Overpayments)		\$	146,641.61
Pre-Closing Monetary Penalties		\$	523,198.90
Omni Agent Solutions, Inc	Post- Closing Dye Escrow	\$	250,000.00
			Good through Nov 1 @ 2 pm
			HOLD FOR 30 DAYS

TOTAL VENDOR DISBURSEMENTS		\$ 40,139,874.34
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Less: Proceeds to Escrow Agent

Seller Title Charges

The Grove at Greenville	Transfer Tax (50%) [\$3,184,615.35]	\$	47,769.24	
110 County/Township Taxes		\$	33,561.88	ESTIMATE
110 School Taxes		\$	52,958.49	ESTIMATE 11/30
110 2023 Delinquent Taxes		\$	60,821.80	Good through 11/15
116 County/Township Taxes		\$	103.98	ESTIMATE
116 School Taxes		\$	164.06	ESTIMATE 11/30
116 2023 Delinquent Taxes		\$	218.79	Good through 11/15
Water		\$	6,677.72	
Water Escrow		\$	12,000.00	
Sewer		\$	20,225.09	ESTIMATE
The Grove at New Wilmington	Transfer Tax (50%) [\$2,985,576.75]	\$	28,855.77	
County Taxes		\$	17,412.43	Good through 12/31
School Taxes		\$	32,091.41	ESTIMATE 11/30
Water		\$	26,361.98	Good through 11/10
Water Escrow		\$	26,361.98	
The Grove at Irwin	Transfer Tax (50%) [\$4,179,807.90]	\$	41,798.08	
County Taxes		\$	21,861.96	Good through 12/31
School Taxes		\$	49,868.35	Good through 12/31
2023 Delinquent Taxes		\$	49,906.60	Good through 11/15
Water		\$	3,000.00	
Sewer		\$	4,884.79	ESTIMATE
The Grove at New Castle	Transfer Tax (50%) [\$1,940,625.00]	\$	19,406.27	
City Taxes		\$	13,144.34	Good through 12/31
County Taxes		\$	8,816.35	Good through 12/31
School Taxes		\$	18,101.69	Good through 12/31
The Grove at Washington	Transfer Tax (50%) [\$1,542,548.25]	\$	15,425.48	
Township Taxes		\$	1,699.17	Good through 11/15
County Taxes		\$	6,881.64	Good through 12/31
School Taxes		\$	41,732.65	Good through 12/15
2023 Delinquent Taxes		\$	48,909.96	Good through 11/30
Sewer		\$	17,738.75	ESTIMATE
Sanitary Lien		\$	8,350.00	
The Grove at Harmony	Transfer Tax (50%) [\$4,229,567.10]	\$	42,295.68	
1804F102 2MA0000	County/Township Taxes	\$	232.50	Good through 12/31
1804F102 2MA0000	School Taxes	\$	771.83	Good through 11/30
1804F102 2MA0000	Sewer	\$	5,377.33	ESTIMATE
1804F102 2M0000	County/Township Taxes	\$	17,794.53	Good through 12/31
1804F102 2M0000	School Taxes	\$	59,076.47	Good through 11/30
1804F102 2M0000	Sewer	\$	5,594.40	ESTIMATE
1804F102 2M0000	Water	\$	17,796.13	ESTIMATE
1804F102 20000	Delinquent Taxes	\$	1,209.76	Good through 11/15
1804F102 20000	County/Township Taxes	\$	254.16	Good through 12/31
1804F102 20000	School Taxes	\$	843.75	Good through 11/30
1804F102 20000	Water	\$	46.00	Good through 11/18
Water		\$	14,830.11	Good through 11/18
The Grove at Latrobe	Transfer Tax (50%) [\$2,637,259.65]	\$	26,372.60	
County/Township Taxes		\$	14,127.56	Good through 12/31
School Taxes		\$	34,584.00	Good through 11/30
2023 Delinquent Taxes		\$	40,663.55	Good through 11/15
Water Escrow - Youngstown Borough Municipal Authority		\$	18,486.39	
Sewer		\$	2,445.86	
Sewer Escrow		\$	150.00	
Cheswick Rehabilitation and Welln	Transfer Tax (50%) [\$1,864,800.00]	\$	18,648.00	
2023 Delinquent Taxes - Township		\$	161,110.41	Good through 12/31
2023 Delinquent Taxes - School		\$	87,517.06	Good through 11/15
Township Taxes		\$	17,771.45	Good through 11/21
Water		\$	9,422.64	ESTIMATE
Water Escrow		\$	1,500.00	ESTIMATE
Sewer Escrow		\$	1,397.22	
North Strabane Rehabilitation & We	Transfer Tax (50%) [\$1,285,200.00]	\$	12,852.00	
2024 County Taxes		\$	29,347.41	Good through 12/31
2024 Township Taxes		\$	21,195.35	Good through 12/31
2024 School Taxes		\$	141,738.18	Good through 11/30
Delinquent Taxes		\$	222,387.18	Good through 11/30
Deed Recording Fees (x9)		\$	1,350.00	
Dye Tests		\$	2,535.00	
Settlement Fee (50%)		\$	5,000.00	

TOTAL TO TITLE COMPANY/ESCROW AGENT		\$ 1,774,835.21
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NET DUE SELLER		\$ 11,830,310.72
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The Buyer/Borrower hereby authorizes and directs attorney to disburse the total proceeds to Title Company and further authorizes and directs Title Company to make the above Closing Disbursements from the total proceeds. The Buyer and Seller approve this Closing Statement, acknowledges it to be correct, and acknowledges receipt of a copy of this Closing Statement.

Accepted and Approved:

BUYER:

**Greenville Property Management LLC
New Wilmington Property Management, LLC
Irwin Property Management, LLC
New Castle Property Management, LLC
Washington Property Management, LLC
Harmony Property Management, LLC
Latrobe Property Management, LLC
Cheswick Property Management, LLC
North Strabane Property Management, LLC
each a Pennsylvania limited liability company**

By: _____



Name: Daniel Morris

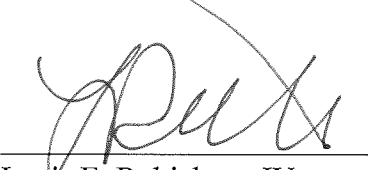
Title: Manager

The Seller hereby authorizes and directs attorney to disburse the total proceeds to Title Company and further authorizes and directs Title Company to make the above Closing Disbursements from the total proceeds. The Buyer and Seller approve this Closing Statement, acknowledges it to be correct, and acknowledges receipt of a copy of this Closing Statement.

Accepted and Approved:

SELLER:

Maybrook-C Whitecliff Propco, LLC
Maybrook-C Overlook Propco, LLC
Maybrook-C Briarcliff Propco, LLC
Maybrook-C Silver Oaks Propco, LLC
Maybrook-C Kade Propco, LLC
Maybrook-C Evergreen Propco, LLC
Maybrook-C Latrobe Propco, LLC
3876 Saxonburg Boulevard Propco, LLC
100 Tandem Village Road Propco, LLC
each a Delaware limited liability company

By: 

Name: Louis E. Robichaux IV

Title: Chief Restructring Officer