

UNITED STATES BANKRUPTCY COURT  
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. )

**NOTICE OF FILING**  
**EXHIBITS AND SCHEDULES TO ASSET PURCHASE AGREEMENT**

COME NOW the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”)<sup>1</sup> by and through the undersigned counsel, and hereby file the Exhibits and Schedules attached hereto as Exhibit 1 (“Exhibits and Schedules”) to the Asset Purchase Agreement dated August 8, 2024 (the “APA”) between RHCSC Rome AL Holdings LLC and RHCSC Rome Health Holdings LLC (collectively, the “Sellers”), on the one hand, and Highlands Senior Living Rome LLC, or its designee (the “Buyer”) on the other hand.

This 18th day of September, 2024.

Respectfully submitted,

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1 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.



# **EXHIBIT 1**

**Exhibit A**

**Quit Claim Deed(s)**

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ABOVE SPACE FOR RECORDING INFORMATION ONLY

Prepared by:

**QUIT CLAIM DEED**

**THIS INDENTURE**, is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2024, by and between **RHCSC ROME HEALTH HOLDINGS LLC**, a Georgia limited liability company (“Grantor”) and **HIGHLANDS SENIOR LIVING ROME, LLC**, a Georgia limited liability company (“Grantee”) (the words “Grantor” and “Grantee” to include their respective heirs, legal representatives, successors and assigns where the context requires or permits).

**WITNESSETH, THAT:**

GRANTOR, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, in hand paid at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has granted, bargained, sold, aliened, conveyed, confirmed, and quitclaimed, and by these presents does grant, bargain, sell, alien, convey, confirm and quitclaim unto said Grantee, all of Grantor’s right, title and interest in and to all those tracts or parcels of land lying and being located in Floyd County, Georgia, and being known as **1168 Chulio Road SE, Rome, Georgia 30161 containing 2.4660 acres**, and more particularly described on Exhibit “A”, attached hereto and incorporated herein by this reference (hereinafter referred to as the “Property”).

**TO HAVE AND TO HOLD** the said described Property to the said Grantee, so that neither the said Grantor nor any person or persons claiming under the said Grantor, shall at any time, by any means or ways, have, claim or demand any right or title to the said described Property or appurtenances, or any rights thereof.

**IN WITNESS WHEREOF**, the Grantor has signed and sealed this Deed on the day and year first above written.

Signed, sealed and delivered  
in the presence of:

\_\_\_\_\_  
Unofficial Witness

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_  
[NOTARY SEAL]

**GRANTOR:**

**RHCSC ROME HEALTH  
HOLDINGS, LLC,**  
a Georgia limited liability company

By: **REGIONAL HOUSING &  
COMMUNITY SERVICES CORP.,**  
a California nonprofit corporation

Its: Sole Member

By: \_\_\_\_\_  
Michael Roye, Director

**EXHIBIT A**  
Legal Description

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 147 of the 22nd District, 3rd Section of Floyd County, Georgia, and being more particularly described as follows:

BEGIN at an iron pin set at the intersection of the south right-of-way line of Chulio Road (100 foot right-of-way) and the east right-of-way line of Valley View Drive (50 foot right-of-way) and run along the south right-of-way line of Chulio Road S 51 ° 04' 26" E a distance of 12.10 feet to an iron pin set; thence along said right-of-way S 58° 35' 53" E a distance of 27.58 feet to an iron pin set; thence along said right-of-way line S 60° 26' 23" E a distance of 120.85 feet to an iron pin set; thence along said right-of-way S 59° 3' 44" E a distance of 49.22 feet to an iron pin set; thence S 32° 0' 37" W a distance of 24.69 feet to an iron pine set; thence S 56° 02' 25" E a distance of 34.70 feet to an iron pin set; thence S 32° 24' 01" W a distance of 343.17 feet to an iron pin found; thence N 67° 00' 31" W a distance of 318.66 feet to an iron pin found on the east right-of-way line of Valley View Drive; thence along said east right-of-way line N 42° 00' 00" E a distance of 420.00 feet to the POINT OF BEGINNING.

Said tract contains 2.4660 acres or 107,418 square feet.

**Exhibit B**

**Bill of Sale and Assignment**

**BILL OF SALE**

FOR VALUE RECEIVED, RHCSC Rome AL Holdings LLC and RHCSC Rome Health Holdings LLC, each a Georgia corporation, Debtors and Debtors in Possession (collectively, the “Assignor”) do hereby sell, assign, transfer, and convey unto Highlands Senior Living Rome LLC, a Georgia limited liability company (the “Assignee”), free and clear of all security interests, liens, or other encumbrances, all of their right, title and interest in and to the personal property related to the Project, as such term is defined in that certain Asset Purchase Agreement between Assignor and Assignee dated [\_\_\_], 2024 (collectively, the “Purchased Assets”).

Said Purchased Assets are transferred “AS IS, WHERE IS,” with no representation or warranty except as expressly set forth herein. This Bill of Sale, and the terms of sale, are expressly subject to the terms and conditions contained in the “Order Approving Asset Purchase Agreement and Authorizing Sale” entered by the U.S. Bankruptcy Court for the Northern District of Georgia in Assignor’s pending jointly administered Bankruptcy Case, Case No. 21-41034-pwb, on September \_\_\_, 2024.

IN WITNESS WHEREOF, Assignor has caused this Bill of Sale to be executed by its respective duly authorized officer as of the \_\_\_ day of \_\_\_\_\_, 2024.

