

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:	§	Chapter 11
	§	Case No. 24-42473-659
MIDWEST CHRISTIAN VILLAGES,	§	
INC. <i>et al</i> , ¹	§	Jointly Administered
	§	
Debtors.	§	Hearing Date: November 22, 2024
	§	Hearing Time: 10:00 a.m. (CT)
	§	Hearing Location: Courtroom 7 North

**NOTICE OF DEBTORS' DESIGNATION OF RNG BEH CN CL MG LLC
AS WINNING BIDDER FOR 5 FACILITIES**

PLEASE TAKE NOTICE that on July 16, 2024, Debtors filed the *Motion For The Entry of: (A) An Order: (1) Approving Auction Sale Format and Bidding Procedures; (2) Approving Process For Discretionary Selection of Stalking Horse Bidder and Bid Protections; (3) Approving Form of Notice To Be Provided To Interested Parties; (4) Scheduling A Court Hearing To Consider Approval of The Sale To The Highest and Best Bidder; and (5) Approving Procedures Related To The Assumption of Certain Executory Contracts and Unexpired Leases; and (B) An Order Authorizing The Sale of Property Free and Clear of All Claims, Liens And Encumbrances* (the "Sale Motion") [Docket No. 13], which the Court granted on a final basis [Docket No. 159] (the "Bid and Sale Procedures Order").

PLEASE TAKE FURTHER NOTICE that on November 12, 2024 starting at 10:00 a.m. (CT), pursuant to the Bid and Sale Procedures Order, the Debtors' conducted the Auction with respect to the Debtors' Assets at Dentons US LLP, 233 S. Wacker Drive, Suite 5900, Chicago, IL 60606 with an opportunity to submit sealed bids thereafter.

¹ The address of the Debtors headquarters is 2 Cityplace Dr, Suite 200, Saint Louis, MO 63141-7390. The last four digits of the Debtors' federal tax identification numbers are: (i) Midwest Christian Villages, Inc. [5009], (ii) Hickory Point Christian Village, Inc. [7659], (iii) Lewis Memorial Christian Village [3104], (iv) Senior Care Pharmacy Services, LLC [1176], (v) New Horizons PACE MO, LLC [4745], (vi) Risen Son Christian Village [9738], (vii) Spring River Christian Village, Inc. [1462], (viii) Christian Homes, Inc. [1562], (ix) Crown Point Christian Village, Inc. [4614], (x) Hoosier Christian Village, Inc. [3749], (xi) Johnson Christian Village Care Center, LLC [8262], (xii) River Birch Christian Village, LLC [7232], (xiii) Washington Village Estates, LLC [9088], (xiv) Christian Horizons Living, LLC [4871], (xv) Wabash Christian Therapy and Medical Clinic, LLC [2894], (xvi) Wabash Christian Village Apartments, LLC [8352], (xvii) Wabash Estates, LLC [8743], (xviii) Safe Haven Hospice, LLC [6886], (xix) Heartland Christian Village, LLC [0196], (xx) Midwest Senior Ministries, Inc. [3401]; (xxi) Shawnee Christian Nursing Center, LLC [0068]; and (xxii) Safe Haven Hospice, LLC [6886].



PLEASE TAKE FURTHER NOTICE that the Debtors have selected RNG BEH CN CL MG LLC as the winning bidder (the “Winning Bidder” or the “Winning Bid”) pursuant to the terms of an Asset Purchase Agreement, a copy of which is attached hereto as **Exhibit A** for the following five properties:

Washington Estates (HUD Loan), Wabash Estates (HUD Loan), Wabash Apartments (IHDA Loan), Spring River (Joplin, Missouri) and Risen Son (Council Bluffs, Iowa)

for an aggregate purchase price of \$14,500,000 plus (i) Assumed Liabilities, (ii) the Cure Costs and (iii) payment of the Illinois Housing Development Authority Loan on Wabash Apartments, less the amount of the HUD Loans, to the extent assumed at Closing, as set forth in the Asset Purchase Agreement;

PLEASE TAKE FURTHER NOTICE that the Debtors are not proceeding with the separate Asset Purchase Agreement for Iowa and Missouri with a combination of BEH and Ocean Healthcare;

PLEASE TAKE FURTHER NOTICE that the final Sale Hearing on the Sale Motion is set for November 22, 2024 at 10:00 a.m. (prevailing Central Time) in the United States Bankruptcy Court, Courtroom 7 North, Eagleton Courthouse, 111 South Tenth Street, St. Louis, Missouri 63102; and

PLEASE TAKE FURTHER NOTICE, that at the Sale Hearing, the Debtors will seek the Court’s approval of the Winning Bid. Unless the Court orders otherwise, the Sale Hearing shall be an evidentiary hearing (which evidence may be via proffer) on matters relating to the Sale Transaction and there will be no further bidding at the Sale Hearing.

Dated: November 21, 2024
St. Louis, Missouri

Respectfully submitted,

DENTONS US LLP
/s/ Stephen O’Brien

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– and –

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*Co-Counsel to the Debtors and
Debtors-in-Possession*

Exhibit A

Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

by and among

Washington Village Estates, LLC,

Wabash Estates, LLC,

Wabash Christian Village Apartments, LLC,

Risen Son Christian Village

and Spring River Christian Village, Inc.,

each, as a Seller, and collectively, Sellers

and

RNG BEH CN CL MG LLC,

Buyer,

dated as of November __, 2024

EXHIBITS LIST

Exhibit 3.02(a) - Bill Of Sale Of Personal Property

Exhibit 3.02(b) - Assignment and Assumption Agreement

Exhibit 3.02(c) - Form of Quit Claim Deed

Exhibit 3.04(a) - HUD Change of Ownership Review Checklist

Exhibit 7.01(b) – Form of Sale Order

DISCLOSURE SCHEDULES

Schedule 1 to Asset Purchase Agreement – Facilities to be Purchased

Schedule 2.01(a) to Asset Purchase Agreement - Description of Real Property

Schedule 2.01(g) to Asset Purchase Agreement – Intellectual Property

Schedule 2.02(b) to Asset Purchase Agreement – Prepaid Expenses and Credits Related to Assumed Liabilities

Schedule 2.02(d) to Asset Purchase Agreement – Deposit Accounts

Schedule 2.03(d) to Asset Purchase Agreement – Liabilities

Schedule 2.07 to Asset Purchase Agreement – Allocation

Schedule 4.05 to Asset Purchase Agreement – Material Contracts

Schedule 4.07 to Asset Purchase Agreement – Permits and Regulatory Approvals

Schedule 4.08 to Asset Purchase Agreement – Litigation Proceedings

Schedule 4.11 to Asset Purchase Agreement – Employee Relations

Schedule 4.12 to Asset Purchase Agreement – Insurance Policies

Schedule 4.15 to Asset Purchase Agreement- Residency Agreements

Schedule 6.05 to Asset Purchase Agreement – Assumed Contracts and Rejected Contracts

Schedule 8.01(g) to Asset Purchase Agreement- Employee Benefit Plans

ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (this “**Agreement**”) is made and entered into effective as of November __, 2024 (the “**Execution Date**”) by and among the undersigned seller entities (individually a “**Seller**” and collectively, the “**Sellers**”) and RNG BEH CN CL MG LLC, a New Jersey limited liability company (“**Buyer**”). Buyer and Seller are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS:

A. Each Seller owns and operates a senior living community or other business as set forth on **Schedule 1** hereto (individually, a “**Facility**” and collectively, the “**Facilities**”, as further defined in Article I below).

B. On July 16, 2024 (the “**Petition Date**”), the Sellers and certain of their Affiliates each filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Eastern District of Missouri (the “**Bankruptcy Court**”), commencing jointly administered bankruptcy cases captioned *In re Midwest Christian Villages, Inc., et al.*, under lead case number 24-42473-659 (the “**Bankruptcy Case**”).

C. The Sellers and their co-debtor Affiliates in the Bankruptcy Case continue to own and operate the Facilities during the pendency of the Bankruptcy Case as debtors in possession under and pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

D. Upon the terms and subject to the conditions set forth in this Agreement, and as may be authorized under Sections 105, 363 and 365 of the Bankruptcy Code, each Seller wishes to sell to Buyer, and Buyer wishes to purchase from the Sellers all of the Purchased Assets (as hereinafter defined), and Buyer is willing to assume all of the Assumed Liabilities (as hereinafter defined), relating to or used in connection with the Facilities.

E. The transactions contemplated by this Agreement are subject to the approval of the Bankruptcy Court and will be consummated pursuant to and in accordance with the Bid and Sale Procedures Order and a Sale Order (each as defined below) entered by the Bankruptcy Court pursuant to Sections 105(a), 363, 365 and other applicable provisions of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing and mutual covenants, representations, warranties and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I DEFINITIONS

Unless the context otherwise clearly and unambiguously requires, capitalized terms shall have the meanings prescribed to them herein.

"Accrued PTO" shall have the meaning set forth in Section 8.01(c).

"Action" means any claim, action, cause of action, demand, lawsuit, arbitration, notice of violation, proceeding, litigation, citations, summons or subpoena, whether civil, criminal, administrative, regulatory, or otherwise, and whether at law or in equity.

"Affiliate" means, as to the entity in question, any entity that directly or indirectly controls, is controlled by or is under common control with, the entity in question and the term "control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity whether through ownership of voting securities, by contract or otherwise.

"Affiliate of Seller" or "Seller and/or its Affiliates" shall mean any Affiliate of Seller or the operator of any of the Facilities.

"Alternative Transaction" shall have the meaning set forth in Section 9.01(a).

"Assignment and Assumption Agreements" shall have the meaning set forth in Section 3.02(b).

"Assumed Contracts" shall have the meaning set forth in Section 2.01(d).

"Assumed Liabilities" shall have the meaning set forth in Section 2.03.

"Bankruptcy Case" shall have the meaning set forth in the Recitals.

"Bankruptcy Code" shall have the meaning set forth in the Recitals.

"Bankruptcy Court" shall have the meaning set forth in the Recitals.

"Bankruptcy Rules" means the Bankruptcy Rules of Civil Procedure and any local or other rules that applicable to the Bankruptcy Court.

"Bid and Sale Procedures" has the meaning specified in the Bid and Sale Procedures Order.

"Bid and Sale Procedures Order" means the Order of the Bankruptcy Court (including all schedules thereto) approving the Bid and Sale Procedures entered on July 29, 2024 [Dkt. No. 102], including those procedures granting Buyer the protections and benefits set forth in such Order.

"Bills of Sale" shall have the meaning set forth in Section 3.02(a) hereof and substantially in the form set forth in Exhibit 3.02(a) hereto.

"Bond Trustee" means UMB Bank, N.A., not individually, but solely in its capacities as successor master trustee and successor bond trustee with respect to certain obligations and bonds issued by or for the benefit of certain of the Sellers and/or their Affiliates that are members of the Obligated Group formed under and pursuant to that certain Master Indenture, dated as of June 1, 2007 (as amended or supplemented from time to time), among such Obligated Group and UMB Bank, N.A., as successor master trustee.

"Business" means Seller's use and operation of the Purchased Assets at the applicable Facility as a senior living community [or as applicable, a pharmacy].

“Business Day” means any day except Saturday, Sunday or any other day on which commercial banks located in New York, New York or St. Louis, Missouri are authorized or required by Law to be closed for business.

“Buyer” shall have the meaning set forth in the Preamble.

“Buyer Closing Certificate” shall have the meaning set forth in Section 3.02(d).

“Casualty Loss” shall have the meaning set forth in Section 6.08.

“Casualty Notice” shall have the meaning set forth in Section 6.08.

“Claims” means, with respect to the period prior to the Closing Date, any right to payment from Sellers, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, legal, equitable, secured or unsecured, known or unknown; or any right to an equitable remedy for breach of performance if such breach gives rise to a right of payment from Sellers, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

“Closing” shall have the meaning set forth in Section 3.01.

“Closing Date” shall have the meaning set forth in Section 3.01.

“Closing Statement” shall have the meaning set forth in Section 3.02(g).

“Conditions Satisfaction Deadline” shall have the meaning set forth in Section 9.01(a).

“Consents” shall have the meaning set forth in Section 6.02.

“Contracts” means all contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments, and legally binding arrangements, whether written or oral.

“Cure Amount” means the amount determined in an order of the Bankruptcy Court required to be paid to have an Assumed Contract that the Buyer wants assumed and assigned to it which Cure Amount shall be paid by Buyer.

“Deeds” shall have the meaning set forth in Section 3.02(c).

“Deposit Accounts” shall have the meaning set forth in Section 2.02(d).

“Dollars” or **“\$”** means the lawful currency of the United States of America.

“Due Diligence Materials” shall have the meaning set forth in Section 5.07.

“Effective Time” shall have the meaning set forth in Section 3.01.

“Encumbrances” shall mean all security interests, liens, pledges, claims, charges, encumbrances, rights of first refusal, conditional sales agreements, options, mortgages, indentures or other covenants, agreements or obligations affecting title to any of the Purchased Assets (except, in the case of the Real Property, those matters (i) of public record that do not constitute mortgages, deeds of trust or other monetary liens for liquidated amounts, (ii) disclosed on any survey delivered by Seller to Buyer, or (iii) constituting rights of way, easements and other grants or restrictions that do not interfere with use of the Facility for its intended purpose).

“Environmental Claim” means any Action, governmental Order, lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom, by or from any Person alleging liability of whatever kind or nature (including liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources damages, property damages, personal injuries, medical monitoring, penalties, contribution, indemnification and injunctive relief) arising out of, based on or resulting from (a) the presence, release of or exposure to any Hazardous Materials or (b) any actual or alleged non-compliance with any Environmental Law.

“Environmental Law” means any applicable Law: (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. The term “Environmental Law” includes, without limitation, the following (including their implementing regulations and any state analogs): the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 *et seq.*; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 *et seq.*; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 *et seq.*; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 *et seq.*; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 *et seq.*; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 *et seq.*; and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 *et seq.*

“Escrow Agent” means Chicago Title and Trust.

“Escrow Deposit” shall have the meaning set forth in Section 2.06(a).

“Escrow Deposit Agreement” shall have the meaning set forth in Section 2.06(a).

“Excluded Assets” shall have the meaning set forth in Section 2.02.

“Excluded Liabilities” shall have the meaning set forth in Section 2.04.

“Execution Date” shall have the meaning set forth in the preamble.

“**Facility**” and “**Facilities**” shall mean the following properties in which the applicable Seller conducts business operations:

- (i) Washington Village Estates - 1150 Newcastle Rd. Washington, Illinois 61571 (“Washington Village”).
- (ii) Wabash Estates - 532 Abelson Drive, Carmi, Illinois 62821 (“Wabash Estates”).
- (iii) Wabash Christian Apartments - 548 Abelson Drive, Carmi, Illinois 62821 (“Wabash Apartments”).
- (iv) Spring River Christian Village - 201 South Northpark Lane, Joplin, Missouri 64801 (“Spring River”).
- (v) Risen Son Christian Village – 3000 Risen Son Boulevard, Council Bluffs, Iowa 51503 (“Risen Son”).

“**Facility Employees**” shall have the meaning set forth in Section 4.11.

“**Final Order**” means an Order or judgment: (i) as to which the time to appeal, petition for certiorari or move for review or rehearing has expired and as to which no appeal, petition for certiorari or other proceeding for review or rehearing is pending, or such an appeal has been rendered statutorily moot pursuant to Section 363(m) of the Bankruptcy Code or (ii) if an appeal, writ of certiorari, reargument or rehearing has been filed or sought, and a stay pending appeal has been entered, the Order or judgment has been affirmed by the highest court to which such Order or judgment was appealed or certiorari has been denied, or reargument or rehearing shall have been denied or resulted in no modification of such Order or judgment, and the time to take any further appeal or to seek certiorari or further reargument or rehearing has expired; provided that the theoretical possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such Order or judgment shall not prevent such Order or judgment from being considered a Final Order.

“**Financial Statements**” shall have the meaning set forth in Section 4.13.

“**Government Entity**” means any government or branch or division thereof, including any agency, bureau, board, directorate, commission, court, department, official, political subdivision, tribunal or other instrumentality of any government, whether federal, state or local.

“**Hired Employees**” shall have the meaning set forth in Section 8.01(b).

“**HUD**” means the U.S Department of Housing and Urban Development.”

“**HUD Debt**” means the total unpaid balance of the loans made by Lument and insured by HUD in favor of the Sellers and secured by mortgages and blanket security interests on all assets of the HUD Facilities, including any attorneys’ fees due and payable under the Lument Loan Documents.

“**HUD Facilities**” shall mean Washington Village and Wabash Estates.

“Insurance Policies” shall have the meaning set forth in Section 4.12.

“Intangible Personal Property” shall have the meaning set forth in Section 2.01(b).

“Intellectual Property Assets” means all intellectual property and intellectual property rights and assets, and all rights, interests and protections that are associated with, similar to, or required for the exercise of, any of the foregoing, however arising, pursuant to the Laws of any jurisdiction throughout the world, whether registered or unregistered, including without limitation the items listed in Schedule 2.01(g).

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended.

“Inventory” shall have the meaning set forth in Section 2.01(c).

“IRS” means the Internal Revenue Service.

“IT Assets” means, to the extent reasonably transferable, (i) computer software code (in all media) and materials, including all software programs; (ii) computer software documentation, including user materials; and (iii) all other unused or reusable materials, stores, and supplies related to computer software.

“Knowledge of Buyer” or ***“Buyer’s Knowledge”*** or any other similar knowledge qualification, means the actual knowledge of Steven Feldman.

“Knowledge of Sellers” or ***“Sellers’ Knowledge”*** or any other similar knowledge qualification, means the actual knowledge of Kate Bertram, Barb Shepard, Kenna Hudson and Shawn O’Conner.

“Law” means any statute, law, ordinance, regulation, rule, code, Order, constitution, treaty, common law, judgment, decree, other requirement, or rule of law of any governmental authority.

“Liabilities” means liabilities, obligations, or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute, or contingent, accrued or unaccrued, matured or unmatured or otherwise.

“Licenses” shall have the meaning set forth in Section 2.01(e).

“Lien” means any lien, charge, claim, pledge, security interest, conditional sale agreement or other title retention agreement, lease, mortgage, security interest, option, or other encumbrance.

“Loss” or ***“Losses”*** means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys’ fees hereunder and the cost of pursuing any insurance providers; provided, however, that “Losses” shall not include punitive damages, except in the case of fraud or to the extent actually awarded to a governmental authority or other third party.

“Lument” means Lument Real Estate Capital, LLC, formerly known as Lancaster Pollard Mortgage Company.

