

Center City Healthcare Sues HRE Capital, LLC f/k/a Healthcare Real Estate LLC For \$3Million in Alleged Fraudulent Transfers

June 28, 2021, District of Delaware – Plaintiffs Center City Healthcare, LLC d/b/a Hahnemann University Hospital (“CCH”) and SCHC Pediatric Associates, LLC (“SCHC,” and together with CCH, collectively, “Plaintiffs”) recently sued Defendant HRE Capital, LLC f/k/a Healthcare Real Estate LLC for avoidance and recovery of alleged fraudulent transfers worth \$3Million in the bankruptcy case of Center City Healthcare, LLC d/b/a Hahnemann University Hospital, et al (the “Debtors”).

By way of background, the action purportedly involves the transfer of certain real estate properties under an asset sale-purchase agreement. Plaintiffs contend that Defendant allegedly received about \$3Million for real estate advisory services it provided under an engagement letter. According to the complaint, the alleged transfer was a transfer of an interest in property of the Debtors, made while the Debtor was insolvent, within two years before the petition date. Plaintiffs assert that the Debtors did not receive reasonably equivalent value for the transfer and hence the transfer must be avoided under Sec. 548 of the Bankruptcy Code.

Saul Ewing Arnstein & Lehr LLP is representing Plaintiffs in the Debtors’ bankruptcy case. The case is In re Center City Healthcare, LLC d/b/a Hahnemann University Hospital, et al, A.P. No.-19-11466 in the United States Bankruptcy Court for District of Delaware.