“ASSIGNOR”

RHCSC ROME AL HOLDINGS, LLC  
RHCSC ROME HEALTH HOLDINGS LLC

Sworn to and subscribed before me this  
the \_\_\_ day of \_\_\_\_\_, 2024.

Notary Public

\_\_\_\_\_  
By:  
Title:

**Acceptance**

The foregoing Bill of Sale is hereby accepted by the Assignee as of the above date.

“ASSIGNEE”

HIGHLANDS SENIOR LIVING ROME  
LLC

Sworn to and subscribed before me this  
the \_\_\_ day of \_\_\_\_\_, 2024.

Notary Public

\_\_\_\_\_  
By:  
Title:



**Exhibit C**

**Operations Transfer Agreement**

**OPERATIONS TRANSFER AGREEMENT**

THIS OPERATIONS TRANSFER AGREEMENT (“**Agreement**”) is made and entered into as of this 8th day of August 2024 (the “**Effective Date**”) by and among Highlands Senior Living Rome LLC or its designee (“**Buyer**”) and (ii) RHCSC Rome AL Holdings LLC and RHCSC Rome Health Holdings LLC (together, the “**Sellers**” and collectively with the Buyer, the “**Parties**”). UMB Bank, N.A., serves as successor trustee (the “**Trustee**”) with respect to certain bonds related to the Project (as defined below), and as directed by the holders of such bonds, consents to and acknowledges the transactions contemplated by this Agreement.

**RECITALS**

**A.** The Sellers are each limited liability companies organized in Georgia, and own the real estate and personal property related to the following Project:

Facility	Address	Number of Units
The Gardens of Rome	1168 Chulio Road SE Rome, GA 30161	60

(the “**Project**”).

**B.** On August 26, 2021, the Sellers and certain affiliated entities of the Sellers (collectively, the “**Debtors**”)¹, filed cases under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The cases are pending in the United States Bankruptcy Court for the Northern District of Georgia (the “**Bankruptcy Court**”) and are jointly administered under Case No. 21-41034 (the “**Bankruptcy Cases**”).

**C.** Contemporaneously herewith, the Parties executed that certain Asset Purchase Agreement (“**APA**”) pursuant to which the Buyer agreed to purchase, and Sellers agreed to sell, substantially all real and personal property assets used in connection with operation of the Project. The APA is to be filed with the Bankruptcy Court along with a request that the Bankruptcy Court enter an order approving the proposed sale (the “**Sale Order**”) on certain conditions set forth in the APA. Capitalized terms not otherwise defined herein have the meanings given to them in the APA.

**D.** Buyer and Sellers are entering into this Agreement to ensure the smooth transition of the operations of/at the Project from Sellers to Buyer and, to the extent permissible under applicable law, to permit Buyer to operate the Project under the permits and licenses required under applicable law currently issued to Sellers until Buyer is able to procure any

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¹ The Debtors 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.

required permits and licenses, and to document the terms and conditions under which said transition will occur.

E. Heretofore, HMP Senior Solutions, LLC (“**Outgoing Manager**”) has been managing the Project for the benefit of Sellers pursuant to a Management Agreement dated effective as of October 31, 2021 (the “**Outgoing Management Agreement**”). Effective as of the Proration Time (as defined below), Buyer or its designee will manage the Project, and neither the Sellers nor the Outgoing Manager shall have any further obligation with respect to the operation or management of the Project.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants of the parties set forth herein, THE PARTIES HEREBY AGREE AS FOLLOWS:

### AGREEMENT

**1. Transfer of Operations.** Effective as of the date of the consummation of the transaction that is the subject to the APA (the “**Closing Date**”), Sellers hereby agree to transfer all their respective rights in and to the operation, management, possession, and control of the Project to Buyer, subject to all the terms and conditions of the APA and this Agreement. In accordance with the terms of the APA, all financial activity and obligations occurring and accruing until 11:59 p.m. on the day prior to the Closing Date (the “**Proration Time**”) shall be the responsibility of (and accrue to the benefit of) the respective Sellers. The Closing Date itself shall be considered a revenue and expense day for the Buyer, meaning that all financial activity and obligations on the Closing Date are the responsibility of (and accrue to the benefit of) the Buyer. All right, title and interest of Sellers to be transferred in accordance with this Agreement or the APA shall be **AS IS, WHERE IS, AND WITHOUT ANY WARRANTIES OF WHATSOEVER NATURE, EXPRESS OR IMPLIED, EXCEPT AS EXPRESSLY SET FORTH HEREIN. IT IS THE INTENTION OF THE PARTIES EXPRESSLY TO NEGATE AND EXCLUDE ALL WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. BUYER ACKNOWLEDGES AND AGREES THAT SELLERS AND ANY AGENTS AND AFFILIATES OF SELLERS HAVE NOT MADE, DO NOT MAKE AND SPECIFICALLY NEGATE AND DISCLAIM ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROJECT AND THE OPERATION THEREOF. WITHOUT LIMITING THE FOREGOING, BUYER ACKNOWLEDGES AND AGREES THAT SELLERS ARE ASSIGNING ANY AND ALL OF THEIR RESPECTIVE INTEREST IN THE OPERATING CONTRACTS (AS DEFINED BELOW) WITHOUT WARRANTY.**

**2. Cooperation.** The Parties agree to cooperate to effect an orderly transfer and smooth transition of the operation and management of the Project, including but not limited to physical assets, personnel and employees, residents, and any and all clinical and financial records relating or belonging to the respective Project pursuant to this Agreement, and ownership of the Purchased Assets, including the Project, pursuant to the APA on the Closing Date.