“Lument Loan Documents” means the Mortgage Note, Mortgage, Security Agreement, and all related documents and documents referred to as ‘Loan Documents’ in the foregoing for each of the HUD Facilities.

“Material Consents” shall have the meaning set forth in Section 7.01(c).

“Material Contracts” shall have the meaning set forth in Section 4.05.

“Non-HUD Loan Facility” shall mean the facility known as Wabash Apartments.

“Order” means, with respect to any Person, any award, decision, injunction, judgment, stipulation, order, ruling, subpoena, writ, decree, consent decree or verdict entered, issued, made, or rendered by any government entity or the Bankruptcy Court affecting such Person or any of its properties.

“Outside Closing Date” means December 31, 2024, unless extended by mutual agreement of the Buyer and the Sellers.

“Permitted Encumbrances” means (i) Liens for Taxes not yet due and payable, (ii) easements, rights of way, zoning ordinances and other similar encumbrances affecting the Real Property which (x) are not, individually or in the aggregate, material to the Purchased Assets or the Business(es), (y) do not prohibit or interfere with the current operation of the Business(es), and (z) do not render title to any Real Property unmarketable or uninsurable, and (iii) any matters set out in a Title Insurance Commitment which Sellers are not obligated to remove in accordance with Section 2.10 hereof.

“Permits and Regulatory Approvals” means all permits, licenses, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from governmental authorities, all as identified in Schedule 4.07.

“Person” means an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association, or other entity.

“Petition Date” shall have the meaning set forth in the Recitals.

“Proration Time” means 12:01 a.m. (Central Time) on the Closing Date.

“Purchase Price” shall have the meaning set forth in Section 2.05.

“Purchase Price Allocation” shall have the meaning set forth in Section 2.07.

“Purchase Price Balance” shall have the meaning set forth in Section 2.06(b).

“Purchased Assets” shall have the meaning set forth in Section 2.01. Purchased Assets shall not include Excluded Assets.

“Real Property” shall have the meaning set forth in Section 2.01(a).

“Regulatory Agreement” shall mean the Regulatory Agreement for Multifamily Housing Projects applicable for each of the HUD Facilities, by and between the applicable Seller and HUD.

“Rejected Contracts” shall have the meaning set forth in Section 6.09(d)

“Sale” means the sale of the Purchased Assets in accordance with the Bid and Sale Procedures Order and subject to entry of the Sale Order as a Final Order.

“Sale Hearing” shall have the meaning given to such term in the Bid and Sale Procedures Order.

“Sale Motion” means the Debtors’ Motion for the Entry of (A) an Order (1) Approving Auction Sale Format and Bidding Procedures, (2) Approving Process for Discretionary Selection of Stalking Horse Bidder and Bid Protections, (3) Approving Form of Notice to be Provided to Interested Parties, (4) Schedule a Court Hearing to Consider Approval of the Sale to the Highest and Best Bidder, and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases, and (B) an Order Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances [Dkt. No. 013].

“Sale Order” means the Order of the Bankruptcy Court issued pursuant to Sections 363 and 365 of the Bankruptcy Court, authorizing and approving, among other things: (i) the sale, transfer and assignment of the Purchased Assets and the Assumed Liabilities to Buyer in accordance with the terms and conditions of this Agreement, free and clear of all Liens, Claims and Encumbrances and (ii) the assumption and assignment of the Assumed Contracts in connection therewith and as a part thereof, in substantially the form attached hereto as Exhibit 7.01(b).

“Seller” and **“Sellers”** shall have the meanings set forth in the preamble.

“Seller Closing Certificate” shall have the meaning set forth in Section 3.02(d).

“Survey” shall have the meaning set forth in Section 2.10(a).

“Tax” or **“Taxes”** means all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, documentary, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

“Tangible Personal Property” shall have the meaning set forth in Section 2.01(b).

“Title Insurance Commitment” shall have the meaning set forth in Section 2.10(a).

“Title Defect” shall have the meaning set forth in Section 2.10(b).

“Title Objection” shall have the meaning set forth in Section 2.10(b).

“Title Objection Response Deadline” shall have the meaning set forth in Section 2.10(b).

“Transaction Documents” means this Agreement, the Bills of Sale, the Assignment and Assumption Agreements, the Deeds, any operations transition agreements, and the other agreements, instruments and documents required to be delivered at the Closing.

“WARN Act” means the federal Worker Adjustment and Retraining Notification Act of 1988, and similar state, local and foreign laws related to plant closings, relocations, mass layoffs and employment losses.

ARTICLE II SALE OF ASSETS

Section 2.01 Sale of Assets. Subject to the terms and conditions set forth in this Agreement and in the Sale Order, and subject to Bankruptcy Court approval and higher and better bids in accordance with the Bid and Sale Procedure Order and excepting the Excluded Assets, the applicable undersigned Seller hereby agrees to sell, convey, assign, transfer and deliver to Buyer, and Buyer, as a good faith purchaser for value within the meaning of Section 363(m) of the Bankruptcy Code, shall purchase from each such Seller, all right, title and interest of each such Seller in, and to all of the following assets, free and clear of all Liens, Claims and Encumbrances (collectively, the ***“Purchased Assets”***):

- (a) The land, building(s), improvements and other related real estate interests that comprise the Facility more specifically described on Schedule 2.01(a) (collectively, the ***“Real Property”***), together with all rights, privileges, and appurtenances pertaining to such real estate, including, without limitation, any and all rights of Seller, if any, in and to adjacent roads, alleys, easements, streets and ways, and all water rights, utility rights, mineral rights, development and air rights;
- (b) Tangible personal property owned by such Seller and used in the operation of the Business, including all equipment, furniture, fixtures, and leasehold improvements of such Seller (the ***“Tangible Personal Property”***) and, to the extent assignable, intangible personal property related to the Businesses, including any warranties, zoning approvals, building permits, certificates, entitlements and approvals, and the right to use the common use name of each Facility; (the ***“Intangible Personal Property”***);
- (c) Inventory and supplies usable or saleable in the operation of the Business, including, but not limited to, the inventory of food and consumables (the ***“Inventory”***);
- (d) The Assumed Contracts listed on Schedule 6.05;
- (e) The Sellers’ National Provider Identified (NPI) numbers and other applicable provider numbers with any state or other governing body;
- (f) Licenses, permits, certifications, certificates of need, and accreditations held by Seller relating to the ownership, development and operation of the Business (including any applications and pending approvals), to the extent assignable (the ***“Licenses”***);

- (g) Intellectual Property used in the operation of the Business, facilities and properties, including, but not limited to logos, trademarks and the items listed on Schedule 2.01(g), to the extent assignable;
- (h) The IT Assets;
- (i) Paper and/or electronic resident records relating to Seller's past and present residents of the Facility;
- (j) Manufacturers' and vendors' warranties and guaranties relating to the Purchased Assets, to the extent transferable, and rights and claims that may be asserted by (but not against) Seller related to the Purchased Assets;
- (k) Equipment records, documents, catalogs, books, records, files, operating manuals, procedures forms and other records relating to the Purchased Assets and the business or operations of the Facilities (but excepting any documents or records relating to Seller's tax returns and Seller's internal corporate affairs);
- (l) Goodwill associated with the Purchased Assets;
- (m) To the extent owned by the Seller or an Affiliate of Seller, all vehicles, appliances, maintenance equipment, supplies and tools, physical therapy equipment, medical apparatuses, ventilator units, computer hardware, computer software, computer switches and servers, telephones and telephone systems, kitchen equipment, patient or resident room furnishings, all site plans, surveys, plans and specifications, and floor plans in the possession of the Seller and other tangible property and assets that are located in the Facility or utilized in connection with the owning, operating or managing the operations of the Facility.
- (n) Sellers' (and, if applicable, any Affiliate of Seller's) leases, contracts and agreements with residents (the "**Residents**") of the Facilities (the "**Residency Agreements**"); and
- (o) The interest of Seller in all property of the foregoing types, arising or acquired by the applicable Seller in the ordinary course of the Business between the Execution Date and the Closing.

Section 2.02 Excluded Assets. Notwithstanding anything to the contrary set forth in Section 2.01 above, each Seller shall keep and retain title to and ownership of and shall not transfer, assign, convey or deliver to Buyer any asset not identified herein as a Purchased Asset, all of which shall remain the exclusive property of such Seller. Without limiting the generality of the foregoing, such non-Purchased Assets (collectively, the "**Excluded Assets**") shall include, without limitation:

- (a) Cash and cash equivalents, including, without limitation, stocks, bonds, commercial paper, and other securities and investments;

- (b) All prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of setoff, rights of recoupment, deposits, charges, sums and fees (including any such item relating to the payment of Taxes), except for any such amounts in connection with Assumed Liabilities identified on Schedule 2.02(b) or those pertaining to the period after the Effective Time.
- (c) Accounts receivable and notes receivable generated in connection with the operation of the Business prior to the Effective Time, including, without limitation, intercompany receivables;
- (d) Bank accounts of Seller set forth on Schedule 2.02(d) (collectively, the “***Deposit Accounts***”) and any records relating thereto;
- (e) (i) original Tax, accounting and financial records which pertain exclusively to the Excluded Assets or the Excluded Liabilities including, but not limited to, accounts receivable records, tax returns and related records, litigation files and records, and cost report records, (ii) all corporate or limited liability organizational records of Seller, including all charter documents, stock ledgers, minute books and other corporate records of Seller, and (iii) such other files, books and records which pertain exclusively to the Excluded Assets or the Excluded Liabilities or to the formation, existence or capitalized of Sellers;
- (f) Software that is not freely transferable by the terms of any license agreement respecting the same;
- (g) Refunds of any taxes to the extent the same relate to periods prior to the Closing Date;
- (h) All prepaid utility deposits and other deposits and refunds which are owed to, escrowed by, or the property of Seller;
- (i) Without limiting the generality of the foregoing clause (g), any and all payments or rights to payment arising out of, or in connection with, Employee Retention Credits, the Coronavirus Aid, Relief and Economic Security (CARES) Act, the Consolidated Appropriations Act of 2021 (CAA) or the American Rescue Plan Act (ARPA);
- (j) Any policies of insurance and/or interests in insurance pools and programs, and all claims made and rights to payment thereunder;
- (k) All Contracts other than Assumed Contracts and obligations thereunder;
- (l) Any benefit plans offered by Seller to Facility Employees or any assets relating thereto;
- (m) All cause or causes of action or claim or claims arising in connection with or relating to events that occurred prior to the Closing Date, and rights to recovery pursuant to all causes of actions and claims of Seller existing as of the Closing Date, but excluding any claim, causes of action, defense, setoff, or recoupment related to Assumed Contracts;

- (n) All work product, attorney-client and accountant-client privileged materials held or controlled by Seller;
- (o) Actions unrelated to the day-to-day operations of the Facility and all avoidance actions under Chapter 5 of the Bankruptcy Code;
- (p) All intercompany receivables; and
- (q) All rights accruing or to accrue to Sellers under this Agreement.

Section 2.03 Assumed Liabilities. As partial consideration for the transfer, assignment and delivery of the Purchased Assets to Buyer, and upon the terms and subject to the conditions set forth in this Agreement, Buyer shall assume, pay and perform the following liabilities and obligations of Seller (collectively, the “*Assumed Liabilities*”):

- (a) (i) The Cure Amounts and (ii), all Liabilities and obligations arising under the Assumed Contracts from and after the Effective Time;
- (b) All Liabilities arising from (i) Accrued PTO for Washington Village, Wabash Estates and Wabash Apartments, (ii) Accrued PTO for Spring River and Risen Son up to the amount of one (1) year of PTO liability, and (iii) all Liabilities arising from and after the Effective Time, in each case for any Hired Employees;
- (c) Buyer to assume liability for all Entrance Fees of residents that are residing at the Facilities at the time of Closing.
- (d) Buyer to assume liability for all resident deposits that have either been transferred to Buyer by Seller on the Closing Date or for which Buyer has received a credit towards the Purchase Price at Closing.
- (e) Those Liabilities of the Sellers set forth in Schedule 2.03(d);
- (f) All liabilities and obligations created by this Agreement respecting Buyer; and
- (g) All other obligations and liabilities arising out of Buyer’s possession, use, ownership, transfer or other disposition of the Purchased Assets after the Effective Time.

Section 2.04 Excluded Liabilities; Non-Assumption of Liabilities. Except for the Assumed Liabilities, Buyer shall not assume, pay or perform any indebtedness, liabilities or other obligations of Seller (collectively, the “*Excluded Liabilities*”). Without limiting the generality of the foregoing, and except as otherwise provided herein, (i) Buyer shall not be required to assume and shall not have any liability or obligation with respect to any contract, liability or obligation, direct or indirect, absolute or contingent of Seller or to any other person, entity, or Seller Affiliate regarding any claims or litigation pending or later arising against Seller or any Seller Affiliate that are based on their actions or omissions, and (ii) under no circumstances shall Buyer be deemed to have agreed to or accepted Seller’s or any Seller Affiliate’s liability for any act, omission, or any other obligation of any nature whatsoever to any resident or resident

representative (excepting any post-closing liabilities assumed by Buyer) or to the State, federal or local government for any liabilities related to cost report settlements, fines, penalties, overpayments or recoupments. In addition, in no event shall Buyer assume or be responsible or incur any liability whatsoever for any of the following items as they pertain to the period prior to the Closing: (i) any obligations to government or third-party payors arising from the operation of the Community; (ii) any and all accounts payable or other obligations accruing to and existing as of the Effective Date (including any capitalized lease obligations, which shall be paid off at or prior to Closing); (iii) any foreign, federal, state and local taxes or similar liabilities of Seller or any Affiliate, including any interest or penalties thereon, except for real property taxes; (iv) any liabilities or other obligations arising out of any actual or alleged breach, default, event of default or violation by Seller or any Affiliate, at any time prior to the Closing Date, of any contract, lease, agreement, or commitment; (v) any liabilities or other obligations of Seller or any Affiliate incurred or arising or accruing before the Closing Date; (vi) any expenses paid or incurred by Seller or any Affiliate, including legal fees, relating to the preparation of or entering into and carrying into effect of this Agreement and the transactions contemplated hereby; (vii) any liability, claim or obligation, based in whole or in part on events or conditions occurring or existing in connection with, or arising out of, the ownership or operation of any Facility prior to the Closing Date; (viii) any amounts, including accounts payable, due from any Facility under other agreements, contracts indemnifications or businesses of Seller or any Affiliate unrelated to the applicable Facility; and (ix) all liabilities and obligations in respect of any accrued, but unpaid, wages, bonuses, vacation pay, severance pay, payroll taxes, unemployment insurance, workers' compensation, employee benefits and any shut down or layoff costs associated with any Facility, the employees of any Facility and accrued or incurred on or prior to the Closing Date.

Section 2.05 Purchase Price. The aggregate purchase price to be paid by Buyer to the Sellers for the Purchased Assets at the Closing shall be FOURTEEN MILLION FIVE HUNDRED THOUSAND AND 00/100 DOLLARS (\$14,500,000.00) (the "***Purchase Price***"), plus (i) the assumption of the Assumed Liabilities, (ii) the Cure Amounts, and (iii) payoff of the IHDA Loan (as defined below); less the HUD Debt, to the extent assumed by Buyer at Closing.

Section 2.06 Payment of Purchase Price; Escrow Deposit. Buyer shall make the following payments on account of the Purchase Price:

- (a) Buyer shall deliver to Escrow Agent, on or before the Execution Date, an earnest money deposit in the amount of FIVE HUNDRED NINETY EIGHT THOUSAND EIGHT HUNDRED SEVENTY TWO AND 26/100 DOLLARS (\$598,872.26) (the "***Escrow Deposit***"), to be held by Escrow Agent pursuant to the terms of an escrow agreement in substantially the form attached as Exhibit 2.06(a) hereto (the "***Escrow Deposit Agreement***"). Upon Closing on the Non-HUD Loan Facility or termination of this Agreement, as applicable, the Escrow Deposit, together with accrued interest thereon, if any, shall be delivered to Sellers or Buyer in accordance with the applicable terms of this Agreement.
- (b) By Buyer assuming all of the obligations of Seller as borrower/mortgagor under the HUD Debt as provided in Section 2.12 hereof (the "***Loan Assumption***"), including all the obligations of Seller under the Lument Loan Documents, the amount equal to the unpaid principal balance of the HUD Debt as of the Closing Date shall be credited against the Purchase Price at Closing.

- (c) Buyer shall make payment of the balance of the Purchase Price, plus or minus prorations or adjustments as set forth herein (the “**Purchase Price Balance**”), at the Closing of the HUD Facilities by wire transfer to the Escrow Agent.

Section 2.07 Allocation of Purchase Price. The Parties have prepared the allocation schedule attached hereto as Schedule 2.07, and agree that the Parties shall allocate the Purchase Price (and all other capitalized costs) among the Purchased Assets for the applicable Seller, for Tax and accounting purposes only, in accordance with such Schedule 2.07 (the “**Purchase Price Allocation**”). Each Seller and Buyer each hereby covenant and agree that neither of them will take a position on any income tax return, before any Government Entity, or in any judicial proceeding that is in any way inconsistent with the allocation set forth on Schedule 2.07. Each party shall duly and timely file Form 8594 with its appropriate tax returns. For the avoidance of doubt, the Purchase Price Allocation is not binding on any party for any other purpose.

Section 2.08 Taxes, Fees and Expenses. Buyer shall be responsible for and shall pay all applicable sales taxes, grantor’s taxes, recordation fees and all other similar taxes arising out of the consummation of the transactions contemplated hereby, and any other fees and expenses associated with the transfer of the Purchased Assets as contemplated herein. Each Seller shall be responsible for and shall pay any income tax of such Seller as a result of the transactions contemplated herein. Except as set forth in the immediately preceding sentence, each of Buyer and the applicable Seller shall pay its own costs incurred in connection with the transactions contemplated herein, including reasonable attorneys’ fees and due diligence expenses.

Section 2.09 Apportionment of Expenses; Prorations.

- (a) All expenses arising from the ownership of the Purchased Assets shall be apportioned between Buyer and the applicable Seller as of the Effective Time, in accordance with the principle that the Buyer shall only be responsible for all expenses and obligations arising from the ownership of the Purchased Assets at or after such time. All real estate and personal property taxes respecting the Purchased Assets shall be prorated as of the Closing.
- (b) The following items shall be prorated among Buyer and the applicable Seller as of the Proration Time and paid or credited at the Closing, as shall be set forth on the Closing Statement:
- (i) All state, county, city, school, ad valorem and other local real and personal property taxes and assessments and business personal property taxes relating to or assessed against the Real Property or the Business(es) (the “**Real Estate Taxes**”);
- (ii) Any utilities or other periodic charges that cannot be changed to Buyer or Buyer’s designee’s account by the Closing Date;
- (iii) Prepayments made by the Sellers for services relating to the Business(es) and provided after the Proration Time, which shall be credited to the Sellers;
- (iv) Provider taxes, privilege Texas or so-called bed taxes or similar taxes and fees, howsoever designated; and

(v) Any rents (“**Rents**”) due under the Residency Agreements. If any Resident under any of the Residency Agreements is in arrears in the payment of Rent on the Closing, Rents received from such resident after the Closing shall be applied in the following order of priority: (i) to Seller and Buyer in an amount equal to their proportionate share of such rents owing by such resident in respect of the month in which the Closing occurred, (ii) to Buyer, in an amount equal to all Rent owing by such Resident to Buyer in respect of all the periods after the month in which the Closing occurred, and (iii) to Seller, in an amount equal to all delinquent Rent owing by such Resident to Seller in respect of all the calendar months preceding the Closing. If Rents or any portion thereof received by Seller or Buyer after the Closing are payable to the other party by reason of this allocation, the appropriate sum, less a proportionate share of any reasonable attorneys’ fees, costs and expenses of collection thereof, shall be promptly paid to the other party, which obligation shall survive the Closing. Seller may not commence a legal action to recover pre-closing Rent arrearages from the Residents after the Closing Date.

Section 2.10 Title Insurance Commitment; Survey.

- (a) The Parties acknowledge that, prior to the Execution Date, the applicable Seller has delivered to Buyer (i) a commitment for title insurance, along with copies of all easements and building and use restriction identified in the commitment (collectively, the “**Title Insurance Commitment**”) and (ii) ALTA/NSPS as-built surveys (collectively, the “**Surveys**”) for the Real Property. Buyer hereby waives any right to provide a Title Objection (as defined below) with respect to the Title Insurance Commitment and Surveys provided to Buyer prior to the Execution Date.
- (b) If Buyer desires an updated Title Insurance Commitment or updated Surveys (“**Updated Title Work**”), then Buyer shall pursue and order such Updated Title Work at its sole cost and expense by no later than five (5) days after the Execution Date. If the Updated Title Work discloses title exceptions or matters (i) not identified in the Title Insurance Commitment and Surveys delivered pursuant to paragraph (a) and (ii) in the reasonable judgment of Buyer, render title uninsurable or unmarketable, or otherwise adversely affect the use of the Real Property to conduct the Business (a “**Title Defect**”), then Buyer shall deliver to the Seller a written statement of any such Title Defects (a “**Title Objection**”) no later than seven (7) Business Days after its receipt of the Updated Title Work; provided that (i) any objections to Title Defects not timely delivered as aforesaid will be waived and (ii) any matter disclosed in the Updated Title Work and not identified in a timely Title Objection shall be deemed a Permitted Encumbrance. If the applicable Seller timely receives such a Title Objection, such Seller shall elect, in a written response to Buyer delivered within five (5) Business Days of such Seller’s receipt of the Title Objection (the “**Title Objection Response Deadline**”) to (i) cure any or all of the Title Defects identified in such Title Objection or (ii) not cure such Title Defects; provided that, if the applicable Seller does not deliver its response prior to the Title Objection Response Deadline, then such Seller shall be deemed to have elected to cure the Title Defects. If Seller elects not to cure any of the Title Defects identified in the Title Objection, then Buyer may elect to terminate this Agreement by giving Sellers within five (5) Business Days after receipt of the applicable Seller’s election not to cure such Title Defects; provided that, if Buyer does

not timely make such an election, then such Title Defects shall be deemed Permitted Encumbrances hereunder.

- (c) Buyer acknowledges and agrees that (i) Sellers may elect to address any identified Title Defects through the Sale Motion, whereby holders of Liens, Claims and Encumbrances may be adequately protected by having such Liens, Claims or Encumbrances attach to the portion of the Purchase Price ultimately attributable to the Purchase Assets against or in which such holders claim an interest, with the same validity, force, effect and priority which they had against such Purchased Assets as of the Execution Date, subject to any claims and defenses that Sellers or their estates may assert with respect thereto and (ii) notwithstanding anything herein to the contrary, all Liens, Claim and Encumbrances that can be satisfied by the payment of money shall be addressed in the Sale Order. Notwithstanding the foregoing, Seller shall be obligated to remove all title exceptions which may be removed by payment of a liquidated sum, including but not limited to violations, Liens or judgments.

Section 2.11 Third Party Consents. To the extent that Sellers' rights under any contract or permit constituting a Purchased Asset, or relating to a Purchased Asset, may not, pursuant to Section 365 of the Bankruptcy Code, be assigned to Buyer without the consent of another Person, which consent has not been obtained, nothing set forth in this Agreement shall constitute an agreement by Sellers to assign or cause the assignment of same if an attempted assignment would constitute a breach of such contract or permit, or be unlawful. Buyer, at its own expense, shall use its reasonable best efforts to obtain any such required consents.

Section 2.12 HUD. Each of the HUD Facilities is subject to a mortgage and security interest in favor of Lument and a Regulatory Agreement between the relevant Seller and HUD. Buyer, at its option, may elect to assume the HUD Debt. No later than twenty (20) days after the entry of the Sale Order, Buyer shall file one or more applications for the assignment and assumption by the Buyer of the HUD Debt (the "***HUD Application***") and shall thereafter use their commercially reasonable best efforts and diligently proceed to pursue and secure approval from Lument and/or HUD, as applicable, for the HUD Application with respect to the HUD Facilities (the "***HUD Approval***"). Sellers shall provide the Buyer with all cooperation reasonably requested by the Buyer from time to time in connection with the Buyer's efforts to obtain the HUD Approval and shall be responsible to bring the HUD Debt current as of the Closing Date including any unpaid fees or costs for periods prior to the Closing Date (but excluding any unpaid fees or costs related to evaluation by Lument or HUD of the HUD Application) and to satisfy the unpaid balance of any lien senior to Lument on the Closing Date.

Section 2.13 IHDA Loan Payoff. Buyer acknowledges and agrees that it shall pay off at Closing, the then-outstanding principal amount of the IHDA Loan (the "IHDA Loan") on Wabash Estates, as of the Closing Date.

ARTICLE III CLOSING

Section 3.01 Closing.

- (a) Subject to the terms and conditions of this Agreement and the Sale Order, including, without limitation, the satisfaction or waiver by the appropriate Party of all of the conditions precedent to Closing specified herein, the consummation of the transactions contemplated by and described in this Agreement (the “**Closing**”) shall be conducted remotely, via an exchange of emails authorizing and directing the Escrow Agent to release originals of executed documents from escrow for recording purposes and to wire funds to the appropriate parties, to occur on the date (such date of consummation being referred to herein as the “**Closing Date**”) that is the first Business Day of a calendar month that is five (5) Business Days following the date on which the conditions to Closing set forth in Article VII are either satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date). Regardless of the time it actually occurs, the Closing will be deemed effective for all purposes as of 12:01 a.m. (Central Time) on the Closing Date (the “**Effective Time**”).
- (b) Notwithstanding the foregoing, the Closing of the acquisition by Buyer of the Facilities shall be as follows:
 - (i) With respect to the Non-HUD Loan Facility, the Closing shall occur on the a forementioned Closing Date, with the release by Escrow Agent of the entire Escrow Deposit to Seller, which amount of Escrow Deposit shall be the Purchase Price allocated to the Non-HUD Loan Facility.
 - (ii) With respect to the HUD Facilities, the Closing shall occur (x) if Buyer or its affiliate is then operating the HUD Facilities, on or about three (3) Business Days after the Buyer’s obtaining of HUD Approval, (y) if Buyer or its affiliate is not then operating the HUD Facilities, on or about sixty (60) days after the Buyer’s obtaining HUD Approval, and the balance of the Purchase Price shall be allocated to the HUD Facilities or (z) if the HUD Application is rejected or HUD Approval is denied or if the Loan Assumption does not take place within six (6) months of the entry of the Sale Order, then in accordance with Section 3.04(e) hereof.

Section 3.02 Actions of Seller at Closing. At the Closing and unless otherwise waived in writing by Buyer, the applicable Seller shall execute and/or deliver to Buyer the following:

- (a) Bills of sale, in the form attached hereto as Exhibit 3.02(a) (the “**Bills of Sale**”), executed by the applicable Sellers, transferring the Tangible Personal Property, the Intangible Personal Property, the Intellectual Property Assets and the IT Assets to Buyer or its designee;
- (b) Assignment and assumption agreements, in the form attached hereto as Exhibit 3.02(b) (the “**Assignment and Assumption Agreements**”), executed by the applicable Sellers, effecting the assignment to and assumption by Buyer or its designee of the Assumed Contracts;
- (c) With respect to each parcel of Real Property, a quitclaim deed, in the form attached hereto as Exhibit 3.02(c) (the “**Deeds**”), executed by the applicable Seller;
- (d) Closing certificate of the applicable Seller, certifying that each covenant and agreement of Seller to be performed prior to or as of the Closing pursuant to this Agreement has been performed and each representation and warranty of the applicable Seller are true and correct in all material respects on the Closing Date, as if made on and as of the Closing (the “**Seller Closing Certificate**”);
- (e) Certificates of incumbency for the respective officers of the applicable Seller executing this Agreement or making certifications for the Closing dated as of the Closing Date;
- (f) Certificates of existence and good standing of the applicable Seller from the Secretary of State of its formation, dated the most recent practical date prior to the Closing;
- (g) A closing statement setting forth all proration and adjustments (the “**Closing Statement**”), duly executed by the Sellers;
- (h) Assignment and Assumption of Residency Agreement;
- (i) FIRPTA affidavit;
- (j) At Buyer’s option, evidence that any existing operating lease, management agreement or leasing agreement entered into by Seller with respect to the Facility has been terminated; and
- (k) Such other instruments and documents as Buyer reasonably deems necessary to effectuate the transactions contemplated hereby.

Section 3.03 Actions of Buyer at Closing. At the Closing and unless otherwise waived in writing by the applicable Seller, Buyer shall deliver to the applicable Seller(s) the following:

- (a) The Assignment and Assumption Agreements duly executed by Buyer and in the form attached hereto as Exhibit 3.02(b);
- (b) Closing certificate of Buyer, certifying that each covenant and agreement of Buyer to be performed prior to or as of the Closing pursuant to this Agreement has been performed and

each representation and warranty of Buyer is true and correct on the Closing Date, as if made on and as of the Closing (the “**Buyer Closing Certificate**”);

- (c) Certificates of incumbency for the respective officers of Buyer executing this Agreement dated as of the Closing Date;
- (d) Certificate of existence and good standing of Buyer from the Secretary of State of the applicable jurisdiction in which the Buyer is formed, dated the most recent practical date prior to Closing; and
- (e) Such other instruments and documents as Seller reasonably deems necessary to effect the transactions contemplated hereby.

On the Closing Date, Buyer shall cause the Escrow Agent to deliver the Purchase Price to the Sellers. For the avoidance of doubt, such Purchase Price shall include the Escrow Deposit and the Purchase Price Balance, taking into account the Loan Assumption.

Section 3.04 Actions Relating to HUD Debt.

- (a) Within three (3) Business Days after the entry of the Sale Order, Seller shall notify HUD of the proposed conveyance of the HUD Facilities to Buyer. The HUD Change of Ownership Review Checklist (the “**Change of Ownership Checklist**”) is attached to this Agreement as Exhibit 3.04(a) to file the HUD Application for the HUD Approval as described in Section 2.12 hereof. In connection with the HUD Application, Buyer shall compile, submit and complete all documentation required by the Change of Ownership Checklist no later than twenty (20) days after the entry of the Sale Order. Seller shall not be obligated to incur any costs or liabilities in connection with the HUD Application other than legal fees incurred by Seller’s counsel and any costs that may be incurred by Seller with respect to Seller’s providing any items requested in connection with the request for HUD Approval.
- (b) Buyer shall use commercially reasonable efforts to secure HUD Approval including, without limitation, taking the following actions timely and diligently: (i) comply with all reasonable requests or requirements of HUD with respect to Buyer and shall provide truthful, accurate and complete information in response to all such requests and requirements; (b) execute such documents as shall reasonably be requested or required by HUD to facilitate the sale of the HUD Facilities subject to the HUD Debt and the assumption of Seller's obligations under the HUD Debt; (c) comply with any agreement entered into between Buyer and HUD regarding Buyer's purchase of the HUD Facilities; and (d) comply with all other reasonable requests or requirements of HUD of Buyers in accordance with customary prevailing practices of institutional lenders in connection with the assumption of mortgage loans secured by properties of a size, location and type similar to the Property, provided that Buyer shall not be required to agree to any modifications to any of the Lument Loan Documents (other than the change in the obligor and guarantor under the Lument Loan Documents).

- (c) Subject to the provisions of Section 2.12 hereof, Buyer shall pay the amounts requested by HUD (whether such request is made primarily to Seller or Buyer), and be solely liable for, all payments and other costs and fees due pursuant to the HUD Debt in connection with the request for HUD Approval, including but not limited to all assumption fees, title fees, transfer fees, application fees and payments due to HUD, all servicers and the respective counsel of all of the foregoing including, without limitation, any and all legal fees (collectively, the “**Assumption Fees**”), provided that Buyer shall not be obligated to
- (i) pay any interest, fees or other charges payable under the Loan Documents accruing prior to the Closing Date and not specifically attributable to the Loan Assumption, which interest, fees or other charges (the “**Pre-Closing Loan Charges**”) shall be the sole responsibility of Seller and shall be paid by Seller at or prior to Closing or credited against the balance of the Purchase Price, or (ii) pay or reimburse Seller for any costs or expenses (including the any legal fees or expenses of Seller’s counsel) incurred by Seller in connection with Seller complying or fulfilling the obligations and agreements of seller set forth in this Section 3.04, which shall be the sole responsibility and obligation of Seller.
- (d) Upon the Closing and Buyer’s assumption of the HUD Debt:
- (i) Buyer shall reimburse Seller for all amounts then held as reserve or escrow deposits by Lument or HUD under the Lument Loan Documents, if any, as of the Closing Date, whereupon all such amounts shall become the property of Buyer; provided, that, (x) Seller shall utilize its best efforts prior to Closing to have Lument or HUD, as applicable, release to Seller any reserve amounts in excess of the actual HUD reserve limit requirements, and (y) Buyer shall not be responsible to reimburse Seller for any amounts withdrawn by Seller from any reserve amount due to any amount due and owing under the HUD Debt as of the Closing Date (including, but not limited to, any accrued principal and interest payments and any default interest and late fees then due under the HUD Debt and any legal fees that Seller shall be responsible for reimbursing HUD under the Lument Loan Documents). Until Closing, Seller shall have the right to draw on such escrows, reserves and deposits for the purposes permitted by the Lument Loan Documents; and
- (ii) At the Closing, Buyer and Seller shall execute and deliver such loan assumption agreements and other documentation as HUD shall reasonably require to effectuate the Loan Assumption in each case in form and content reasonably acceptable to HUD, Seller and Buyer and as customarily required by HUD for similar loan assumption transactions (collectively, the “**Loan Assumption Documents**”).
- (e) In the event(i) the HUD Application is rejected or HUD Approval is denied, or (ii) the Loan Assumption does not take place by the Outside Closing Date, then Buyer shall proceed to close this transaction within thirty (30) days without Loan Assumption and the purchase price will be adjusted and increased to include the required prepayment premium associated with the payoff as set forth in the Lument Loan Documents and the Outside Closing Date shall be extended accordingly.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF EACH SELLER

Except as set otherwise expressly set forth in this Agreement or any exhibit or schedule attached hereto, each Seller represents and warrants as to itself to Buyer that the following statements are true and correct as of the Execution Date and will be true and correct as of the Closing Date:

Section 4.01 Existence and Capacity. Seller is a limited liability company validly existing in good standing under the laws of the State of its formation. Seller has the requisite power and authority, subject to requisite approvals of the Bankruptcy Court, to enter into this Agreement, to perform its obligations hereunder, and to conduct its business as such business is being conducted as of the Effective Date.

Section 4.02 Power and Authority. Subject to entry of the Sale Order by the Bankruptcy Court, the execution, delivery and performance of this Agreement, and consummation of the transaction contemplated herein, by Seller have been duly authorized by all appropriate corporate action on the part of the Sellers

Section 4.03 Binding Agreement. This Agreement and all agreements to which Seller will become a party pursuant hereto are and will constitute the valid and legally binding obligations of Seller, and are and will be enforceable against Seller in accordance with the respective terms hereof or thereof.

Section 4.04 Title to Purchased Assets. As of the Closing, Seller shall hold good and valid title to all of the Purchased Assets which it owns, and at the Closing, will assign and convey to Buyer good and valid title free from all Liens, Claims and Encumbrances other than Permitted Encumbrances.

Section 4.05 Material Contracts. All material contracts agreements, leases and other commitments, in each case in which the annual payments exceed \$100,000, that Seller is a party to respecting the Business conducted by Seller at the Facility (the “**Material Contracts**”) are listed and summarized on Schedule 4.05, and there are no undisclosed material amendments or modifications to any such contracts.

Section 4.06 Intellectual Property; Computer Software. Except as set forth in Section 2.02(g), the Intellectual Property Assets include all patents, copyrights, inventions, processes and applications therefore (whether registered or common law) currently owned or used by Sellers in the Business and necessary for the operation thereof.

Section 4.07 Permits. All Permits and Regulatory Approvals held by the Sellers to conduct the Business(es) as currently conducted are set forth in Schedule 4.07.

Section 4.08 Litigation or Proceedings. Except as set forth in Schedule 4.08, there are no Actions pending or, to Sellers’ Knowledge, threatened against or by the Sellers (i) relating to or affecting the Business(es), the Purchased Assets or the Assumed Liabilities or (ii) that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.

Section 4.09 Real Property. Schedule 2.01(a) sets forth each parcel of Real Property owned by the Sellers and used in the conduct of the Business(es) as conducted as of the Effective Date, including with respect to each such parcel, the street address and use. Sellers have delivered or made available to Buyer copies of the deeds and other instruments (as recorded) through which the applicable Seller acquired such parcels of

Real Property, and copies of all title insurance policies, opinions, abstracts and surveys in the possession of such Seller with respect thereto.