**3. Management.** At least fourteen (14) days before the Closing Date, Buyer shall inform Sellers and Outgoing Manager whether Buyer will self-manage the Project or provide Sellers and Outgoing Manager with contact information for a third-party management company. Sellers shall terminate Outgoing Manager and the Outgoing Management Agreement as of the Proration Time. At the Proration Time, Buyer or its designee shall assume and be responsible for the day-to-day management of the Project.

**4. Transfer of Resident Funds.**

**4.1.** Within five (5) business days after Effective Date, Sellers shall provide to Buyer a schedule (properly reconciled) of any resident deposits or other resident funds, if any, held by Sellers, and will update such information not less than five (5) business days prior to the Closing Date (collectively the “**Resident Funds**”). Sellers shall provide to residents and their responsible parties or agents notice of the transfer of operations and, if applicable, the transfer of the Resident Funds.

**4.2.** Buyer agrees to be liable for the Resident Funds as accounted for and transferred by Sellers on the Closing Date. Buyer will accept the actually transferred Resident Funds in trust for the residents of the Project, in accordance with applicable statutory and regulatory requirements.

**4.3.** The parties agree to execute any documents required by the Georgia Department of Community Health (“**DCH**”), or other applicable licensing authorities, to reflect this transfer.

**5. Intentionally Omitted.**

**6. Billing, Accounts Receivable, Accounts Payable.**

**6.1.** The Parties to this Agreement acknowledge and agree that the interests of Sellers in the Project, including the operation thereof, the income and revenues thereof, and the liabilities and other obligations of the Project, are limited by and subject to the terms and conditions of orders of the Bankruptcy Court. Accordingly, Sellers shall provide to Buyer, within five (5) business days from the Closing Date, a complete and accurate schedule of the accounts receivable and accounts payable and other obligations relating to the Project as of the Closing Date, and the processing of accounts receivable and accounts payable and other obligations for the Project during the transition period will be handled as set forth below. Notwithstanding anything to the contrary, Sellers shall use commercially reasonable best efforts to have any and all outstanding post-petition accounts payable and debt obligations paid off on or before the Closing Date. To the extent post-petition accounts payable and debt obligations are not paid off on or before the Closing Date, they shall be treated as set forth in this Section 6.

**6.2.** Within ten (10) business days following the Closing Date, Sellers shall mail out final reconciled invoices to all residents at the Project showing payments received by Sellers through the Proration Time, showing any remaining balances due from residents as of the Proration Time, and directing residents to send any future payments to Buyer at an address to be provided by Buyer. All payments received by Sellers prior to the Proration Time will be applied

to outstanding resident balances and accounted for in accordance with any applicable remittance advice, and standard receivable policies.

**6.3.** If the Closing Date occurs before the fifteenth (15<sup>th</sup>) day of the applicable calendar month, Sellers shall in the ordinary course of business consistent with past practices bill for such amounts of the calendar month of Closing, but not for the calendar month after Closing. As of the Closing Date, Sellers shall not have any rights or interest in the continuing revenues of the Project which relate to the period after the Proration Time. Except as set forth herein or agreed to by Sellers and the Buyer, Sellers shall remain responsible for billing and collection of all revenues which relate to the period prior to the Proration Time. Buyer shall become responsible for billing and collection of all revenues which relate to the period after the Proration Time.

**6.4.** All payments received by a Party from and after the Proration Time shall be handled as follows:

- a)** Payments which specifically indicate on the check or on an accompanying remittance advice, or if the Parties agree, that they relate to the period prior to the Closing Date, shall be credited to Sellers.
- b)** Payments which specifically indicate on the check or on an accompanying remittance advice, or if the Parties agree, that they relate to the period from and after the Closing Date, shall be credited to Buyer.
- c)** Payments from or on behalf of Residents with an outstanding balance as of the Closing Date which do not specify the rent or service dates to which such payment relates (or which the Parties cannot otherwise agree as to) will be applied as follows: (1) if such payment is received during the first thirty (30) days after the Closing Date, then such payment shall be first credited to Sellers as payment against such Resident's outstanding balance for rent and services rendered prior to the Closing Date, with any excess credited to Buyer as payment for rents and services rendered after the Closing Date, and (2) if such payment is received more than thirty (30) days after the Closing Date, then such payment shall be first credited to Buyer as payment for rents and services rendered after the Closing Date, with any excess credited to Sellers as payment against such Resident's outstanding balance for rent and services rendered prior to the Closing Date, if any, until payment in full of any such outstanding balance.

**6.5.** Sellers agree to provide to Buyer, within five (5) business days after the Proration Time, an electronic file detailing all Resident Funds, receivables and or other amounts owed to or by the Residents.

**6.6.** If, following the Closing Date, Sellers inadvertently receive any payments related to the Project for the period after the Proration Time, Sellers shall remit the same to Buyer within fifteen (15) days after receipt. If following the Closing Date, Buyer inadvertently receives any payments related to the Project for the period prior the Proration Time, Buyer shall remit the same to Sellers within fifteen (15) days after receipt.

**6.7.** In the event a payment is received for services provided by the Project both prior to and after the Closing Date, the Parties shall remit to the appropriate Party that portion of such payment allocable to services provided prior to the Proration Time for Sellers or after the Proration Time for Buyer.

**6.8.** Sellers will continue to process and pay post-petition accounts payable and other obligations of the Project for periods prior to the Proration Time. Buyer shall commence to process and pay all accounts payable and other obligations of the Project for all periods after the Proration Time. In the event that an account payable obligation is received for services or goods obtained by the Project both prior to and after the Proration Time, the Parties agree to work together to reasonably prorate such obligations using the Proration Time as a gauge to determine each respective Party's financial obligations.