Section 4.10 Environmental Laws. With respect to the ownership or operation of the Real Property, the Facility or the use of the Purchased Assets by Sellers:

- (a) To Sellers' Knowledge, the applicable Seller is not in violation, in any material respect, of any Environmental Law.
- (b) To Sellers' Knowledge, (i) the Sellers have not in the last five years received any written notice alleging or asserting a violation of any Environmental Law with respect to the Real Property, the Facility or the Purchased Assets, (ii) no investigation, administrative order, litigation or settlement with respect to any Environmental Laws is pending with respect to the Real Property, the Facility or the Purchased Assets, and (iii) no written notice has been received by Seller respecting the Facility or the Purchased Assets from any Government Entity or individual claiming any material violation of any Environmental Laws, or requiring compliance with any Environmental Laws, or demanding payment or contribution for environmental damage or injury to natural resources.

Section 4.11 Employee Relations. Schedule 4.11 lists all persons who are employees, independent contractors or consultants who, as of the Execution Date, provide services in the Facility, including any such person who is on a leave of absence of any nature, paid or unpaid, authorized or unauthorized, and sets forth for each such person: (i) name, (ii) title or position, (iii) hire date, (iv) full time equivalent status, (v) rate of base compensation, (vi) commission, bonus or other incentive-based compensation and (vi) a description of all fringe benefits, if any, provided to each such person, including accrued vacation pay, sick pay or paid leave (the "**Facility Employees**"). With respect to the Facility Employees, except as set forth on Schedule 4.11 hereto:

- (a) All Facility Employees are "at will" employees or Seller has provided to Buyer copies of such employment, consulting, independent contractor, bonus, severance, or other similar written engagement to which Seller is a party.
- (b) There has not been within the last five (5) years and there is no pending strike, picketing, work stoppage, or any proceeding against or affecting Seller relating to an alleged violation of any legal requirements pertaining to labor relations.
- (c) There is no union representation or organizing activities and no collective bargaining agreement or activities.
- (d) To Sellers' Knowledge, there are no pending or threatened claims before the Equal Employment Opportunity Commission (or comparable state agency), complaints before the Occupational Safety and Health Administration (or comparable state agency), wage and hour claims, unemployment compensation claims, workers' compensation claims, or the like.

- (e) Seller and any Affiliate of Seller currently does not have, nor has ever had, any pension, profit sharing, bonus, incentive, sick leave or sick pay or other plan applicable to any of Seller's or any Affiliate of Seller's employees. No such employee has any vested or unvested retirement benefits or other termination benefits, except as described on **Schedule 4.11**.
- (f) To Seller's Knowledge, Seller and Seller's Affiliates have complied in all material respects with all laws and regulations relating to, the employment of labor, including, without limitation, provisions thereof relating to wages, hours, equal opportunity, health, safety, immigration, workers' compensation, unemployment compensation, collective bargaining and the payment of social security and other taxes. Buyer shall cooperate on all matters which reasonably require Seller to access employees, records and other documents at any Facility.
- (g) To Seller's Knowledge there are no employment-related complaints or charges pending or threatened against Seller or any Affiliate of Seller with the Equal Employment Opportunity Commission, Department of Labor, or any other comparable state or local agency, including but not limited, to any claim relating to employment discrimination, equal pay, sexual or other workplace harassment, employee safety and health, wages and hours, leaves of absence, or workers' compensation.
- (h) To Seller's Knowledge, there are no workers' compensation claims pending or threatened against Seller or any of its Affiliates. To the extent any workers' compensation claims are pending or threatened against Seller or any of its Affiliates, **Schedule 4.11** also details whether such claim or claims are covered by workers' compensation insurance.

Section 4.12 Insurance. Schedule 4.12 sets forth (i) a true and complete list of all current policies or binders of fire, liability, product liability, umbrella liability, professional liability, real and personal property, workers' compensation, vehicular, fiduciary liability and other casualty and property insurance maintained by Sellers or their Affiliates and relating to the Business, the Purchased Assets and the Assumed Liabilities (collectively, the "***Insurance Policies***"); and (b) with respect to the Business, the Purchased Assets or the Assumed Liabilities, a list of all pending claims and the claims history for the three (3) years prior to the Execution Date.

Section 4.13 Financial Statements. Copies of the income statements for the Business(es) as in each of the years for the fiscal years ending June 30, 2023 and June 30, 2024 (collectively, the "***Financial Statements***") have been or will be provided to Buyer. The Financial Statements are based on the books and records of the Business(es), are true, complete and correct, and fairly and accurately present (in all material respects when taken as a whole) the financial condition of the Business(es) as of the respective dates they were prepared and the results of the operations of the Business(es) for the periods indicated.

Section 4.14 Brokers. Except for B.C. Ziegler & Co., for which Sellers shall be responsible, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Sellers.

Section 4.15 Residency Agreements. The only Residency Agreements in force for the Property are listed on Schedule 4.15. Except as set forth on Schedule 4.15, Seller has not received any advance rent or advance compensation under any of the Residency Agreements in excess of three (3) months. No unpaid brokerage commissions or other payments owed to any Residents or compensation of any kind are due in connection with the Residency Agreements.

Section 4.16 Taxes. Except for Real Estate Taxes to be prorated under this Agreement, and except as otherwise provided under this Agreement, there are no unpaid taxes of Seller that will become the obligation of Buyer; and (ii) Seller and any Affiliate of Seller has timely filed all tax returns in respect of the Assets and the operations of the Facility.

Section 4.17 Condemnation. To the knowledge of Seller, there are no pending condemnation actions or special assessments of any nature with respect to any Facility or any part thereof, and Seller has no knowledge of any such threatened or contemplated condemnation action or special assessment.

Section 4.18 Expiration of Representations and Warranties. The representations and warranties of Sellers contained in this Agreement shall expire upon, and shall not survive for any purpose whatsoever, the Closing.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to each Seller that to the following statements are true and correct as of the Execution Date and will be true and correct as of the Closing Date:

Section 5.01 Existence and Capacity. Buyer is a limited liability company duly organized and validly existing in good standing under the laws of the State of New Jersey. Buyer has the requisite power and authority to enter into this Agreement, to perform its obligations hereunder, and to conduct its business as now being conducted.

Section 5.02 Power and Authority. The execution, delivery and performance of this Agreement, and consummation of the transaction contemplated herein, by Buyer:

- (a) are within its powers, are not in contravention of law or of the terms of its Certificate of Formation and Limited Liability Company Agreement;
- (b) have been duly authorized by all appropriate company actions;
- (c) except for the Permits and Regulatory Approvals to be obtained by Buyer, do not require any approval or consent of, or filing with, any third party;
- (d) will not violate any statute, law, rule or regulation, or any judgment, decree, writ or injunction of any court or Government Entity, to which Buyer may be subject; and
- (e) will not violate any provision of any agreement to which Buyer is a party or by which Buyer is bound.

Section 5.03 Binding Agreement. This Agreement and all agreements to which Buyer will become a party pursuant hereto are and will constitute the valid and legally binding obligations of Buyer, and are and will be enforceable against Buyer in accordance with the respective terms hereof or thereof.

Section 5.04 Adequate Funds. As of the Execution Date, Buyer has funds, or the ability to obtain such funds, in cash in amounts equal to the Purchase Price and other funds needed to consummate the transaction and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transaction contemplated herein. Buyer does not have any financing or equity investment contingency of any nature whatsoever, other than the Loan Assumption.

Section 5.05 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

Section 5.06 Legal Proceedings. There are no Actions pending or, to Buyer's Knowledge, threatened against or by Buyer or any Affiliate of Buyer that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred, nor circumstances exist, that may give rise or serve as a basis for any such Action.

Section 5.07 Due Diligence Materials. Sellers have provided certain documents which relate to the operations and financial conditions of the Business, which are herein referred to as "***Due Diligence Materials.***" Prior to the Execution Date, Buyer has been provided access to the Due Diligence Materials. Until the Effective Time, Sellers will continue to cooperate in providing information to Buyer as requested, in a timely manner, but is under no obligation to create documents or provide any related documents which are outside those in the possession of Sellers. Buyer acknowledges that certain Due Diligence Materials may be limited to summaries, or otherwise contain redactions, if the Sellers reasonably believe the disclosure of such information would be a violation of Law protecting the personal, financial or protected health information of any resident or patient or affiliate of a resident or patient, including, but not limited to, all Laws adopted under the Health Insurance Portability and Accountability Act. Buyer expressly acknowledges that (i) it has completed its due diligence as of the Execution Date and (ii) no due diligence contingency exists with respect to Buyer's obligations under this Agreement.

Section 5.08 Fitness for and Timing for Application for Obtaining Permits and Regulatory Approvals. Buyer has no knowledge of any material fact or other information related to Buyer or any of its Affiliates which could be reasonably expected to have an adverse impact on Buyer's or its designees' ability to obtain the Permits and Regulatory Approvals. To Buyer's Knowledge, it has been in material compliance with healthcare regulatory laws and has not received any communication from a governmental authority or third-party payors that would prohibit or delay the Buyer from consummating the transaction contemplated herein or obtaining the Permits and Regulatory Approvals necessary to operate the Business. Buyer shall have applied for (or caused its designees to apply for) all Permits and Regulatory Approvals no later than three (3) Business Days after the entry of the Sale Order.

Section 5.09 No Guarantee of License. Buyer acknowledges that the Business operations are regulated by local, state, or federal Laws and are conducted under a license or licenses issued or authorized by the

applicable state of operation of the applicable Seller. Buyer acknowledges that Buyer shall be responsible, at Buyer's sole cost and expense, for obtaining any and all governmental or quasi- governmental approvals necessary for Buyer's intended use or development of the Real Property, including but not limited to, its licensing of the facilities or ancillary businesses by the applicable state and any platting or zoning, and other such matters.

Section 5.10 Disclaimers; Releases and Limitations. Buyer represents and warrants to Sellers that Buyer is a knowledgeable, experienced, and sophisticated buyer of real estate and/or senior living facilities. Buyer acknowledges that, except for the representations and warranties made by Sellers in Article IV hereof, Buyer has not relied upon and will not rely upon, either directly or indirectly, any statement of Sellers or any of their officers, directors, trustees, agents, employees, or other person acting or purporting to act on behalf of Sellers.

Section 5.11 No Other Warranty. Without in any manner limiting the provisions of the preceding paragraph or elsewhere in this Agreement, as a material part of the consideration for this Agreement, Sellers and Buyer agree that Buyer is taking the property "as-is", "where-is" and "with all faults" and with any and all latent and patent defects and that there is no warranty or representation, express or implied, of any kind or nature (including, without limitation, warranties with respect to habitability, marketability, use or fitness for a particular purpose) made by Sellers with respect to the property (except for the representations of Sellers expressly set forth in Article IV hereof), all other representations and warranties, both express and implied, are hereby expressly disclaimed and denied. Buyer acknowledges that it has been given adequate time to conduct whatever examination, evaluations, inspections, reviews, studies or tests of the property and its condition as Buyer may desire or determine warranted, and that Buyer is not relying on any representation, warranty, statement or other assertion with respect to the property or its condition or any other matter by Sellers or any of Sellers' officer, director, trustee, agent, employee, attorney or other person acting or purporting to act on behalf of any Seller or any of its Affiliates, but Buyer is relying solely on its own examination, evaluations, inspections, reviews, studies or tests of the property. Without limiting the provisions of preceding paragraphs and this Agreement, Buyer expressly releases and discharges each Seller, its respective Affiliates, members, partners, officers, directors, shareholders, employees, attorneys, agents, brokers, and contractors from any and all obligations, claims, administrative proceedings, judgements, damages, fines, costs, and liabilities arising out of or relating to the physical condition of the property or any portion thereof, including, without limitation any latent or patent construction defects, violations of any applicable laws and any and all other acts, omissions, events, circumstances or matters regarding the Purchased Assets.

ARTICLE VI COVENANTS

The Buyer and each Seller as to itself shall take the following actions and comply with the following obligations prior to the Closing:

Section 6.01 Operation of the Businesses. From the Execution Date until the Closing, except as otherwise provided in this Agreement or consented to in writing by Buyer, Sellers shall conduct the Business(es) in the ordinary course of business consistent with past practice, subject to applicable

limitations and requirements of the Bankruptcy Code and except as otherwise necessary or reasonable to consummate the transactions contemplated herein.

Section 6.02 Access to Information, Books and Records. Seller will permit representatives of Buyer to have reasonable access to the Facility premises and personnel during normal business hours, as well as the books and records of Seller to the extent relating to the Facility, as may be reasonably necessary to comply with the obligations of the Buyer under this Agreement, to facilitate Borrower's review and inspection of the Purchased Assets. The timing and frequency of such access shall be coordinated with Seller in all cases, and Seller shall have a right to be present during all such access. Buyer shall not interfere with the normal business operations of Seller in any material respect.

Section 6.03 Notice of Developments. Seller shall give prompt written notice to Buyer of any material adverse development causing a material breach of any of the representations and warranties in Article IV above. Buyer shall give prompt written notice to Seller of any material adverse development causing a breach of any of the representations and warranties in Article V above. No disclosure by any of the Parties pursuant to this Section, however, shall be deemed to amend or supplement any Schedule to this Agreement or to prevent or cure any misrepresentation, breach of warranty, or breach of covenant.

Section 6.04 Casualty; Condemnation. As used herein, the term "*Casualty Loss*" means any destruction by fire, storm or other casualty, or any taking or pending or threatened taking, in condemnation or under the right of eminent domain, of any of the Purchased Assets, or a portion thereof, in each case, prior to the Effective Time. Sellers shall promptly give Buyer written notice (a "*Casualty Notice*") of any Casualty Loss of which Sellers becomes aware. To the extent such Casualty Loss exceeds \$1,000,000 in cost, Buyer shall have the option, which must be exercised within fifteen (15) Business Days after its receipt of the Casualty Notice, to terminate this Agreement or to proceed with the Closing. If Buyer elects to terminate this Agreement, the Escrow Deposit shall be returned to Buyer and all rights, duties, obligations and liabilities created hereunder shall cease. If Buyer elects to proceed with Closing (or if the Casualty Loss is less than \$1,000,000), Buyer shall acquire the Purchased Assets in accordance with the terms hereof without a credit against the Purchase Price and Sellers shall transfer to Buyer all of their rights to unpaid insurance proceeds, claims, awards and other payments arising out of such Casualty Loss and pay to Buyer all sums paid to Sellers as insurance proceeds, awards or other payments arising out of such Casualty Loss, less any amounts Sellers have paid to repair or mitigate such Casualty Loss, but plus a credit to Buyer in the amount of any insurance deductible. Sellers shall not voluntarily compromise, settle or adjust any amounts payable by reason of any Casualty Loss without first obtaining the written consent of Buyer, such consent not to be unreasonably withheld, conditioned, or delayed.

Section 6.05 Bankruptcy Actions.

- (a) Prior to the Execution Date, the Sellers and their co-debtor Affiliates filed the Sale Motion seeking, among other things, entry of the Sale Order in substantially the form attached hereto as Exhibit 6.05(a). Buyer acknowledges that the entry of any Order is subject to approval of the Bankruptcy Court.
- (b) Sellers shall comply with all of their respective obligations under (i) the Bid and Sale Procedures Order and (ii) the Sale Order (after the entry of same by the Bankruptcy Court).

- (c) Sellers shall use commercially reasonable efforts to comply (or obtain an Order from the Bankruptcy Court waiving compliance) with all requirements under the Bankruptcy Code and applicable Bankruptcy Rules in connection with obtaining approval of the sale of the Purchased Assets under this Agreement, including serving on all required Persons in the Bankruptcy Case (including (i) all Persons who are known to possess or assert a Lien against any of the Purchased Assets, (ii) the Internal Revenue Service, (iii) all state attorneys general, local realty enforcement agencies and local government entities with taxing authority or the power to approve or consent to the issuance or transfer of the Permits and Regulatory Approvals, and (iv) all other Persons required by any Order of the Bankruptcy Court (including any omnibus notice or case management Order entered in the Bankruptcy Case), notice of the Sale Motion, the Sale Hearing and the objection deadline in accordance with Rules 2002, 6004, 6006 and 9014 of the Bankruptcy Rules, the Bid and Sale Procedures Order or other Orders of the Bankruptcy Court, and any applicable local rules of the Bankruptcy Court.
- (d) (i) Within five (5) Business Days after the Execution Date, Buyer shall provide a copy of Schedule 6.05, which schedule can be modified by the Buyer by removing from such schedule any Assumed Contract (as defined below) up to ten (10) days before the Closing Date, identifying (i) all Contracts that Buyer wishes to be assumed by Sellers and assigned by Sellers to Buyer at Closing (the “**Assumed Contracts**”); and (ii) all Contracts that Buyer will not be seeking to have assigned by Sellers (the “**Rejected Contracts**”). Sellers shall move to assume and assign to Buyer, effective as of the Effective Time, any Assumed Contract that is designated on or before the fifth (5th) Business Day after the Execution Date by Buyer to Seller. After the Closing Date, Sellers shall be released from any further liability under such Assumed Contracts as provided for under Section 365(k) of the Bankruptcy Code.
- (ii) Buyer shall assume all obligations from and after the Closing Date under Assumed Contracts, and at such time as is required by the Bankruptcy Court in the Sale Order, shall pay cash or other acceptable consideration to the third party (or parties) to the applicable Assumed Contract in order to cure the monetary defaults and satisfy any pecuniary obligations of Sellers (or obtain waivers with respect thereto) with respect to the Business, and to provide adequate assurance of future performance under the Assumed Contracts.

Section 6.06 Maintenance of Insurance. From the Execution Date until the Effective Time, Sellers shall keep in full force and effect all insurance coverages existing on the Execution Date.

Section 6.07 Commercially Reasonable Efforts. From the Execution Date until the Closing, each party hereto shall use commercially reasonable efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in Article VII hereof. Additionally, Buyer shall, within five (5) Business Days after entry of the Sale Order, submit the necessary applications to the applicable regulatory authorities to obtain such Permits and Regulatory Approvals as are needed to consummate the sale (with copies of such applications promptly provided to Sellers) and shall diligently and expeditiously follow up on and pursue such Permits and Regulatory Approvals. Further, Buyer agrees to provide copies of all

correspondence between Seller (or its Affiliates) and any regulatory agency, or similar body, to Seller and the Bond Trustee within two (2) Business Days of Buyer's receipt of same.

Section 6.08 Public Announcements. Unless otherwise required by applicable Law (based upon the reasonable advice of counsel), no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), and the parties shall cooperate as to the timing and contents of any such announcement. Disclosures made to the Bankruptcy Court or in pleadings filed with the Bankruptcy Court or in other related notices shall not be considered a public announcement.

Section 6.09 Bulk Sales Laws. The parties hereby waive compliance with the provisions of any bulk sales, bulk transfer or similar Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Purchased Assets to Buyer; it being understood that any Liabilities arising out of the failure of Sellers to comply with the requirements and provisions of any bulk sales, bulk transfer or similar Laws of any jurisdiction which would not otherwise constitute Assumed Liabilities shall be treated as Excluded Liabilities.

Section 6.10 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the other Transaction Documents (including any real property transfer Tax and any other similar Tax) shall be borne and paid by Buyer when due. Buyer shall, at its own expense, timely file any tax return or other document with respect to such Taxes or fees (and Seller shall cooperate with respect thereto as necessary).

Section 6.11 Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute, and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents.

Section 6.12 Good Faith. Each party agrees, in the exercise of good faith and fair dealing, to take actions necessary or appropriate to satisfy all conditions to closing and to consummate the Closing under this Agreement. Each party agrees to provide prompt notice to the other party of any circumstance or condition which such party has reason to believe may cause a condition of the Closing not to be fulfilled or otherwise create any impediment to the Closing.

ARTICLE VII

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER AND SELLER

Section 7.01 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

- (a) No governmental authority shall have enacted, issued, promulgated, enforced or entered any governmental order which is in effect and has the effect of making the transactions

contemplated by this Agreement illegal or otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof;

- (b) The Bankruptcy Court shall have entered the Sale Order approving the sale to the Buyer which shall be a Final Order unless such finality is mutually waived by the Buyer and the Sellers; and
- (c) Buyer's designees shall received all Permits and Regulatory Approvals that are set forth on Schedule 4.07.

Section 7.02 Seller's Conditions. All obligations of the applicable Seller which are to be discharged under this Agreement effective as of the Closing Date are subject to the satisfaction, on or before the Closing Date, of each of the following conditions unless expressly waived in writing by the applicable Seller at or prior to the Closing:

- (a) All of the representations and warranties of Buyer contained in Article V of this Agreement shall be true and correct in all material respects as of the Execution Date, and shall be deemed to have been made again on and as of the Closing Date and shall be true and correct in all material respects on and as of the Closing Date.
- (b) Buyer shall have performed or complied in all respects with all covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date.
- (c) The Consents shall have been obtained (or, if not obtainable before Closing, request shall have been made and Seller shall have received reasonably satisfactory assurances that they will be granted after the Closing) and are in form and substance reasonably satisfactory to Seller (the "**Material Consents**");
- (d) All Regulatory Approvals shall have been obtained, except for any documents required to be filed, or consents, authorizations, orders or approvals required to be issued, after the Closing Date.
- (e) No Action or proceeding shall have been instituted against, and no order, decree or judgment of any Government Entity shall be pending against, Buyer or Seller which seeks to, or would, render it unlawful as of the Closing Date to effect the transfer of the Purchased Assets, and no such action shall seek damages or injunctive relief by reason of the transactions contemplated hereby. Also, no substantive legal objection to the transactions contemplated by this Agreement shall have been received from or threatened by any Government Entity.
- (f) Buyer shall not (i) be in receivership or dissolution, (ii) have made any assignment for the benefit of creditors, (iii) admitted in writing its inability to pay its debts as they mature, (iv) have been adjudicated as bankrupt, or (v) have filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the

federal bankruptcy law or any other similar law or statute of the United States or any state, nor shall any such petition have been filed against Buyer.

- (g) Buyer shall have made the deliveries required to be made by it under Section 3.03 hereof.
- (h) All certificates and documents delivered to Seller pursuant to this Agreement shall be satisfactory in form and substance to Seller acting reasonably and in good faith.
- (i) The Sale Order shall have been entered by the Bankruptcy Court.
- (j) The Buyer shall have delivered the Purchase Price.

Section 7.03 Buyer's Conditions. All obligations of Buyer which are to be discharged under this Agreement effective as of the Closing Date are subject to the satisfaction, on or before the Closing Date, of each of the following conditions unless expressly waived in writing by Buyer at or prior to the Closing:

- (a) All of the representations and warranties of the applicable Seller contained in Article IV of this Agreement shall be true and correct in all material respects as of the Execution Date, and shall be deemed to have been made again on and as of the Closing Date and shall be true and correct in all material respects on and as of the Closing Date.
- (b) The applicable Seller shall have performed or complied in all respects with all covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date.
- (c) All Regulatory Approvals shall have been obtained, except for any documents required to be filed, or consents, authorizations, orders or approvals required to be issued, after the Closing Date. Buyer shall have obtained documentation or other evidence satisfactory to Buyer in its reasonable discretion that Buyer has:
 - (i) Buyer shall have received approval from all Government Entities and third-party payors necessary to allow Buyer to conduct the Business and operate the Facility subsequent to Closing;
 - (ii) Buyer shall have received confirmation from all applicable Government Entities that, upon the Closing, all licenses required by law to operate the Facility as currently operated will be transferred to, or issued or reissued in the name of, Buyer (or its Affiliates, as directed by Buyer).
- (d) No Action or proceeding shall have been instituted against, and no order, decree or judgment of any Government Entity shall be pending against, Buyer or Seller which seeks to, or would, render it unlawful as of the Closing Date to effect the transfer of the Purchased Assets, and no such action shall seek damages or injunctive relief by reason of the transactions contemplated hereby. Also, no substantive legal objection to the transactions contemplated by this Agreement shall have been received from or threatened by any Government Entity.

- (e) The applicable Seller shall have made the deliveries required to be made by it under Section 3.02.

All certificates and documents delivered to Buyer pursuant to this Agreement shall be satisfactory in form and substance to Buyer acting reasonably and in good faith.

- (f) The Sale Order shall have been entered by the Bankruptcy Court.

ARTICLE VIII ADDITIONAL AGREEMENTS

Section 8.01 Facility Employees.

- (a) Immediately prior the Effective Time, the applicable Seller shall terminate all its Facility Employees remaining in Seller's employ on the Closing Date and, as of the Effective Time, Buyer or its designee(s) shall offer employment to substantially all such Facility Employees that are "actively working" at a Facility on an at-will basis and subject to Buyer's pre-employment screenings and employment practices, policies and procedures (all such Seller Employees hired by Buyer shall be collectively referred to as the "***Hired Employees***"). For the purposes of this Section 8.01, "actively working" shall mean those employees who are in good standing with Seller and/or an Affiliate of Seller and who are not temporarily absent from active employment by reason of disability, illness, injury, workers' compensation, approved leave of absence or layoff. Buyer reserves the right, at its sole discretion, to establish new terms and conditions of employment with all Hired Employees. Hired Employees, at the option of Buyer, shall be required to submit to and pass background checks, pre-employment physicals and drug screening as a condition to their hiring and retention by Buyer.
- (b) Buyer shall offer immediate employment to a sufficient number of Facility Employees, such that no period of unemployment shall occur with respect to such Facility Employees between employment with the Sellers and employment with Buyer, and such that there will be no violation of the WARN Act or any comparable state or local laws, with such employment with the Buyer to commence as of the Effective Time. If Buyer fails to offer immediate employment to substantially all of the Facility Employees, Buyer acknowledges and agrees that it shall be responsible for the payment of any amounts or liabilities arising or due under the WARN Act or any comparable state or local laws. In furtherance and not in limitation of the foregoing, Buyer shall treat prior service with Sellers reflected in the information provided above as service with Buyer for purposes of determining eligibility to participate and vesting in all benefits programs maintained by Buyer. Sellers shall cooperate with Buyer in providing information reasonably requested by Buyer to facilitate hiring and establishing benefits for Hired Employees who accept employment with Buyer. This Agreement shall not be deemed to create or grant to any Hired Employee any third-party beneficiary rights or claims or any cause of action of any kind or nature.

- (c) The applicable Seller shall provide Buyer, at least ten (10) days prior to the Closing Date, a schedule setting forth, for each of the Facility Employees, an estimated amount of accrued but unused paid time off (including any accrued vacation, sick and holiday time) (collectively, the “**Accrued PTO**”) and the estimate aggregate value of the Accrued PTO as of the Effective Time. Sellers shall provide Buyer, on the Closing Date, with an update schedule reflecting actual Accrued PTO amounts as of the Effective Time. Buyer shall assume the Accrued PTO liability, as updated on the Closing Date, with respect to the Hired Employees and Buyer will, thereafter, be responsible for paying the Hired Employees for their use of their Accrued PTO during their employment with Buyer and upon the termination of their employment with Buyer in accordance with the Buyer’s or its designee’s employment practices. The parties agree to take such reasonable actions as may be necessary, and otherwise to cooperate in good faith, to implement the purposes and intent of this Section 8.01(c).
- (d) Buyer shall provide COBRA continuation coverage (within the meaning of Section 4980B of the Internal Revenue Code and U.S. Treasury regulations thereunder) to all Facility Employees who are “M&A qualified beneficiaries” (within the meaning of Treasury Regulation Section 54.4980B-9, Q&A-4) for the duration of the period to which such Facility Employees are entitled to such coverage.
- (e) Seller or any Affiliate of Seller shall be responsible for the payment to the Facility Employees of all salaries and wages (excluding Accrued PTO) due for periods prior to 12:00 o’clock Midnight on the Closing Date. Anything to the contrary notwithstanding, this Agreement shall not be deemed to create or grant to any Hired Employee any third-party beneficiary rights or claims or any cause of action of any kind or nature. Seller or any Affiliate of Seller shall timely pay to all applicable governmental and regulatory authorities all employment-related taxes due with respect to the Facility Employees for periods prior to 12:00 o’clock Midnight on the Closing Date, including its share of all FICA, state and federal unemployment taxes and workers compensation insurance premiums.
- (f) Seller and/or its Affiliates shall be solely responsible for any and all service awards, health insurance premiums, dental insurance premiums, attendance bonuses, and Section 401(k) retirement plan contributions earned or due and owing to the Hired Employees as of the Closing Date.
- (g) **Employee Benefit Plans.** (i) **Schedule 8.01(g)** sets forth a list of each agreement relating to terms and conditions of employment and each other employee benefit plan, program or arrangement (including each employee benefit plan within the meaning of Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) sponsored, maintained or contributed to or required to be contributed to by Seller and its Affiliates or by any trade or business, whether or not incorporated (including any Person considered a member of a “control group (as defined in Section 210(c) of ERISA), an “**ERISA Affiliate**”) that together with Seller would be deemed a “single employer” within the meaning of Section 4001(b)(1) of ERISA, in each case for the benefit

of any current or former employee of Seller or any of its Affiliates in connection with the Community, whether formal or informal and whether legally binding or not (the “*Employee Benefit Plans*”).

(ii) With respect to each of the Employee Benefit Plans, the Seller has heretofore made available to Buyer true, correct and complete copies of (w) the document governing each written Employee Benefit Plan or a written description of any Employee Benefit Plan that is not otherwise in writing, (x) if the Employee Benefit Plan is funded through a trust or any other funding vehicle, the trust or other funding agreement, (y) the most recent summary plan description and, with respect to any employee pension benefit plan within the meaning of Section 3(2) of ERISA, annual report on IRS Form 5500 Series, if required under ERISA or the Code, and (z) the most recent determination letter received from the IRS with respect to each Employee Benefit Plan that is intended to be qualified under Section 401(a) of the Code.

(iii) Except as set forth on Schedule 8.01(g), neither Seller nor any of its ERISA Affiliates have ever maintained, made contributions to, or been obligated to contribute to any plan, program or arrangement that is or was (x) subject to Title IV of ERISA, (y) a multiemployer plan within the meaning of Section 3(37) or Section 4001(a)(3) of ERISA, or (z) a welfare benefit fund within the meaning of Section 419 of the Code.

(iv) Each of the Employee Benefit Plans has been operated and administered in all material respects in accordance with its terms and applicable Law, including ERISA and the Code. Each of the Employee Benefit Plans that is intended to be “qualified” within the meaning of Section 401(a) of the Code is so qualified. Seller and/or its Affiliates has applied for and received a currently effective determination letter from the IRS stating that each such Employee Benefit Plan is so qualified, and no event has occurred which would affect such qualified status.

(v) None of the Seller, any of its ERISA Affiliates, any of the Employee Benefit Plans, any trust created thereunder, nor to the knowledge of the Seller, any trustee or administrator thereof has engaged in a transaction or has taken or failed to take any action in connection with which Buyer or any of its Affiliates could be subject to any material liability for either a civil penalty assessed pursuant to Section 409 or 502(i) of ERISA or a tax imposed pursuant to Section 4975, 4976 or 4980B of the Code.

(vi) There are no unpaid contributions with respect to any Employee Benefit Plan that are required to have been made under the terms of the Employee Benefit Plan or any applicable Law.

(vii) No Employee Benefit Plan provides benefits, including death or medical benefits (whether or not insured), with respect to current or former employees after retirement or other termination of service (other than (w) coverage mandated by Section 601 et seq. of ERISA or Section 4980B of the Code (“COBRA”)), (x) death benefits or retirement benefits under any “employee pension benefit plan,” as that term is defined in

Section 3(2) of ERISA, (y) benefits the full cost of which is borne by the current or former employee (or his or her beneficiary), or (z) deferred compensation benefits accrued as liabilities on the books of Seller and/or its Affiliates).

(viii) The consummation of the transactions contemplated by this Agreement will not, either alone or in combination with any other event, (x) entitle any current or former employee, officer, director or consultant of the Seller or any of its Affiliates to any payment, including severance pay, unemployment compensation (except employees not hired by Seller and/or its Affiliates after the closing) or any other similar termination payment, or (y) accelerate the time of payment or vesting, or increase the amount of, or otherwise enhance, any benefit due to any such employee, officer, director or consultant.

(ix) There are no pending or, to the Seller's Knowledge, threatened or anticipated claims by or on behalf of any Employee Benefit Plan, by any employee or beneficiary under any such Employee Benefit Plan or otherwise involving any such Employee Benefit Plan (other than routine claims for benefits).

(x) Neither Seller nor any of its ERISA Affiliates is a party to any agreement or understanding, whether written or unwritten, with the Pension Benefit Guaranty Corporation, the IRS, or the Department of Labor.

Section 8.02 Misdirected Payments. From and after the Closing, if any Seller or any of its respective Affiliates receives any right, property or asset that is a Purchased Asset, the applicable Seller shall promptly transfer or cause such of its Affiliates to transfer such right, property or asset (and shall promptly endorse and deliver any such asset that is received in the form of cash, checks or other documents) to Buyer, and such asset will be deemed the property of Buyer held in trust by such Seller for Buyer until so transferred. From and after the Closing, if Buyer or any of its Affiliates receives any right, property or asset that is an Excluded Asset, Buyer shall promptly transfer or cause such of its Affiliates to transfer such asset (and shall promptly endorse and deliver any such right, property or asset that is received in the form of cash, checks, or other documents) to the applicable Seller, and such asset will be deemed the property of such Seller held in trust by Buyer for such Seller until so transferred.

ARTICLE IX TERMINATION

Section 9.01 Termination Prior to Closing.

- (a) This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing:
 - (i) By the mutual written consent of Buyer and the Sellers;
 - (ii) By Buyer, by written notice to Sellers, if: (x) Buyer is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Sellers pursuant to this Agreement that would

give rise to the failure of any of the conditions specified in Article VII, and such breach, inaccuracy or failure has not been cured by Sellers within ten (10) days of Sellers' receipt of written notice of such breach; or (y) any of the conditions set forth in Section 7.01 or Section 7.02 shall not have been, or it becomes apparent that any of such conditions will not be, satisfied by the date that is forty-five (45) days following the date on which the Sale Order is entered (the "***Conditions Satisfaction Deadline***"), unless such failure shall be due to the failure of Buyer to perform or comply with any of its representations, warranties or covenants contained in this Agreement and to be performed or complied with by Buyer prior to the Closing;

(iii) By the Sellers, by written notice to Buyer, if: (x) Sellers are not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Buyer pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article VII, and such breach, inaccuracy or failure has not been cured by Buyer within ten (10) days of Buyer's receipt of written notice of such breach; (y) any of the conditions set forth in Section 7.01 or Section 7.03 shall not have been, or it becomes apparent that any of such conditions will not be, satisfied Conditions Satisfaction Deadline, unless such failure shall be due to the failure of Sellers to perform or comply with any of their representations, warranties or covenants contained in this Agreement and to be performed or complied with by Sellers prior to the Closing;

(iv) By either the Sellers or Buyer in the event the Closing shall not have occurred on or before the Outside Closing Date (which Outside Closing Date may be extended by mutual agreement of Buyer and Seller), unless such delay is the result of an action or omission by the Party wishing to terminate this Agreement pursuant to this subsection.

Section 9.02 Effect of Termination.

- (a) In the event of the termination of this Agreement in accordance with this Article IX, this Agreement shall forthwith become void and there shall be no liability on the part of any Party hereto, except (i) as expressly set forth herein, (ii) in the event of termination pursuant to Section 9.01(a)(i), 9.01(a)(ii) (subject to such failure to meet a condition or delay thereunder not being a result of Buyer's breach), 9.01(a)(iv) or 9.01(a)(v), Buyer shall, within five (5) Business Days, be refunded the Escrow Deposit, and such refund shall be Buyer's sole and exclusive remedy with respect to this Agreement and the transactions contemplated herein; and (iii) in the event of termination by the Sellers pursuant to Section 9.01(a)(iii) (subject to such failure to meet a condition or delay thereunder not being a

result of Sellers' breach), Sellers shall retain the Escrow Deposit as liquidated damages and as Sellers' sole and exclusive remedy with respect to this Agreement and transactions contemplated herein. With respect to the foregoing clause (iii) and retention by the Sellers of the Escrow Deposit as liquidated damages, Sellers and Buyer agree that Sellers' actual damages would be extremely difficult or impracticable to determine, and that the amount of the Escrow Deposit is a reasonable estimate of the damages that Sellers would incur in such event.

- (b) Upon termination of this Agreement, the rights and obligations of the Parties under this Agreement shall likewise terminate, except that those obligations set forth in Section 10.01 and Section 10.02 shall survive termination of this Agreement.

ARTICLE X MISCELLANEOUS

Section 10.01 Confidentiality. It is understood by the Parties hereto that the information, documents, and instruments delivered to Buyer by the applicable Seller and its agents and the information, documents and instruments delivered to the applicable Seller by Buyer and its agents are of a confidential and proprietary nature. Each of the Parties hereto agrees that both prior and subsequent to the Closing it will maintain the confidentiality of all such confidential information, documents or instruments in connection with the negotiation of this Agreement or in compliance with the terms, conditions and covenants hereof and will only disclose such information, documents and instruments to its duly authorized officers, members, directors, representatives, and agents (including consultants, attorneys, accountants, prospective lenders and investors of each party) and applicable governmental authorities in connection with any required notification or application for approval or exemption therefrom. Nothing in this Section, however, shall prohibit the use of such confidential information, documents or information for such governmental filings as in the opinion of Seller's counsel or Buyer's counsel are required by law or governmental regulations or are otherwise required to be disclosed pursuant to applicable state law or the filing of this Agreement with the Bankruptcy Court or pursuant to any Order of the Bankruptcy Court, including, without limitation, the Bid and Sale Procedures Order.