**6.9.** MatrixCare is the electronic health record provider of the Sellers. Sellers shall provide Buyer or its designee with continued administrative access, with its own separate login, to the MatrixCare clinical software until the earlier of (a) such time as Buyer or its designee notifies Sellers that its access to MatrixCare may be terminated, or (b) ninety (90) days from the Closing Date. Buyer shall pay Sellers the cost of maintaining the MatrixCare clinical software at the Project related to the Buyer's use after the Proration Time.

## **7. Access to Records.**

**7.1.** On the Closing Date, Sellers shall deliver to Buyer all of the records of the Project, including, but not limited to, resident medical and financial records and copies of non-confidential and non-proprietary employee records ("**Books and Records**"); provided, however, that nothing herein shall be construed as precluding Sellers from removing from the Project on or prior to the Closing Date the financial records which relate to operations at the Project and/or its overall corporate operations, as long as any resident financial records are kept onsite at the Project so Buyer can comply with any and all regulatory requirements.

**7.2.** Subsequent to the Closing Date, Buyer shall allow Sellers, and their agents and representatives to have reasonable access to (upon reasonable prior notice and during normal business hours), and to make copies of, the Books and Records and supporting material of the Project relating to the period prior to the Closing Date, to the extent reasonably necessary to enable Sellers to properly discharge their duties in the Bankruptcy Cases, for purposes of litigation, legal proceeding or administrative action. In addition, Buyer shall provide a license and online access to Sellers and Outgoing Manager to enable Sellers and Outgoing Manager to have continued access to any accounting software for the period prior to the Closing Date.

**7.3.** Sellers (and their affiliates) shall be entitled to remove the originals of any records delivered to Buyer, for purposes of litigation, legal proceeding or administrative action

involving a resident or Employee to whom such record relates, if Sellers (or their affiliates) or their respective counsel certifies that such original must be produced in order to comply with applicable law or the order of a court of competent jurisdiction in connection with such litigation, legal proceeding or administrative action. Any record so removed shall promptly be returned to Buyer following its use.

7.4. Buyer agrees to maintain such books, records and other material comprising records of the Project's operations prior to the Closing Date that have been received by Buyer from Sellers or otherwise, including, but not limited to, resident records and records of resident funds, to the extent required by law, but in no event for no less than one (1) year, and shall notify and allow Sellers a reasonable opportunity to remove such documents, at Sellers' expense, as may be applicable, at such time after such record retention period as may be required by law has expired or as Buyer shall decide to dispose of such documents.

8. **Contracts.** Subject to delivery of the NDA, within ten (10) business days from the Effective Date, Sellers shall provide to Buyer copies of all vendor, service, referral, placement, medical director, maintenance, operating, collective bargaining, equipment leases, vehicle leases and all other agreements which relate to the operation of the Project, including those for goods, services and equipment being provided or to be provided in connection with the operation of the Project (the "**Operating Contracts**"). Subject to an order of the Bankruptcy Court, effective as of the Closing Date, Sellers shall transfer and assign to Buyer and Buyer hereby accepts such assignment, all of Sellers' rights and interest, if any and only to the extent assignable by Sellers, in those Operating Contracts that are listed on Schedule 1.1(b) of the APA and attached as **Exhibit A** hereto. The Operating Contracts listed in **Exhibit A** hereto are Operating Contracts that the Buyer, in its sole and absolute discretion, has determined are (i) in good standing, (ii) necessary or desirable to ensure the ongoing operation of the Project and (iii) capable of being assigned to and assumed by Buyer pursuant to an assignment and assumption agreement and order of the Bankruptcy Court, and (iv) were identified by Buyer as being Operating Contracts Buyer would like to have assumed and assigned to it, pursuant to the APA. Sellers and Buyer hereby agree to cooperate as may reasonably be necessary in the transition of the Operating Contracts. Buyer shall not assume and shall not be liable for any obligations under any Operating Contracts other than those explicitly listed in **Exhibit A** hereto. To the extent Buyer assumes any Operating Contracts, Buyer shall be responsible for payment of any and all amounts necessary to cure defaults as contemplated in Section 365 (the "**Cure Obligations**")

9. **Intentionally Omitted.**

10. **Licenses.**

10.1. **Preservation of Current License.** Prior to the Closing Date, Sellers shall not:

- a) take any action or commit any omission that would result in the termination, suspension, surrendering, or jeopardizing of the current permits and licenses required under applicable law and regulations, including by DCH to operate the Project as presently operated (the "**Current Facility Licenses**");

- b) reduce the number of licensed beds or certified beds at the Project;
- c) move or transfer the right to any and all of licensed or certified beds of the Project to any other location; and
- d) amend or otherwise change authorized bed capacity and/or the approved number of beds at the Project.

**10.2. Regulatory Survey and Licensure Matters.** In connection with any regulatory survey or licensure matters occurring prior to the Closing Date required for Buyer to obtain any licenses or permits to operate the Project, or in connection with the day-to-day management and operation of the Project, Sellers and Buyer agree to cooperate fully with each other in preparing, filing, prosecuting, and taking any other commercially reasonable actions with respect to any applications, requests, or actions that are or may be reasonable and necessary to obtain all such licenses and permits in Buyer's name. Notwithstanding the foregoing, nothing herein shall require either party to pay any material costs for improving or repairing the physical condition of the Project required to satisfy licensure related inspections.

### **10.3. New Facility License.**

- a) Sellers shall use reasonable commercial efforts to assist Buyer in obtaining a new license from DCH to operate the Project (the "**New Facility Licenses**"), including to the extent within the control of Sellers, supplying any and all information and documentation that DCH may request to approve such new license, which obligation shall extend through the earlier of termination of this Agreement or the date that Buyer obtains such new license.
- b) No later than twenty (20) days prior to the Closing Date, Buyer shall file a Change of Ownership Application with DCH to obtain the New Facility Licenses and also to obtain any and all other licenses and permits as may be required to authorize Buyer to operate the Project as currently operated. To the extent permitted by applicable law and regulation, and pursuant to the terms of this Agreement, Sellers shall allow Buyer to operate the Project under the Current Facility Licenses until the earlier of (i) such a time as DCH issues the New Facility Licenses, or (ii) sixty days after the Closing Date (or such other date as mutually agreed upon by the Parties) (the "**Transition Period**"). Upon expiration of the Transition Period, the Buyer shall immediately cease all use of the Current Facility Licenses and shall no longer have any rights or authority to conduct any business activities or operate the Project utilizing the Current Facility Licenses. For the avoidance of doubt, however, Sellers shall retain, to the extent required by applicable laws and regulations, ultimate authority with respect to operation of the Project while it is operated under the Current Facility Licenses during the Transition Period. Buyer hereby agrees to indemnify and hold Sellers harmless from and



against any and all cost, expense, liability, claim, penalty, fine or damage arising out of or resulting from Buyer's use of the Current Facility Licenses on or after the Closing Date. **Buyer acknowledges that Sellers make no representations, warranties or covenants concerning Buyer's ability and authority under applicable law to operate the Project under the Current Facility Licenses for any period of time.**

**11. Resident Agreements.** Subject to an order of the Bankruptcy Court, Sellers shall transfer, convey and assign to Buyer on the Closing Date all of their respective right, title and interest in and to all existing agreements with residents and any guarantors thereof, to the extent assignable by Sellers, and Buyer shall assume all of the rights and obligations under the existing agreements effective as of the Closing Date.

**12. Proprietary Materials and Intellectual Property.**

**12.1. Intellectual Property Rights.** All United States and foreign patents, patent applications, licenses, trademarks (whether registered or unregistered), service marks, trade names, logos, copyrights and any applications therefor of Sellers, including, without limitation, know-how, inventions, discoveries and improvements, trade secrets, specifications, designs and other technical information owned by or licensed to Sellers relating to the Project and all of the goodwill associated with the foregoing (collectively, "**Intellectual Property Rights**") shall be transferred to Buyer pursuant to the APA, or this Agreement. Notwithstanding the foregoing, Intellectual Property Rights does not include any United States and foreign patents, patent applications, licenses, trademarks (whether registered or unregistered), service marks, trade names, logos, copyrights and any applications therefor of any affiliates of Sellers, including, without limitation, know-how, inventions, discoveries and improvements, trade secrets, specifications, designs and other technical information owned by or licensed to such affiliates and all of the goodwill associated with the foregoing (collectively, "**Excluded IP**"). Buyer acknowledges and agrees that no rights to any Excluded IP are transferred under this Agreement and Buyer has no rights with respect to any Excluded IP.

**12.2. Removal of Proprietary Property.** All proprietary property of Sellers, if any, including any and all Excluded IP of Sellers, will be removed from the Project on or as soon as practicable (not more than seven (7) days) after the Closing Date. Sellers and the Buyer agree to cooperate as reasonably necessary to ensure the prompt removal of such property and materials from the Project within such time period. All use of all Intellectual Property Rights by Sellers at the Project shall cease within seven (7) days after the Closing Date.

**12.3. Marketing Database.** All leads and professional sources for the Project, including names of prospective residents and their families, professional contacts and referral sources and all relevant contact information, phone numbers and addresses in the Project marketing database and/or tracking systems related solely to the Project will be transitioned to Buyer through accessing the data out of the electronic software program. Buyer shall have the option to assume the contract for the software program pursuant to the APA, in which case it will be able to access the information in the software to obtain relevant information. Buyer will be responsible for maintaining the program and paying for any obligation arising from the software

license after the Closing Date. Sellers will take steps to protect information prior to the Closing Date so that data is not deleted or removed prior to the Closing Date. If any referral or lead generating sources were used by Sellers prior to the Closing Date that resulted in a debt due to such source, Sellers shall be responsible for such payments, it being the intention of the Parties that the Buyer shall not be responsible for resident referral fees that resulted in resident move-ins to the Project prior to the Closing Date.

**13. Telephone Number.** Buyer shall have the right to utilize the present telephone numbers at the Project on the condition that Buyer pays for all charges against said numbers incurred after the Proration Time and makes all necessary arrangements for and pays all costs associated with the transfer of the numbers to its name. Sellers agree to pay all prior outstanding charges against said numbers owed as of the Proration Time and to fully cooperate in successfully completing the transfer of the telephone numbers to Buyer.

#### **14. Insurance, Legal Actions, Claims, and Liabilities**

**14.1.** All insurance coverage carried by Sellers relating to the Project, Project employees, and Project residents, will be terminated with respect to the Project as of the Proration Time. Sellers will not have any responsibility for continuing to provide insurance of any kind, including property and casualty insurance, at the Project after the Closing Date. Sellers agree to cooperate with Buyer and provide Buyer with any reasonable information regarding Project insurance coverage, loss notification, loss record, and other related insurance items so that Buyer may properly acquire and bind new insurance policies for the Project.