Section 10.02 Cost of Transaction. Whether or not the transactions contemplated hereby shall be consummated, the Parties agree as follows: (a) the applicable Seller shall pay the fees, expenses and disbursements of such Seller and its Affiliates and their agents, representatives, accountants, and legal counsel incurred in connection with the subject matter hereof and any amendments hereto; (b) Buyer shall pay the fees, expenses and disbursements of Buyer and its Affiliates and their agents, representatives, accountants and legal counsel incurred in connection with the subject matter hereof and any amendments hereto; and (c) Buyer shall pay any state or local recording fees, deed, stamp, or other transfer taxes, filing fees, license fees, and any third-party consent or license fees associated with or assessed in connection with the conveyance of any of the Purchased Assets.

Section 10.03 Announcements. The content of any communications to the public relating to the transaction that is the subject of this Agreement including, but not limited to, any letters to patients regarding such transaction, shall be mutually agreed to by Buyer and the applicable Seller.

Section 10.04 Tax and Medicare Effect. None of the Parties (nor such Parties' counsel or accountants) has made or is making any representations to any other Party (nor such party's counsel or accountants) concerning any of the tax, Medicare or Medicaid effects of the transactions provided for in this Agreement as each Party hereto represents that each has obtained, or may obtain, independent tax, Medicare and Medicaid advice with respect thereto and upon which it, if so obtained, has solely relied.

Section 10.05 Survival. The obligations, representations or warranties which by their nature or content would continue beyond the Closing or the expiration or termination of this Agreement shall survive the Closing or any expiration or termination of this Agreement to the extent specifically provided for herein.

Section 10.06 Notices. All notices, demands and other communications required or permitted hereunder shall be deemed sufficiently given if delivered in person, mailed by certified mail, postage prepaid, or sent via nationally recognized overnight carrier, as well as being sent simultaneously by e-mail, addressed as follows:

If to Buyer: RNG BEH CN CL MG LLC
606 Brower Avenue
Toms River, New Jersey 08755
Attn: Seth Geller

Copy to: Reiss Sheppe LLP
425 Madison Avenue, 19th Floor
New York, New York 10017
Attn: Amir Kornblum, Esq.

If to Seller: _____
c/o Christian Horizons
Attn: Kate Bertram, President and Shawn O'Conner, CRO
Two City Place Drive, 2nd Floor
St. Louis, Missouri 63141
Email: kbertram@chliving.org
sconner@hcmpllc.com

Copy to: Dentons US LLP
Attn: Thomas Vandiver
101 South Hanley, Suite 600
St. Louis, Missouri 63105
Email: thomas.vandiver@dentons.com

or to such other address as either Party may designate by notice to the other Parties.

Section 10.07 Assignment. Neither Party may assign its rights or obligations under this Agreement, by operation of law or otherwise, without the prior written consent of the other party, which consent shall not be unreasonably withheld. Any attempted assignment in violation of this section shall be deemed void and

of no force or effect, and a non-curable breach of this Agreement. Buyer may take title to certain or all assets at Closing through a nominee or an assignee of Buyer which will be a newly formed special purpose entity.

Section 10.08 Successors and Assigns. This Agreement shall inure to the benefit of and bind the respective permitted successors and assigns of the Parties hereto. Nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than the Parties to this Agreement or their respective successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein, it being the intention of the Parties to this Agreement that the Agreement be for the sole and exclusive benefit of such Parties or such successors and assigns and not for the benefit of any other person. Notwithstanding the foregoing, the Parties expressly acknowledge the rights of and benefits accruing to the Bond Trustee hereunder.

Section 10.09 Governing Law; Venue. The validity and construction of this Agreement shall be governed by the laws of the State of Missouri without regard to the conflicts of law rules thereof. The Parties hereby consent to jurisdiction and venue in the Federal or State courts situated in St. Louis County, Missouri including while the Chapter 11 cases are pending, the exclusive jurisdiction of the Bankruptcy Court, and hereby waive any objection to the jurisdiction of, or the venue of any action instituted in, such courts.

Section 10.10 Attorneys' Fees. If legal action is commenced to enforce this Agreement, each Party shall pay its own costs and attorneys' fees in connection with any such action.

Section 10.11 Severability. If any provision of this Agreement shall be held invalid under any applicable laws, such invalidity shall not affect any other provision of this Agreement that can be given effect without the invalid provision, and, to this end, the provisions hereof are severable.

Section 10.12 Section Headings. The Section headings are for reference only and shall not limit or control the meaning of any provision of this Agreement.

Section 10.13 Waiver. No delay or omission on the part of any Party in exercising any right hereunder shall operate as a waiver of such right or any other right under this Agreement.

Section 10.14 Amendments. This Agreement may be amended, but only in a writing signed by all Parties hereto and subject to any requisite approval by the Bankruptcy Court.

Section 10.15 Exhibits and Schedules. All Exhibits and Schedules referred to in this Agreement are integral parts of this Agreement and are hereby incorporated into this Agreement as if fully set forth herein, and all statements appearing therein shall be deemed to be representations.

Section 10.16 Entire Agreement. This Agreement, the Exhibits and the Schedules delivered pursuant hereto constitute the entire contract between the Parties hereto pertaining to the subject matter hereof and thereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether written or oral, of the Parties, and there are no representations, warranties or other agreements between the Parties in connection with the subject matter hereof or thereof, except as specifically set forth herein or therein. The Parties specifically acknowledge that in entering into and executing this Agreement, the Parties rely solely upon the representations and agreements contained in this

Agreement, and all prior representations or agreements, whether written or verbal, not expressly incorporated herein are superseded.

Section 10.17 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall comprise one and the same instrument. Signature pages exchanged by email shall be fully binding on the Parties.

Section 10.18 WAIVER OF JURY TRIAL. BUYER, AND SELLER HEREBY WAIVE ANY RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM IN CONNECTION WITH ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY CONTRACT OR INSTRUMENT EXECUTED IN CONNECTION WITH THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, EVENTS LEADING UP TO THE EXECUTION OF THIS AGREEMENT, THE PARTIES' PERFORMANCE OF THIS AGREEMENT, OR ANY CLAIM OF INJURY OR DAMAGE RELATING TO THE FOREGOING OR THE ENFORCEMENT OF ANY REMEDY HEREUNDER.

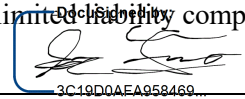
[Signature Pages Immediately Follow]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Asset Purchase Agreement as of the Execution Date.

BUYER:

RNG BEH CN CL MG LLC,
a New Jersey limited liability company

By:


3C19D0AE958469...

Name: Steven Feldman

Title: Authorized Signatory

SELLER:

WASHINGTON VILLAGE ESTATES,
LLC,
an Illinois limited liability company

RISEN SON CHRISTIAN VILLAGE,
an Iowa nonprofit corporation

By: _____
Kate Bertram
President and Chief Executive Officer

By: _____
Kate Bertram
President and Chief Executive Officer

WABASH ESTATES, LLC,
an Illinois limited liability company

SPRING RIVER CHRISTIAN VILLAGE, INC.,
a Missouri nonprofit corporation

By: _____
Kate Bertram
President and Chief Executive
Officer

By: _____

Kate Bertram
President and Chief Executive Officer

WABASH CHRISTIAN VILLAGE
APARTMENTS, LLC,
an Illinois limited liability company

By: _____
Kate Bertram
President and Chief Executive
Officer

Exhibit 3.02(a)**BILL OF SALE OF PERSONAL PROPERTY**

This Bill of Sale is made and executed as of the ____ day of _____, 2024, by and between _____, a[n] [Illinois][Indiana][Iowa][Missouri] [not-for-profit][nonprofit] corporation] [limited liability company] (“***Seller***”) and _____, a[n] _____ (“***Buyer***”).

WHEREAS, pursuant to that certain Asset Purchase Agreement dated as of [____], 2024 by and between Seller and Buyer (the “***Purchase Agreement***”), Seller has agreed to sell to Buyer free and clear of all liens and encumbrances, except with respect to any lien or encumbrance arising out of or related to any liability of Seller assumed by Buyer pursuant to the Purchase Agreement, and Buyer has agreed to purchase from Seller, all of Seller’s right, title and interest in and to the Assets, as that term is defined in the Purchase Agreement, for the consideration in the amount and on the terms provided therein.

NOW THEREFORE, in consideration of the premises and of the mutual representations, warranties, covenants and agreements set forth herein and in the Purchase Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Capitalized Terms. All capitalized terms used and not otherwise defined in this Bill of Sale shall have the meanings ascribed to them in the Purchase Agreement.

2. Sale and Transfer of Acquired Assets. Seller hereby sells, assigns, transfers, conveys, grants and delivers to Buyer, free and clear of all liens and encumbrances, except with respect to any lien or encumbrance arising out of or related to any liability of Seller assumed by Buyer pursuant to the Purchase Agreement, all of Seller’s right, title and interest in and to the Assets, but only to the extent such Assets are to be transferred under the Purchase Agreement at Closing.

3. Warranty of Ownership. Seller warrants that Seller is the legal owner of the Assets and that the Assets are transferred free and clear of all liens and encumbrances, except with respect to any lien or encumbrance arising out of or related to any liability of Seller assumed by Buyer pursuant to the Purchase Agreement.

4. Further Acts Required. Seller covenants that at the request of Buyer it will promptly do or cause to be done all such further acts, and shall execute and deliver, or cause to be executed and delivered, all transfers, assignments and conveyances, evidences of title, notices, consents and assurances necessary or desirable to put Buyer in actual possession and control of the Assets, or as Buyer shall reasonably require to better assure and confirm title of Buyer to the Assets.

5. Purchase Agreement. Nothing in this Bill of Sale shall be deemed to supersede, enlarge or modify any of the provisions of the Purchase Agreement, all of which survive the execution and delivery of this Bill of Sale as provided and subject to the limitations set forth in the Purchase Agreement. If any conflict exists between the terms of this Bill of Sale and the terms of the Purchase Agreement, the terms of the Purchase Agreement shall govern and control.

6. Notices. All notices or other communications or deliveries provided for under this bill of sale shall be given as provided in the Purchase Agreement.

7. Caption Headings and Construction of Agreement. The caption headings are used in this bill of sale only as a matter of convenience and for reference and do not define, limit or describe the scope of this bill of sale nor the intent of any provisions.

8. Applicable Law. This bill of sale is made and entered into in the State of [Illinois][Indiana][Iowa][Missouri] and shall be construed and enforced in accordance with the laws of such state.

9. Successors and Assigns. The provisions of this Bill of Sale shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed under seal in its name as of the date first above written.

SELLER:

_____,
a[n] [Illinois][Indiana][Iowa][Missouri][not-for-profit][nonprofit]
corporation

By: _____
[Name]
[Title]

Exhibit 3.02(b)**ASSIGNMENT AND ASSUMPTION AGREEMENT**

This Assignment and Assumption Agreement (this “**Agreement**”) is made and entered into as of the ____ day of _____, 2024 (the “**Effective Date**”), by and between by and between _____, a[n] [Illinois][Indiana][Iowa][Missouri] [not-for-profit][nonprofit] corporation] (hereinafter referred to as “**Assignor**”) and _____, a[n] _____ (hereinafter referred to as “**Assignee**”).

WHEREAS, pursuant to that certain Asset Purchase Agreement dated _____, 2024, (the “**Purchase Agreement**”) by and between Assignor and Assignee, Assignor is selling and conveying to Assignee certain of Assignor’s assets (the “**Assets**”) used in connection with Assignor’s operation of _____, a senior living community located in _____, [Illinois][Indiana][Iowa][Missouri] (the “**Facility**”);

WHEREAS, in connection with the sale, Assignor has agreed to assign to Assignee all of Assignor’s right, title and interest in and to executory contracts and certain intangible assets of Assignor used in connection with Assignor’s operation of the Facility (the “**Assignor’s Business**”), and Assignee has agreed to assume all of the duties and obligations of the Assignor with respect to such executory contracts and intangible assets arising from and after the date hereof; and

WHEREAS, also pursuant to the Purchase Agreement, Assignee has agreed to assume certain liabilities and obligations of Assignor (the “**Assumed Liabilities**”).

NOW THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) paid by Assignee to Assignor, the receipt of which is hereby acknowledged, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignor hereby assigns to Assignee all of its right, title and interest in and to executory contracts identified in Exhibit “A” attached hereto and incorporated herein by this reference (the “**Executory Contracts**”), and further assigns and delegates to Assignee all of Assignor’s rights, duties, obligations and covenants contained in such Executory Contracts. Assignee hereby assumes and agrees to perform and discharge all duties, obligations and covenants contained in the Executory Contracts.

2. Assignor hereby assigns to Assignee all of Assignor’s right, title and interest in, to and under the following intangible property owned by Assignor and used in connection with Assignor’s Business (collectively, the “**Intangibles**”):

a. All licenses, permits, certifications, certificates of need, and accreditations held by Assignor relating to the ownership, development and operation of Assignor’s Business (including any applications and pending approvals), to the extent assignable (the “**Licenses**”);

b. All intellectual property used in the operation of Assignor’s Business, facilities and properties (the “**Intellectual Property**”), including, but not limited to, the items listed on Exhibit “B” attached hereto and incorporated herein by this reference;

c. All paper and/or electronic resident records relating to Assignor's past and present residents of the Facility;

d. All manufacturers' and vendors' warranties relating to the Assets, to the extent transferable, and rights and claims that may be asserted by (but not against) Assignor related to the Assets;

e. All personnel records relating to employees of Assignor's Business who are hired by Assignee (to the extent such records are transferable under applicable law), equipment records, documents, catalogs, books, records, files, operating manuals, and other records relating to the Assets (but excepting any documents or records relating to Assignor's tax returns and Assignor's internal corporate affairs);

f. All goodwill associated with the Assets;

g. To the extent owned by the Seller, all vehicles, appliances, maintenance equipment, supplies and tools, physical therapy equipment, medical apparatuses, ventilator units, computer hardware, computer software, computer switches and servers, telephones and telephone systems, kitchen equipment, patient or resident room furnishings, all site plans, surveys, plans and specifications, and floor plans in the possession of the Seller and other tangible property and assets that are located in the Facility or utilized in connection with the owning, operating or managing the operations of the Facility; and

h. Sellers' (and, if applicable, any Affiliate of Seller's) leases, contracts and agreements with residents (the "**Residents**") of the Facilities (the "**Residency Agreements**").

3. Assignee hereby assumes and agrees to perform all covenants, agreements and undertakings of Assignor, arising from and after the date hereof, under the Intangibles.

4. Assignee hereby agrees to indemnify, defend and hold harmless Assignor from any claim, cause of action, loss, damage or expense (including without limitation reasonable attorneys' fees and court costs) resulting from any breach by Assignee of its obligations under the Executory Contracts or the Intangibles or any claim of such breach arising out of or based on events from and after the Effective Date. Assignor hereby agrees to indemnify, defend and hold harmless Assignee from any claim, cause of action, loss, damage or expense (including without limitation reasonable attorneys' fees and court costs) resulting from any breach by Assignor of its obligations under the Executory Contracts or the Intangibles or any claim of such breach arising out of or based on events prior to the Effective Date.

5. Assignee hereby assumes and agrees to be personally liable for all liabilities and obligations arising under the Executory Contracts from and after the Effective Date.

Any creditor of Assignee with respect to the Assumed Liabilities may enforce its rights against Assignor directly, without any obligation to proceed against Assignee.

6. This Agreement may be executed in one or more counterparts, and by electronically transmitted signature, and each counterpart and signature shall be deemed to be an original and all of which together shall constitute one agreement that is binding on all parties.

[Signature Pages Immediately Follow]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment and Assumption Agreement as of the day and year first above written.

ASSIGNOR:

_____,
a[n] [Illinois][Indiana][Iowa][Missouri][not-for-
profit][nonprofit] corporation

By: _____
[Name], [Title]

ASSIGNEE:

_____,
a[n] _____

By: _____
[Name], [Title]

Exhibit 3.02(c)

FORM OF DEED

[Attached.]

[SPACE ABOVE THIS LINE IS FOR RECORDING INFORMATION]

_____,
a[n] [not-for-profit][nonprofit]

to

_____,
a[n] [Illinois][Indiana][Iowa][Missouri]

QUIT CLAIM DEED

Dated: As of [____], 2024

Location:

County:

UPON RECORDATION RETURN TO:

Dentons US LLP
101 S. Hanley, Suite 600
St. Louis, Missouri 63105
Attention: Thomas K. Vandiver

QUIT CLAIM DEED

This Quit Claim Deed, made this ____ day of _____, 2024, _____, a[n] [Illinois][Indiana][Iowa][Missouri] [not-for-profit][nonprofit] corporation], (“Grantor”), and _____, a[n] _____ (“Grantee”), WITNESSETH, that Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid, by Grantee, the receipt of which is hereby acknowledged, by these presents does REMISE, RELEASE, ALIENATE AND CONVEY unto the Grantee, FOREVER, all the following described real estate, situated in the County of _____ and State of [Illinois][Indiana][Iowa][Missouri], known and described as follows, to wit (the “Premises”):

See Schedule 1 attached hereto and made a part hereof, together with all improvements and fixtures located thereon and owned by Grantor as of the date hereof and any rights, privileges and appurtenances pertaining thereto.

TO HAVE AND TO HOLD the said Premises as described above, with the appurtenances unto the Grantee, forever.

This is a Quit Claim Deed. Grantor makes no representations whatsoever, express or implied, regarding the Premises, this Deed or any other matters.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, Grantor executed this Quit Claim Deed the day and year first above written.

GRANTOR:

_____,
a[n] [Illinois][Indiana][Iowa][Missouri] [not-for-
profit][nonprofit]

By: _____
[Name], [Title]

STATE OF _____)

)

COUNTY OF _____)

On _____, 2024, before me, the undersigned, a notary public in and for said State, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that, by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

_____, Notary Public

Printed Name: _____

My Commission Expires:

Send Subsequent Tax Bills to:

I affirm under penalties of perjury, that I have taken reasonable care to redact each social security number in this document unless required by law. This instrument is prepared by _____. [NTD: this

clause is only required for recordation in Indiana; confirm form of Quit Claim Deed with local title company]

SCHEDULE 1 TO QUIT CLAIM DEED
LEGAL DESCRIPTION

[To be inserted.]

Exhibit 3.04(a)

HUD CHANGE OF OWNERSHIP REVIEW CHECKLIST

[Attached.]

**Change of Ownership
Review Checklist
Section 232**

**U.S. Department of Housing and
Urban Development**
Office of Residential Care Facilities

Warning: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).

Project Name:
Project Number:
Applicant Name:

SUBMISSION REQUIREMENTS:

- This checklist must be used for the following Change of Participant (CHOP) transaction types: Change of Borrower Entity, Change of Borrower's Controlling Participants(s), and Change of Borrower's IRS reporting structure. If the transaction also includes a Change of Operator or Change of Management Agent, you may use this checklist for the entire transaction.
- For more information on ORCF's CHOP criteria, please see the Healthcare Mortgage Insurance Program Handbook 4232.1, Section III, Chapter 7.
- If a CHOP is occurring in conjunction with the closing of a new Section 232 loan, **do not use this checklist.**
- For changes in Section 38 signatories that do not trigger a CHOP please contact your assigned Account Executive to discuss amending the Borrower's Regulatory Agreement.
- Note: If a Management Agent has been deemed an Operator, all Operator documents must be submitted for the management agent.
- Note: If a Hospital District is proposing to be the Operator under an Upper Payment Limit (UPL) program, all Operator documents (including the Operator Regulatory Agreement and Security Agreement) must be submitted for the Hospital entity as well as for the Sub-Operator entity responsible for the day-to-day operations. However, the Hospital entity is not required to execute the Cross-Default Guaranty as it is permitted to have other non-project related income. The Hospital District's Operator Security Agreement must include language that the revenues from IGT/UPL transactions are available for delinquencies and other project operating needs.

- Redlines of all HUD forms and of all revisions to the draft documents must be provided.
- **Portfolio Review Process:** To expedite portfolio CHOP reviews, the Lender may request a lead AE and lead attorney and designate a lead project. If the Lender elects this option, the Lender should submit the lead project's CHOP submission ahead of the other projects. The lead attorney will provide comments on the lead project submission. Once the lead project submission is legally acceptable, the Lender's counsel can draft and submit the CHOP submissions for the other projects in the portfolio. Note: For the other projects' submissions, redlines of HUD forms should generally be provided against the standard HUD form, NOT against the lead project's form (as each project may have deal-specific documents, special conditions, and/or riders).
- It is **critical** that you name each file according to the naming convention provided in the checklist **highlighted in green**. These highlighted numbers are important codes that "guide" the Portal system to recognize the type of transaction submitted, section number of the checklist, and the identity of the document. Therefore, using the naming conventions provided in the sample checklist that follows, appropriate file names for this submission package include **99901-a_Lender's Narrative [OR] 99901-a_LendersNarrative [OR] 99901-a_LNarrative**. In all three examples, the critically important portion of the file name is the five-digit number, dash, letter, and underscore that have been highlighted in green on the checklist.
- The below Transaction Factors will guide which documents may apply to your transaction.

Transaction Determinant Factor Questions:

	Yes	No
1. Will there be a change in the control of the project ownership?	<input type="checkbox"/>	<input type="checkbox"/>
a. Will a significant sum of money (any amount that exceeds 10% of the original loan amount), change hands in conjunction with the transaction?..... <input type="checkbox"/> N/A	<input type="checkbox"/>	<input type="checkbox"/>
2. Does this transaction involve the transfer of title from the Borrower entity to a buyer, including conveyance by installment sales contract, land contract, or wrap-around mortgage?	<input type="checkbox"/>	<input type="checkbox"/>
3. Does this transaction involve the transfer of any interest in a partnership Borrower that causes a dissolution of the partnership under applicable state law?	<input type="checkbox"/>	<input type="checkbox"/>
4. Does this transaction involve the transfer of the beneficial interest in a	<input type="checkbox"/>	<input type="checkbox"/>

passive trust that results in a change in control and management of the asset,
although legal title remains in the trustee?

*If you answered "Yes" to any of the **Key Questions 1 through 4** above, you must provide the applicable documents requested in the checklist exhibits and complete those sections of the **Change of Ownership Lender Narrative (HUD-92266-ORCF)** marked with the corresponding code (1). Please check the box here and move on.....* ☐ (1)

5. Does this transaction involve the transfer of interests in entities owning properties with the following characteristics? (If you answered "Yes" to this question, please check the box of the applicable characteristics from the list below.) ☐

- a. Any transfer of partnership interests in excess of 50% that do not cause a dissolution of the existing partnership under applicable law, as certified by an attorney who has no identity-of-interest with the partnership and is licensed to practice law in the state where the partnership is organized. ☐
- b. Addition or substitution of a managing or controlling member in a Limited Liability Company (LLC). ☐
- c. The substitution of one or more of the general partners of a limited partnership Borrower that does not cause a dissolution of the existing partnership under applicable law, as certified by an attorney who has no identity-of-interest with the partnership and is licensed to practice law in the state where the project is located. ☐
- d. A transfer of stock of a corporate general partner of a partnership where such transfer results in one person or entity controlling in excess of 50% of the stock of a publicly traded entity or closely held corporation, where such transfer results in a change of control of the corporate general partner. ☐
- e. A transfer of stock of a corporate Borrower where such transfer results in one person or entity, other than the original controlling entity, controlling stock in excess of 50%, or an amount less than 50% where such a transfer results in a change of control of the corporate Borrower. ☐
- f. Transfer of a beneficial interest in a passive trust that does not result in a change in control of the property. ☐
- g. Other entities not falling into categories above, where the managing control is changing (e.g., a change to a corporate officer or voting board

member of a non-profit corporation). ☐

*If you answered “Yes” to **Key Question 5** above, you must provide the applicable documents requested in the checklist exhibits and complete those sections of the **Change of Ownership Lender Narrative (HUD-92266-ORCF)** marked with the corresponding code (2). Please check the box here and move on.....* ☐ (2)

6. Does the transaction involve a change of the Internal Revenue Service (IRS) Reporting Structure (i.e., when a Borrower changes from Limited Partner (LP) to LLC, but all principals remain the same and the tax identification number (TIN) is not changing? ☐

*If you answered “Yes” to **Key Questions 6** above, you must provide the applicable documents requested in the checklist exhibits and complete those sections of the **Change of Ownership Lender Narrative (HUD-92266-ORCF)** marked with the corresponding code. Please check the box here and move on...* ☐ (3)

7. Does this transaction also include a change of the Operator ☐

8. Does this transaction also include a change of the Management Agent? ☐

*If you answered “Yes” to **Key Questions 7 and/or 8** above, you must provide the applicable documents requested in the checklist exhibits and complete those sections of the **Change of Ownership Lender Narrative (HUD-92266-ORCF)** marked with the corresponding code (4) and/or (5), respectively. Please check the box here and move on.* ☐ (4) [and/or] ☐ (5)

No.	Item	Incl.	N/A
	92201-a Completed Change of Ownership Checklist (1,2,3,4,5)	<input type="checkbox"/>	
	92202-a Lender Narrative for Change of Ownership Application (Form HUD-92266-ORCF) (1,2)	<input type="checkbox"/>	<input type="checkbox"/>
	92203-a Contact Sheet (Form HUD-90024-ORCF) (1,2)	<input type="checkbox"/>	<input type="checkbox"/>
	92204-a Letter describing proposed change in organizational structure (3) <i>This letter, submitted on the Lender’s or Borrower’s letterhead, must provide a brief narrative that describes the proposed change of the IRS reporting structure and confirm that all principals of the borrower and the tax identification number (TIN) will remain the same.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	92205-a Lender’s Consent to Transaction (3).....	<input type="checkbox"/>	<input type="checkbox"/>
	92206-a Application fee* (Pay.gov receipt) (1,2)	<input type="checkbox"/>	<input type="checkbox"/>
	*An application fee \$0.50 per \$1,000 of the original face amount of the HUD-insured loan is required. The		

[Facility Name]
Asset Purchase Agreement
Exhibit 3.04(a)
US_ACTIVE\127883878\V-7

No.	Item	Incl.	N/A
	documents)		
a.	92212-a Date down pro forma title endorsement [OR]	<input type="checkbox"/>	<input type="checkbox"/>
b.	92212-b Pro forma ALTA Loan Title Insurance Policy [AND]	<input type="checkbox"/>	<input type="checkbox"/>
c.	92212-c Title agent letter of authority	<input type="checkbox"/>	<input type="checkbox"/>
	92213-a Executed Purchase and Sale Agreement (1,2)	<input type="checkbox"/>	<input type="checkbox"/>
	92214-a Proposed Bill of Sale and Assignment (HUD-92228-ORCF) (1,2).....	<input type="checkbox"/>	<input type="checkbox"/>
	Assumption/Amendments		
a.	92215-a THIS LINE INTENTIONALLY LEFT BLANK		
b.	92215-b Assumption of Security Instrument (1) <i>If the current mortgage is a separate document from the security agreement, then both documents must be assumed. (If the project is being removed from or added to a Master Lease and the mortgage is prior to 06/2019, the Assumption must also revise the mortgage's references to the Master Tenant/Master Lease.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
c.	92215-c Assumption of Borrower Regulatory Agreement [or] New Borrower Regulatory Agreement (1) <i>An Assumption of the Borrower Regulatory Agreement is required for purchasers of projects using pre-July 2013 documents; and the newest version of the Borrower Regulatory Agreement is required for purchasers of projects using documents dated July 2013 or later (either via an assumption or a new agreement). If executing an Assumption, please note that the Borrower Regulatory Agreement must also be amended to:</i> 1) revise all references to the Master Tenant/Master Lease (if the project is being removed from or added to a Master Lease and the Regulatory Agreement is prior to 06/2019), 2) add a Master Lease Termination provision (if project is being added to a master lease that does not extend to the end of the mortgage), and 3) amend the Section 38 signatories (if the signatories need changing). If executing a new Borrower Regulatory Agreement, please ensure that any Special Conditions in the current Borrower Regulatory Agreement are carried over and that the new Borrower Regulatory Agreement is incorporated into the mortgage.	<input type="checkbox"/>	<input type="checkbox"/>
	Releases of Regulatory Agreements <i>Optional. Only applicable if a new Regulatory Agreement is being executed (not applicable for assumptions).</i>		
d.	92215-d Release of existing Borrower Regulatory Agreement (1)	<input type="checkbox"/>	<input type="checkbox"/>
e.	92215-e Release of existing Master Tenant Regulatory Agreement (4)	<input type="checkbox"/>	<input type="checkbox"/>
f.	92215-f Release of existing Operator Regulatory Agreement (4)	<input type="checkbox"/>	<input type="checkbox"/>
	92216-a Copy of Existing Borrower's Regulatory Agreement (1,2,3)	<input type="checkbox"/>	<input type="checkbox"/>
	New Operator's Security Agreement and related documents (4)..... <i>If Project is also being removed from or added to a Master Lease, the existing Operator Security Agreement, if dated prior to 06/2019, must be amended to change all references to Master Tenant/Lease. For UPL/IGT transactions, language must be added to the Operator Security Agreement which provides that IGT/UPL proceeds that are not considered Excluded Proceeds (as defined by the transaction specific agreements) are included in the definition of Government Payments. Request sample language from ORCF.</i>	<input type="checkbox"/>	<input type="checkbox"/>
a.	92217-a New Operator's Security Agreement (HUD-92323-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
b.	92217-b UCC Financing Statement (County)	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	Incl.	N/A
	c. 92217-c UCC Financing Statement (State)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92217-d Operator Assignment of Rents and Leases (HUD-92324-ORCF).....	<input type="checkbox"/>	<input type="checkbox"/>
	Deposit Control Agreement(s) (4)..... <i>Applicable if deposit accounts are changing.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92218-a Deposit Account Control Agreement (DACA)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92218-b Deposit Account Instructions and Services Agreement (DAISA) (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>
	Evidence of Professional Liability Insurance (PLI) Coverage.....	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92219-a ACORD Certificate of PLI (4).....	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92219-b Schedule of facilities covered by PLI policy (4)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92219-c Potential PLI claims certification (4)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92219-d Evidence of PLI insurer's rating (printout from AM Best Rating or Demotech) (4)	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92219-e Insurance certification (HUD-92435-ORCF) (1, 2)	<input type="checkbox"/>	<input type="checkbox"/>
	92220-a Six-year loss history of all claims against New Operator/New Parent of the Operator (4)	<input type="checkbox"/>	<input type="checkbox"/>
	<i>If property subject to the CHOP is being added to an umbrella PLI policy, please provide six-year loss history for that policy. If property subject to the CHOP is being added to a stand-alone PLI policy (regardless of if there is a Parent of an Operator or not), please provide a six-year loss history for each facility that the controlling participants' operate. The six-year loss history should be provided in annual summary form (prepared by the insurance company or third-party administrator).</i>		
	Draft Operating Lease (or Sublease) (1)	<input type="checkbox"/>	<input type="checkbox"/>
	<i>In some cases, such as if the project is being removed from or added to a Master Lease, the existing Operator Lease will need to be terminated.</i>		
	a. 92221-a Draft Estoppel Certificate (HUD-91117-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92221-b Draft Operating Lease with attached Addendum to Operating Lease (HUD-91116-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92221-c Draft Memorandum of Operating Lease	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92221-d Draft Subordination (Non-Disturbance and Attornment) Agreement (HUD-91110-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	New Master Lease (1, 4)	<input type="checkbox"/>	<input type="checkbox"/>
	<i>As applicable, for transactions that require a new master lease to include the subject project.</i>		
	a. THIS LINE INTENTIONALLY LEFT BLANK		
	b. 92222-b Master Lease, with attached Master Lease Addendum (HUD-92211-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92222-c Cross-Default Guaranty of Subtenants (HUD-92211-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92222-d Master Lease Subordination [Non-Disturbance and Attornment] Agreement (HUD-92333-ORCF).....	<input type="checkbox"/>	<input type="checkbox"/>
	e. THIS LINE INTENTIONALLY LEFT BLANK		
	f. 92222-f Healthcare Regulatory Agreement – Master Tenant (HUD-92337-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	g. 92222-g Master Tenant Estoppel Certificate (HUD-92339-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>

[Facility Name]
Asset Purchase Agreement
Exhibit 3.04(a)
US_ACTIVE\127883878\V-7

[Facility Name]
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No.	Item	Incl.	N/A
	p. 92225-p Draft Termination of Master Tenant UCC-1 Financing Statements (county and state)	<input type="checkbox"/>	<input type="checkbox"/>
	q. 92225-q AR Lender confirmation that Master Lease Termination will not be considered a default under the AR loan documents	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
25a.	Organizational Documents – Master Tenant (4)	<input type="checkbox"/>	<input type="checkbox"/>
	aa. 92225-aa Organizational Charts (<i>current and proposed</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	bb. 92225-bb Organizational certification (<i>including incumbency</i>).....	<input type="checkbox"/>	<input type="checkbox"/>
	cc. 92225-cc Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	dd. 92225-dd Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	ee. 92225-ee Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	ff. 92225-ff Status certificates	<input type="checkbox"/>	<input type="checkbox"/>
25b.	Organizational Documents –Master Tenant Principals (4)	<input type="checkbox"/>	<input type="checkbox"/>
	gg. 92225-gg Organizational Charts (<i>current and proposed</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	hh. 92225-hh Organizational certification (<i>including incumbency</i>).....	<input type="checkbox"/>	<input type="checkbox"/>
	ii. 92225-ii Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	jj. 92225-jj Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	kk. 92225-kk Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	ll. 92225-ll Status certificates.....	<input type="checkbox"/>	<input type="checkbox"/>
	Accounts Receivable (AR) Financing Documents (4)	<input type="checkbox"/>	<input type="checkbox"/>
	<i>Applicable for new AR Financing and Modification of AR Financing. If the project is also being removed from or added to a Master Lease, the Intercreditor must be amended to revise references to the Master Tenant/Master Lease.</i>		
	a. 92226-a Accounts Receivable Financing Certification (HUD-90020-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92226-b Draft Intercreditor Agreement (Redlined Version) (HUD-92322-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92226-c Cash flow chart, as attached to the Operator Security Agreement (HUD-92323-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92226-d AR Loan Agreement, as amended, including all exhibits, schedules, addenda, riders and allonges	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92226-e AR Loan Note(s)	<input type="checkbox"/>	<input type="checkbox"/>
	f. 92226-f All security agreements, UCC financing statements, deposit control agreements, lockbox agreements and/or blocked account agreements in favor of the AR Lender	<input type="checkbox"/>	<input type="checkbox"/>
	g. 92226-g All guaranties, pledges and/or other side agreements in favor of the AR Lender	<input type="checkbox"/>	<input type="checkbox"/>
	h. 92226-h Accounts Receivable Financing Terms Memo (<i>optional supplement</i>)	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	Incl.	N/A
26a.	Accounts Receivable (AR) Modification Documents (4) <i>Applicable to Modification of AR Financing.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	aa. 92226-aa Lender Narrative for AR Modification	<input type="checkbox"/>	<input type="checkbox"/>
	bb. 92226-bb Cover Letter	<input type="checkbox"/>	<input type="checkbox"/>
	cc. 92226-cc Facilities on AR Line	<input type="checkbox"/>	<input type="checkbox"/>
	dd. 92226-dd UCC Searches for Operator	<input type="checkbox"/>	<input type="checkbox"/>
	ee. 92226-ee Covenant Compliance Statement from AR Lender	<input type="checkbox"/>	<input type="checkbox"/>
27.	Secondary Financing Documents (as applicable) (1)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92227-a Secondary financing documents (as amended by HUD's Secondary Financing Rider if a private, non-governmental source is providing secured, secondary financing)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92227-b Promissory Note (s)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92227-c Residual Receipts Note (HUD 91710-ORCF) (to be submitted for each unsecured promissory note when Borrower is a non-profit entity)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92227-d Surplus Cash Note (HUD-92223-ORCF) (to be submitted for each unsecured promissory note when Borrower is a for-profit entity)	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92227-e Subordination Agreement (HUD-92420-ORCF) (to be submitted if a governmental source is providing secured, secondary financing)	<input type="checkbox"/>	<input type="checkbox"/>
28.	Commercial Space Leases (as applicable) (1)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92228-a Estoppel Certificate	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92228-b Commercial Lease [OR] Assignment/Assumption of Commercial Lease	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92228-c Subordination Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	Previous Participation Certification for Borrower, Master Tenant, Operator, Management Agent, and all Controlling Participants (as applicable) (1,2,3*,4,5)..... <i>See Housing Notice 2016-15 for additional guidance on the Previous Participation Certification. * Only if TIN is changing.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92229-a THIS LINE INTENTIONALLY LEFT BLANK		
	b. 92229-b Active Partners Performance System (APPS) Submittal: Previous Participation Certification via the Active Partners Performance System (APPS). Include a copy of the signature pages in the application	<input type="checkbox"/>	<input type="checkbox"/>
	{OR}		
	c. 92229-c Previous Participation Certification (HUD-90021-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	{OR}		
	d. 92229-d Completed Consolidated Certifications are being submitted under tab 44	<input type="checkbox"/>	<input type="checkbox"/>
-	92230-a THIS LINE INTENTIONALLY LEFT BLANK		