**14.2.** Buyer will be responsible for securing and paying for all necessary insurance with respect to the Project after the Proration Time in compliance with any applicable laws and regulations.

**14.3.** Sellers will be made an additional named insured by endorsement, at no cost to Sellers, on all property and casualty and general commercial liability insurance policies related to the Project after the Closing Date until such time as Sellers no longer have any interest in the Project or thirty (30) days after Buyer has obtained all necessary licenses and permits to operate the Project whichever comes later. Any self-insured retention or deductible provided for under the insurance policies shall be at Buyer's expense. Buyer agrees to provide to Sellers, upon request, an endorsement evidencing coverage required in this Agreement and showing Sellers' interest as a named insured.

**14.4.** EXCEPT AS SET FORTH IN THE APA, OR IN THIS AGREEMENT, BUYER SHALL NOT BE OBLIGATED TO PAY, PERFORM OR OTHERWISE BE RESPONSIBLE FOR ANY LIABILITIES, CLAIMS, OBLIGATIONS, JUDGMENTS, ORDERS, PENALTIES, ASSESSMENTS, OR DUTIES OF ANY KIND OR NATURE WHATSOEVER WHICH AROSE OUT OF, ACCRUED, OR RELATE IN ANY WAY TO EVENTS THAT OCCURRED PRIOR TO THE CLOSING DATE, INCLUDING, BUT NOT LIMITED TO, ANY LIABILITY OF SELLERS, THEIR AFFILIATES, SUBSIDIARIES, PREDECESSORS-IN-INTEREST, OR RELATED ENTITIES, WHETHER KNOWN OR UNKNOWN, CONTINGENT OR OTHERWISE, (I) FOR TAXES OF ANY KIND OR NATURE RELATED TO THE PERIOD PRIOR TO THE CLOSING DATE; (II) ANY

LIABILITY FOR PAYMENTS UNDER ANY FINANCIAL INSTRUMENT; (III) PROFESSIONAL, OPERATIONAL, EMPLOYMENT, OR MALPRACTICE LIABILITIES; (IV) ANY ERRORS OR OMISSIONS; (V) ANY CONTRACTUAL ARRANGEMENTS, DUTIES, OR OBLIGATIONS; AND (VI) ANY OTHER LIABILITIES, DUTIES, OR OBLIGATIONS TO THE EXTENT ARISING FROM OR RELATED IN ANY WAY TO THE OPERATION AND MANAGEMENT OF THE PROJECT PRIOR TO THE PRORATION TIME (COLLECTIVELY, THE “**BUYER EXCLUDED LIABILITIES**”).

**14.5.** EXCEPT AS SET FORTH IN THE APA, THIS AGREEMENT, OR AS ORDERED BY THE BANKRUPTCY COURT, SELLERS SHALL NOT BE OBLIGATED TO PAY, PERFORM OR OTHERWISE BE RESPONSIBLE FOR ANY LIABILITIES, CLAIMS, OBLIGATIONS, JUDGMENTS, ORDERS, PENALTIES, ASSESSMENTS, OR DUTIES OF ANY KIND OR NATURE WHATSOEVER WHICH AROSE OUT OF, ACCRUED, OR RELATE IN ANY WAY TO EVENTS THAT OCCURRED AFTER THE CLOSING DATE, INCLUDING, BUT NOT LIMITED TO, ANY LIABILITY OF BUYER, THEIR AFFILIATES, SUBSIDIARIES, PREDECESSORS-IN-INTEREST, OR RELATED ENTITIES, WHETHER KNOWN OR UNKNOWN, CONTINGENT OR OTHERWISE, (I) FOR TAXES OF ANY KIND OR NATURE RELATED TO THE PERIOD AFTER THE CLOSING DATE; (II) ANY LIABILITY FOR PAYMENTS UNDER ANY FINANCIAL OBLIGATION ENTERED INTO BY BUYER AFTER THE CLOSING DATE; (III) PROFESSIONAL, OPERATIONAL, EMPLOYMENT, OR MALPRACTICE LIABILITIES; (IV) ANY ERRORS OR OMISSIONS; (V) ANY CONTRACTUAL ARRANGEMENTS, DUTIES, OR OBLIGATIONS; AND (VI) ANY OTHER LIABILITIES, DUTIES, OR OBLIGATIONS TO THE EXTENT ARISING FROM OR RELATED IN ANY WAY TO THE OPERATION, AND MANAGEMENT OF THE PROJECT AFTER THE PRORATION TIME (COLLECTIVELY, THE “**SELLERS’ EXCLUDED LIABILITIES**”).

## **15. Information Technology and Telecommunications.**

**15.1.** Sellers shall provide to Buyer, within five (5) business days of the Effective Date, a list of all providers of telecommunications, data and Internet connectivity services at the Project to permit Buyer to take appropriate action to ensure that such services remain uninterrupted. Sellers shall update such information not less than five (5) business days prior to the Closing Date. Buyer will be responsible for completing all vendor Transfer Service Agreement (“TSA”) requirements. TSA requirements shall be completed or in progress with each relevant vendor on the Closing Date.

**15.2.** All wireless devices located at the Project and owned by Sellers will remain with the Project following the Closing Date. The service (telephone numbers) associated with the devices, shall also remain with the Project. Wireless accounts at the Project will not be disconnected by Sellers on the Closing Date, but shall be transferred to such names as Buyer shall direct.

**15.3.** All other computer hardware and equipment owned by Sellers at the Project (PCs, printers, internal hubs and switches) will remain at the Project following the Closing Date.

**15.4.** Buyer shall certify to Sellers that, in the case of each item of hardware at the Project, with any proprietary software owned, leased or licensed by Sellers or Outgoing Manager, Buyer has removed all licensed and proprietary software and erased all hard drives within fifteen (15) days of the Closing Date. Buyer will use commercially reasonable efforts to procure its own software licenses as of the Closing Date; provided, however, that upon Buyer's request, Sellers shall cooperate with the Buyer and use commercially reasonable efforts to transfer any resident clinical or financial data, or other operations data, to any software platform utilized by the Buyer, and not to destroy or otherwise abandon said data without prior consultation with the Buyer.

**15.5.** Any life safety, resident call, resident monitoring, or other security systems located at the Project will remain with the Project. The Parties agree to execute any documents that may be necessary to transfer such systems to Buyer on the Closing Date. Sellers acknowledge and agree that to the extent that any of these systems have data stored within software that Sellers intend to remove from the Project on the Closing Date, Sellers shall cooperate with the Buyer, at Buyer's request, and use commercially reasonable efforts to transfer such data to the Buyer, and not to destroy or otherwise abandon said data without prior consultation with the Buyer.

**16. Vehicles.** Sellers agree to transfer title to any and all vehicles owned by Sellers and used in connection with the Project, if any, in accordance with the directives of the Buyer as soon as reasonably practicable after the Closing Date. Any insurance coverage on such vehicle placed by Sellers will be cancelled as of the Proration Time and will thereafter be the responsibility of Buyer. Sellers further agree to cooperate as reasonably necessary with the Buyer should any title issues arise regarding any vehicle transfer. Buyer agrees to provide its reasonable cooperation in connection with such vehicle title transfer process.

**17. Project Inventory and Maintenance.** As of the Closing Date, inventories of food, supplies, medicines, towels and linens on-hand at the Project shall be at levels, in quantity or value, consistent with Sellers' past operating practices. Until the Closing Date, the Project will be operated in the normal course with due regard for property maintenance and repair of the Project.

**18. Termination.**

**18.1. Termination Under APA.** This Agreement shall be subject to the same termination and remedy provisions as described in the APA; it being the intention of the Parties that the Parties shall have the same rights, duties, obligations, and remedies as outlined in the termination and remedy provisions of the APA. Except as expressly set forth herein, the closing of the transactions contemplated by this Agreement will occur simultaneously with (and are contingent upon) the occurrence of the "Closing" under the APA and the consummation of the transactions contemplated thereby. In the event the transactions contemplated by the APA do not close, and the APA is terminated according to its terms, the Parties shall use commercially best efforts to undo the actions taken pursuant to this Agreement in order to return operations of the Project to Sellers, but shall not be obligated to reverse any losses or gains that either Party may have incurred in the process of transferring the operations of the Project pursuant to the terms of this Agreement and the APA.

## 19. General Provisions.

**19.1. Further Assurances.** Each of the Parties hereto agrees to execute and deliver any and all further agreements, documents or instruments necessary to effectuate this Agreement and the transactions referred to herein or contemplated hereby or reasonably requested by the other party to perfect or evidence their rights hereunder.

**19.2. Notices.** All notices to be given by any Party to this Agreement to the other Party hereto shall be in writing, and shall be (a) given in person, (b) deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or (c) sent by national overnight courier service, each addressed as follows:

- (a) If to Sellers, to:

Regional Housing & Community Services Corp.  
Katie S. Goodman  
GGG Partners, LLC  
2780 Peachtree Road #502 Atlanta, GA 30305  
[kgoodman@gggmgt.com](mailto:kgoodman@gggmgt.com)

with copy to:

Ashley R. Ray  
Scroggins & Williamson, P.C.  
4401 Northside Parkway  
Suite 450  
Atlanta, GA 30327  
[aray@swlawfirm.com](mailto:aray@swlawfirm.com)

- (b) If to the Buyer, to:

Highlands Senior Living Rome LLC  
Attn: Ramesh Ram  
575 Laurel Oaks Lane  
Milton, GA 30004  
[ramesh@highlands.care](mailto:ramesh@highlands.care)

- (c) If to the Trustee, to:

Mark Heer  
Senior Vice President  
UMB Bank, National Association  
928 Grand Blvd.  
Kansas City, MO 64106  
[Mark.heer@umb.com](mailto:Mark.heer@umb.com)

*With copy to:*

Charles W. Azano  
Greenberg Traurig, LLP  
One International Place  
Suite 2000  
Boston, MA 02110  
[azano@gtlaw.com](mailto:azano@gtlaw.com)

Any such notice personally delivered shall be deemed delivered when actually received, any such notice deposited in the United States mail, registered or certified, return receipt requested, with all postage prepaid, shall be deemed to have been given on the earlier of the date received or the date when delivery is first refused, and any notice deposited with an overnight courier service for delivery shall be deemed delivered on the business day following such deposit. Any Party to whom notices are to be sent pursuant to this Agreement may from time to time change its address for further communications thereunder by giving notice in the manner prescribed herein to all other parties hereto.

**19.3. Payment of Expenses.** Each Party hereto shall bear its own legal, accounting and other expenses incurred in connection with the preparation and negotiation of this Agreement and the consummation of the transactions contemplated hereby, whether or not the transactions are consummated, provided that Sellers' obligations hereunder shall be met in accordance with any applicable orders of the bankruptcy Court.