No.	Item	Incl.	N/A
	92231-a THIS LINE INTENTIONALLY LEFT BLANK		
	92232-a THIS LINE INTENTIONALLY LEFT BLANK		
	92233-a THIS LINE INTENTIONALLY LEFT BLANK		
	Credit reports for New Borrower and Principals <i>(or new principals of an existing Borrower)</i> (1,2)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92234-a New Borrower	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92234-b Principal of Borrower <i>If a principal is a business entity (i.e., corporation, partnership) with an operating history, a credit report is required only on the business firm, not the owners of the firm.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92234-c Sampling of Principal's Other Business Concerns <i>(Credit reports from 10% of the entities listed on the attached Consolidated Certification)</i>	<input type="checkbox"/>	<input type="checkbox"/>
	Organizational Documents – New Operator <i>(as applicable)</i> (4) <i>For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust</i>	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92235-a Organizational Charts <i>(current and proposed)</i>	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92235-b Organizational certification <i>(including incumbency)</i>	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92235-c Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92235-d Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92235-e Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	f. 92235-f Status certificates	<input type="checkbox"/>	<input type="checkbox"/>
	Organizational Documents – New Parent of the Operator <i>(as applicable)</i> (4) <i>For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust</i>	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92236-a Organizational Charts <i>(current and proposed)</i>	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92236-b Organizational certification <i>(including incumbency)</i>	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92236-c Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92236-d Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92236-e Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	f. 92236-f Status certificates	<input type="checkbox"/>	<input type="checkbox"/>
	92237-a Draft Operator's Regulatory Agreement (<u>HUD-92466A-ORCF</u>) (4)..... <i>If the project is also being removed from or added to a Master Lease, the existing Operator's Regulatory Agreement, if dated prior to June 2019, must be amended to revise all references to the Master Tenant/Lease.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	THIS LINE INTENTIONALLY LEFT BLANK		
	Credit reports for New Operator Entity and New Parent of the Operator <i>(as applicable)</i> (4)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92239-a Credit reports for New Operator Entity and New Parent of the Operator.	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92239-b Sampling of Other Business Concerns of New Operator <i>(Credit reports from 10% of the entities listed on the attached Consolidated Certification)</i>	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92239-c Sampling of Other Business Concerns of New Parent of the Operator <i>(Credit reports from 10% of the entities listed on the attached Consolidated Certification)</i>	<input type="checkbox"/>	<input type="checkbox"/>
	92240-a Sources and uses of funds statement (1)	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	Incl.	N/A
	92241-a Pro forma balance sheet of New Borrower (1)	<input type="checkbox"/>	<input type="checkbox"/>
	92242-a Lender's statement of escrow and reserve accounts (1).....	<input type="checkbox"/>	<input type="checkbox"/>
	92243-a Project Capital Needs Assessment (PCNA) (1,2) <i>Provide if 10 years or more since last PCNA.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	92244-a Consolidated Certifications (<u>HUD-90013-ORCF through HUD-90017-ORCF</u>) (as applicable) (1,2,3*,4,5) <i>Please include overall star ratings for every facility listed and any star rating category two (2) or below. * Only if TIN is changing.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	92245-a THIS LINE INTENTIONALLY LEFT BLANK		
	92246-a THIS LINE INTENTIONALLY LEFT BLANK		
	92247-a THIS LINE INTENTIONALLY LEFT BLANK		
	Management Agent Documents (5)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92248-a Management Agent Certification (<u>HUD-9839-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92248-b INTENTIONALLY LEFT BLANK		
	c. 92248-c Management Agent Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92248-d Management Agreement Addendum (<u>HUD-92071-ORCF</u>).....	<input type="checkbox"/>	<input type="checkbox"/>
	Financial Detail of Existing Operator (4)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92249-a Aging of Accounts Receivable	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92249-b Aging of Accounts Payable	<input type="checkbox"/>	<input type="checkbox"/>
	92250-a Evidence that the Affirmative Fair Housing Marketing Plan (AFHMP) has been reviewed and is current (<u>HUD-935.2D-ORCF</u>) (1,2,3,4)..... <i>Applicable if AFHMP was required during the firm application process of the existing loan</i> <i>Please note HUD requires a Borrower to review a project's AFHMP every five (5) years for projects where AFHMP was required during the firm application process of the existing loan.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	92251-a State Regulatory Agency/Centers for Medicare & Medicaid Services (CMS) (4) <i>Please provide statement listing any unresolved issues with state regulatory agency/CMS for all HUD-insured and non- insured facilities operated by incoming Controlling Participants (entities or individuals).</i>	<input type="checkbox"/>	<input type="checkbox"/>
51a.	92251-aa Redlined Escrow Agreement for Debt Service Reserve (HUD-92476C-ORCF) (1,4) <i>ORCF may require if property is not performing financially or if there are issues with quality of care.</i>	<input type="checkbox"/>	<input type="checkbox"/>

Final Approval Process

The applicant must provide the following items for final approval:

No.	Item	Incl.	N/A
	92252-a Recorded Assumption of Security Instrument (1) <i>As applicable, if New Borrower is assuming the Security Instrument.</i>	<input type="checkbox"/>	<input type="checkbox"/>

[Facility Name]
Asset Purchase Agreement
Exhibit 3.04(a)
US_ACTIVE\127883878\IV-7

No.	Item	Incl.	N/A
	92253-a THIS LINE INTENTIONALLY LEFT BLANK		
	Recorded Regulatory Agreements.....	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92254-a Recorded Operator's Regulatory Agreement <u>HUD-92466A-ORCF</u> (4)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92254-b Recorded Assumption of Existing Borrower Regulatory Agreement [or] New Borrower Regulatory Agreement (<u>HUD-92466-ORCF</u>) (1)	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Operating Lease (or Sublease) (1,4)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92255-a Estoppel Certificate (<u>HUD-91117-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92255-b Operating Lease with attached Addendum to Operating Lease (<u>HUD-91116-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92255-c Recorded Memorandum of Operating Lease	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92255-d Recorded Subordination (Non-Disturbance and Attornment) Agreement (<u>HUD-91110-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	92256-a Copy of License with Name of New Operator Entity (1,3,4,5)	<input type="checkbox"/>	<input type="checkbox"/>
	Executed New Master Lease (1,4)..... <i>As applicable, for transactions that require a new master lease to include the subject project.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	a. THIS LINE INTENTIONALLY LEFT BLANK		
	b. 92257-b Executed Master Lease, with attached Master Lease Addendum (<u>HUD-92211-ORCF</u>).....	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92257-c Executed Cross-Default Guaranty of Subtenants (<u>HUD-92331-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92257-d Recorded Master Lease Subordination [, Non-Disturbance and Attornment] Agreement (<u>HUD-92333-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	e. THIS LINE INTENTIONALLY LEFT BLANK		
	f. 92257-f Recorded Healthcare Regulatory Agreement – Master Tenant (<u>HUD-92337-ORCF</u>).....	<input type="checkbox"/>	<input type="checkbox"/>
	g. 92257-g Executed Master Tenant Estoppel Certificate (<u>HUD-92339-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	h. 92257-h Executed Master Tenant Security Agreement (<u>HUD-92340-ORCF</u>).....	<input type="checkbox"/>	<input type="checkbox"/>
	i. 92257-i Recorded Master Tenant Assignment of Leases and Rents (<u>HUD-92334-ORCF</u>).....	<input type="checkbox"/>	<input type="checkbox"/>
	j. 92257-j Recorded Memorandum of Master Lease	<input type="checkbox"/>	<input type="checkbox"/>
	k. 92257-k Recorded UCC Financing Statement (County)	<input type="checkbox"/>	<input type="checkbox"/>
	l. 92257-l Filed UCC Financing Statement (State)	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Master Lease Release Documents (1,4)..... <i>As applicable, for transactions that result in the subject project being removed from an existing Master Lease, if that Master Lease will continue to exist after this project's departure.</i>	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92258-a Executed Amendment to HUD Master Lease (<u>HUD-92342-ORCF</u>).....	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92258-b Executed Amendment to Cross-Default Guaranty of Subtenants (<u>HUD-92341-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92258-c Recorded Termination of Memorandum of Master Lease	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	Incl.	N/A
	d. 92258-d Executed Termination of Master Tenant Security Agreement e. 92258-e Recorded Termination of Master Tenant Assignment of Leases and Rents f. 92258-f Recorded Termination of Master Lease Subordination [, Non-Disturbance and Attornment] Agreement g. THIS LINE INTENTIONALLY LEFT BLANK h. 92258-h Recorded Termination of Master Tenant UCC-1 Financing Statements i. 92258-i Executed Master Tenant Estoppel Certificate (HUD-92339-ORCF)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Modification of Existing Master Lease (1,4) <i>As applicable, for transactions that result in the subject project being added to a previously approved master lease [OR] for transactions with a change in the operator/subtenant for a project subject to an existing master lease.</i> a. 92259-a Organizational Chart of Master Tenant b. 92259-b Executed Master Tenant Estoppel Certificate with attached existing Master Lease (HUD-92339-ORCF) c. 92259-c HUD Master Lease Addendum (HUD-92211-ORCF) d. 92259-d Executed Joinder to Existing Master Lease e. 92259-e Existing Cross-Default Guaranty of Subtenants (HUD-92331-ORCF) ... f. 92259-f Executed Amendment/Joinder to Cross-Default Guaranty of Subtenants g. 92259-g Recorded Memorandum of Master Lease h. 92259-h Recorded Healthcare Regulatory Agreement – Master Tenant and/or Amendment thereto (HUD-92337-ORCF)..... i. 92259-i Executed Master Tenant Security Agreement or Amendment thereto (HUD-92340-ORCF) j. 92259-j Recorded Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF) k. 92259-k Recorded Master Tenant UCC-1 Financing Statements (County and State) l. 92259-l Recorded Master Lease Subordination [, Non-Disturbance and Attornment] Agreement or Amendment thereto (HUD-92333-ORCF) m. THIS LINE INTENTIONALLY LEFT BLANK	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Master Lease Termination (1,4) <i>As applicable, for transactions where the existing Master Lease is being terminated simultaneously with the CHOP.</i> a. 92260-a Executed Amendment to HUD Master Lease (Partial Termination and Release) (HUD-92342-ORCF) b. 92260-b Recorded Termination of Memorandum of Master Lease..... c. 92260-c Executed Termination and Release of Cross Default Guaranty of Subtenants, Section 232 (HUD-92341-ORCF) d. 92260-d Executed Termination of Master Tenant Security Agreement e. 92260-e Executed Termination of Master Tenant Assignment of Leases and	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

No.	Item	Incl.	N/A
	Rents.....	<input type="checkbox"/>	<input type="checkbox"/>
	f. 92260-f Recorded Termination of Master Lease Subordination [, Non-Disturbance and Attornment] Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	g. THIS LINE INTENTIONALLY LEFT BLANK		
	h. 92260-h Recorded Termination of Master Tenant UCC-1 Financing Statements (County and State)	<input type="checkbox"/>	<input type="checkbox"/>
60a.	Executed Organizational Documents – Master Tenant (4)	<input type="checkbox"/>	<input type="checkbox"/>
	aa. 92260-aa Organizational Charts (<i>current and proposed</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	bb. 92260-bb Organizational certification	<input type="checkbox"/>	<input type="checkbox"/>
	cc. 92260-cc Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	dd. 92260-dd Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	ee. 92260-ee Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	ff. 92260-ff Status certificates	<input type="checkbox"/>	<input type="checkbox"/>
60b.	Executed Organizational Documents – Master Tenant Principals (4)	<input type="checkbox"/>	<input type="checkbox"/>
	gg. 92260-gg Organizational Charts (<i>current and proposed</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	hh. 92260-hh Organizational certification	<input type="checkbox"/>	<input type="checkbox"/>
	ii. 92260-ii Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	jj. 92260-jj Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	kk. 92260-kk Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	ll. 92260-ll Status certificates	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Secondary Financing Documents (<i>as applicable</i>) (1)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92261-a Recorded Secondary financing documents (<i>as amended by HUD's Secondary Financing Rider if a private, non-governmental source is providing secured, secondary financing</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92261-b Promissory Note(s)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92261-c Residual Receipts Note (<u>HUD 91710-ORCF</u>) (<i>to be submitted for each unsecured promissory note when Borrower is a non-profit entity</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92261-d Surplus Cash Note (<u>HUD-92223-ORCF</u>) (<i>to be submitted for each unsecured promissory note when Borrower is a for-profit entity</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92261-e Recorded Subordination Agreement (<u>HUD-92420-ORCF</u>) (<i>to be submitted if a governmental source is providing secured, secondary financing</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	92262-a Recorded Deed (<i>if applicable</i>) (1).....	<input type="checkbox"/>	<input type="checkbox"/>
	New Operator's Executed Security Agreement (1,4)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92263-a New Operator's Security Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92263-b Recorded UCC Financing Statement (County)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92263-c Filed UCC Financing Statement (State)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92263-d Recorded Operator Assignment of Rents and Leases.....	<input type="checkbox"/>	<input type="checkbox"/>
	Evidence of Title Insurance (<i>as applicable</i>) (1,3)	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	Incl.	N/A
	a. 92264-a Date Down Title Endorsement <div style="text-align: center;">[OR]</div> b. 92264-b ALTA Loan Title Insurance Policy <div style="text-align: center;">[AND]</div> c. 92264-c Title Agent Letter of Authority	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Deposit Control Agreement(s) (4) a. 92265-a Deposit Account Control Agreement (DACA) b. 92265-b Deposit Account Instructions and Services Agreement (DAISA) (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Accounts Receivable (AR) Financing Documents (as applicable) (4) a. 92266-a Accounts Receivable Financing Certification (HUD-90020-ORCF) b. 92266-b Executed Intercreditor Agreement (HUD-92322-ORCF) c. 92266-c Cash flow chart, as attached to the Operator Security Agreement (HUD-92323-ORCF) d. 92266-d AR Loan Agreement, as amended, including all exhibits, schedules, addenda, riders and allonges e. 92266-e AR Loan Note(s) f. 92266-f All security agreements, UCC financing statements, deposit control agreements, lockbox agreements and/or blocked account agreements in favor of the AR Lender g. 92266-g All guaranties, pledges and/or other side agreements in favor of the AR Lender	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Attorney's Opinion(s) a. THIS LINE INTENTIONALLY LEFT BLANK b. 92267-b Opinion of Borrower's Counsel (HUD-91725-ORCF) (1) c. 92267-c Opinion of Operator's Counsel (HUD-92325-ORCF) (4) d. 92267-d Opinion of Master Tenant's Counsel (HUD-92335-ORCF) (4) e. 92267-e Attorney Certification on Execution and Recordation (1,2,3,4,5)	<input type="checkbox"/>	<input type="checkbox"/>
	92268-a Executed Bill of Sale and Assignment (HUD-92228-ORCF) (1,2)	<input type="checkbox"/>	<input type="checkbox"/>
	Final Organizational Documents – Borrower (1,2,3) a. 92269-a Organizational Charts (current and proposed) b. 92269-b Organizational certification c. 92269-c Formation documents, as amended d. 92269-d Governing documents, as amended e. 92269-e Authorizing resolution f. 92269-f Status certificates	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	Incl.	N/A
	Principal of Borrower's Organizational Documents (2)..... <i>Provide for any entity in Borrower's signature block. For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust</i>	<input type="checkbox"/>	<input type="checkbox"/>
	aa. 92269-aa Organizational Charts (current and proposed)	<input type="checkbox"/>	<input type="checkbox"/>
	bb. 92269-bb Organizational certification	<input type="checkbox"/>	<input type="checkbox"/>
	cc. 92269-cc Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	dd. 92269-dd Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	ee. 92269-ee Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	ff. 92269-ff Status certificates	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Organizational Documents – New Operator (as applicable) (4) <i>For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust</i>	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92270-a Organizational Charts (current and proposed)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92270-b Organizational certification	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92270-c Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92270-d Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92270-e Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	f. 92270-f Status certificates	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Organizational Documents – New Parent of the Operator (as applicable) (4) <i>For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust</i>	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92271-a Organizational Charts (current and proposed)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92271-b Organizational certification	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92271-c Formation documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92271-d Governing documents, as amended	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92271-e Authorizing resolution	<input type="checkbox"/>	<input type="checkbox"/>
	f. 92271-f Status certificates	<input type="checkbox"/>	<input type="checkbox"/>
	THIS LINE INTENTIONALLY LEFT BLANK		
	Executed Management Agent Documents (5).....	<input type="checkbox"/>	<input type="checkbox"/>
	a. THIS LINE INTENTIONALLY LEFT BLANK		
	b. 92273-b Consolidated Certification – Management Agent (HUD-90017-ORCF) .	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92273-c Management Agent Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92273-d Management Agreement Addendum (HUD-92071-ORCF).....	<input type="checkbox"/>	<input type="checkbox"/>
	Executed Commercial Space Lease (1)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92274-a Estoppel Certificate.....	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92274-b Commercial Lease [OR] Assignment and Assumption of Commercial Lease.....	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92274-c Subordination Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	92275-a Executed Escrow Agreement for Debt Service Reserve, (HUD-92476C-ORCF) (if applicable) (1,4)..... <i>ORCF may require if property is not performing financially or if there are issues with quality of care.</i>	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	Incl.	N/A

Schedule 2.01(a) to Asset Purchase Agreement

DESCRIPTION OF REAL PROPERTY

[To be inserted.]

Schedule 2.01(d) to Asset Purchase Agreement

CONTRACTS

Schedule 2.01(f) to Asset Purchase Agreement

INTELLECTUAL PROPERTY

[To be inserted.]

Schedule 2.07 to Asset Purchase Agreement

ALLOCATION

Schedule 4.02 to Asset Purchase Agreement

CONTRACT VIOLATIONS

[To be inserted.]

Schedule 4.08 to Asset Purchase Agreement

LITIGATION PROCEEDINGS

[To be inserted.]

Schedule 4.10(b) to Asset Purchase Agreement

GOVERNMENTAL NOTICES

[To be inserted.]

Schedule 4.12 to Asset Purchase Agreement

EMPLOYEES

Schedule 6.01 to Asset Purchase Agreement

REGULATORY APPROVALS

Schedule 6.02 to Asset Purchase Agreement

THIRD-PARTY CONSENTS

Schedule 7.01(c) to Asset Purchase Agreement

MATERIAL CONSENTS