**19.4. Entire Agreement; Amendment; Waiver.** Other than the APA, this Agreement constitutes the entire understanding between the Parties with respect to the subject matter hereof, superseding all negotiations, prior discussions and preliminary agreements. This Agreement may not be modified or amended except in writing signed by the Parties hereto. No waiver of any term, provision or condition of this Agreement in any one or more instances, shall be deemed to be or be construed as a further or continuing waiver of any such term, provision, condition or rights granted hereunder.

**19.5. Assignment.** Neither this Agreement nor the rights, duties or obligations arising hereunder shall be assignable or delegable by any Party hereto without the express prior written consent of each other Party hereto; provided, however, Buyer may assign some or all of its rights hereunder to an affiliate or related entity without the prior written consent of Sellers; provided further, however, that Buyer and its assignee will thereafter be jointly and severally liable for all obligations and liabilities arising out of this Agreement.

**19.6. Joint Venture; Third Party Beneficiaries.** Nothing contained herein shall be construed as forming a joint venture or partnership between the Parties hereto with respect to the subject matter hereof. The Parties hereto do not intend that any third party shall have any rights under this Agreement; provided, however, that the Trustee and the holders of the Bonds (as defined in the APA) are expressly recognized by the Parties as beneficiaries of this Agreement.

**19.7. Captions.** The section headings contained herein are for convenience only and shall not be considered or referred to in resolving questions of interpretation.

**19.8. Counterparts.** This Agreement may be executed in one or more counterparts and all such counterparts taken together shall constitute a single original Agreement.

**19.9. Governing Law; Jurisdiction and Venue.** This Agreement shall be governed in accordance with the laws of the State of Georgia and exclusive jurisdiction and venue for the resolution of any and all disputes between the parties shall reside with the Court.

**19.10. Severability.** This Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited or invalid under any such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating or nullifying the remainder of such provision or any other provisions of this Agreement.

**19.11. Limitation on Liability.** Other than enforcing the obligations set forth in this Agreement, no party to this Agreement, including their members, directors, and affiliates, shall have any liability to the other parties to this Agreement for actions taken in contemplation with this Agreement or otherwise with respect to the transition of the operations of the Project to Buyer as set forth herein.

**[SIGNATURES APPEAR ON FOLLOWING PAGE]**

IN WITNESS WHEREOF, the parties hereby execute this Agreement as of the day and year first set forth above.

**BUYER:**

Signed by:

*Ramesh Ramchandran*

By: \_\_\_\_\_

D831DAG16CDA4A3

Name: Ramesh Ramchandran

Title: Officer

**SELLERS:**

DocuSigned by:

*Katie Goodman*

By: \_\_\_\_\_

11E0088971511

Name: Katie Goodman

Title: Chief Restructuring Officer

**ACKNOWLEDGED BY THE TRUSTEE:**

UMB Bank, N.A. as Trustee

Signed by:

*Mark Heer*

By: \_\_\_\_\_

3AF0224E70F1455...

Name: Mark Heer

Title: Senior Vice President



**Exhibit A**

**Schedule 1.1(a)**

**Real Estate**

**EXHIBIT A**  
Legal Description

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 147 of the 22nd District, 3rd Section of Floyd County, Georgia, and being more particularly described as follows:

BEGIN at an iron pin set at the intersection of the south right-of-way line of Chulio Road (100 foot right-of-way) and the east right-of-way line of Valley View Drive (50 foot right-of-way) and run along the south right-of-way line of Chulio Road S 51° 04' 26" E a distance of 12.10 feet to an iron pin set; thence along said right-of-way S 58° 35' 53" E a distance of 27.58 feet to an iron pin set; thence along said right-of-way line S 60° 26' 23" E a distance of 120.85 feet to an iron pin set; thence along said right-of-way S 59° 33' 44" E a distance of 49.22 feet to an iron pin set; thence S 32° 01' 37" W a distance of 24.69 feet to an iron pine set; thence S 56° 02' 25" E a distance of 34.70 feet to an iron pin set; thence S 32° 24' 01" W a distance of 343.17 feet to an iron pin found; thence N 67° 00' 31" W a distance of 318.66 feet to an iron pin found on the east right-of-way line of Valley View Drive; thence along said east right-of-way line N 42° 00' 00" E a distance of 420.00 feet to the POINT OF BEGINNING.

Said tract contains 2.4660 acres or 107,418 square feet.

**Schedule 1.1(b)**  
**Assigned Contracts**

**RHCSC Rome AL Holdings LLC**

<b>Counterparty</b>	<b>Description</b>	<b>Cure Amount</b>
Hitachi Capital America Corp	Equipment Finance Agreement: Your Laundry Source	\$0.00
RHCSC Rome Health Holdings LLC	Real Property Lease for Facility Located at The Gardens of Rome	\$0.00

**RHCSC Rome Health Holdings LLC**

<b>Counterparty</b>	<b>Description</b>	<b>Cure Amount</b>
RHCSC Rome AL Holdings LLC	Real Property Lease for Facility Located at The Gardens of Rome	\$0.00

**Schedule 1.1(c)**  
**Causes of Action**

None.

**Schedule 1.1(d)**

**Excluded Assets**

None.

**Schedule 2.1**

**Assumed Liabilities**

None.



**CERTIFICATE OF SERVICE**

This is to certify that on this date a true and correct copy of the within and foregoing **Notice of Filing Exhibits and Schedules to Asset Purchase Agreement** was served by the Court's CM/ECF system on all counsel of record registered in this case through CM/ECF.

This 18th day of September, 2024.

Respectfully submitted,

SCROGGINS, WILLIAMSON & RAY, P.C.

4401 Northside Parkway  
Suite 230  
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*