

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:)
)
MIDWEST CHRISTIAN VILLAGES,) Chapter 11
INC., *et al.*,) Case No. 24-42473-659
) Jointly Administered
Debtors.)
) Related Docket Nos. 13, 90, 102, 159, 488
) and 504

**ORDER (I) APPROVING THE ASSET PURCHASE AGREEMENT
BETWEEN THE DEBTORS AND THE BACK-UP BIDDER;
(II) AUTHORIZING THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS'
ASSETS OF WASHINGTON VILLAGE ESTATES, LLC, WABASH ESTATES, LLC
AND WABASH CHRISTIAN VILLAGE APARTMENTS, LLC FREE AND CLEAR OF
LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES, EXCEPT FOR CERTAIN
ASSUMED LIABILITIES; (III) AUTHORIZING THE ASSUMPTION AND
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED
LEASES IN CONNECTION THEREWITH; AND (IV) GRANTING RELATED RELIEF**

Upon the motion [Docket No. 13] (the "Motion") of the above-captioned debtors and debtors-in-possession (the "Debtors"), pursuant to §§ 105, 363 and 365 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6004, 6006 and 9007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for entry of an order (i) authorizing and approving, among other things, the sale (the "Sale") of certain of the identified Debtors' assets free and clear of all liens, claims, interests and encumbrances (collectively, the "Claims and Encumbrances"), other than those liabilities expressly assumed under the APA (as defined below); (ii) authorizing the assumption and assignment of certain executory contracts and unexpired leases; and (iii) granting related relief; and the Court having entered the (x) *Interim Order Granting 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 Notices 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 [Docket No. 102] (the “Interim Bid Procedures Order”), and (y) Final Order Granting Motion for 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 Notices 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 [Docket No. 159] (the “Final Bid Procedures Order,” together with the Interim Bid Procedures Order, the “Bid Procedures Order”); and the Debtors having conducted a marketing process in compliance with the Bid Procedures Order and entering into that certain back-up Asset Purchase Agreement (the “APA”)¹ with HP Developers, LLC (the “Back-Up Bidder” or “Buyer”), pursuant to which Back-Up Bidder has agreed to, among other things, purchase substantially all of the assets of Debtors Washington Village Estates, LLC (“Washington Village”), Wabash Estates, LLC (“Wabash Estates” and together with Washington Village, the “HUD Facilities”) and Wabash Christian Village Apartments, LLC (“Wabash Apartments”), and together with Washington Village and Wabash Estates, the “Assets”) for a purchase price of \$13,133,333.00, subject to adjustment as set forth in the APA, in the event that RNG BEH CN CL MG LLC as the Successful Bidder (the “Successful Bidder”) breaches its Asset Purchase Agreement for the

¹ Capitalized terms not otherwise defined in this Sale Order shall have the meanings ascribed to them in the APA, the Motion, or the Cure Notice, as applicable.

Assets; and the Debtors having determined that the Back-Up Bidder has submitted the second highest and best bid for the Assets after the Successful Bid; and the Court having conducted a hearing to approve the sale to the Back-Up Bidder upon the terms and conditions set forth in the APA on December 16, 2024 (the “Sale Hearing”) at which time all interested parties were offered an opportunity to be heard; and all parties in interest having been heard, or having had the opportunity to be heard, regarding entry of this Order (the “Sale Order”) and approval of the Sale and APA; and the Court having found the filing of the *Memorandum of Order Authorizing Sale Free and Clear of All Liens, Claims, and Encumbrances* (the “Memorandum of Sale Order”), substantially in the form attached hereto as **Exhibit 2**, with the appropriate clerk or recorder is proper; and it appearing that due and appropriate notice of the Motion, the Bid Procedures Order, the Bid and Sale Procedures, the Auction, the Sale, the Assumption and Assignment Procedures, and the Sale Hearing having been given; and it appearing that no other notice of the relief granted by this Sale Order need be given; and this Court being fully advised in the premises; this Court, based upon the arguments, testimony and evidence presented to it, hereby makes the following findings of fact and conclusions of law:²

A. This Court has jurisdiction to hear and determine the Motion and to grant the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334. Venue of these Bankruptcy Cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. This Sale Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). To any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure as made applicable by Bankruptcy Rule 7054, this Court

² Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact when appropriate. *See* Fed. R. Bankr. P. 7052.

expressly finds that there is no just reason for delay in the implementation of this Sale Order, and expressly directs entry of judgment as set forth herein.

C. This proceeding is a “core proceeding” within the meaning of 28 U.S.C. § 157(b)(2)(A), (N) and (O).

D. The statutory predicates for the Motion are §§ 105, 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9007.

E. As evidenced by the affidavits of service filed with the Court, and based upon the representations of counsel at the Sale Hearing: (i) proper, timely and adequate notice of the Motion, the Bid Procedures Order, the Sale Hearing, the Sale, the Auction and the Assumption and Assignment Procedures has been provided in accordance with Bankruptcy Rules 2002, 6004, and 9007; (ii) such notice was good, sufficient and appropriate under the circumstances; and (iii) no other or further notice of the Motion, the Bid Procedures Order, the Sale Hearing, the Auction, the Assumption and Assignment Procedures or the Bid and Sale Procedures is necessary or shall be required.

F. A reasonable opportunity to object or be heard with respect to the Motion and the Sale has been afforded to all interested persons and entities, including, without limitation: (i) the Office of the United States Trustee; (ii) counsel for the Committee; (iii) UMB Bank, N.A., in its capacity as bond trustee (the “Bond Trustee”), (iv) Lument Real Estate Capital, LLC (“Lument”), f/k/a Lancaster Pollard Mortgage Company, (v) the United States Department of Housing and Development (including the U.S. Department of Justice in its capacity as counsel) (“HUD” and together with Lument, the “HUD Related Parties”), (vi) all entities known by the Debtors to have expressed an interest in acquiring the Assets since the Petition Date; and (vii) all other parties who filed requests for notice under Bankruptcy Rule 2002. The Debtors also gave due and proper

notice of the Sale and assumption and assignment of each of the executory contracts listed on the *Amended Notice to Counterparties to Executory Contracts and Unexpired Leases of the Debtors that May be Assumed and Assigned in Connection with Sale* [Docket No. 369] (the “Cure Notice”) to each non-Debtor party to such contracts.

G. Notice, as specified in the preceding paragraphs and as evidenced by the affidavits of service filed with the Court, has been provided in the form and manner specified in the Motion and required by the Bid Procedures Order, and the Court finds that the notice is adequate and sufficient in all respects to bind all creditors and parties in interest in this Chapter 11 Case.

H. The process for the sale of the Assets was conducted in accordance with the Bid Procedures Order and in a non-collusive, fair, and good faith manner.

I. A reasonable opportunity has been given to any interested party to make a higher or better offer for the Assets.

J. The Back-Up Bidder is purchasing the Assets in good faith and is a good faith purchaser within the meaning of § 363(m) of the Bankruptcy Code, and is therefore entitled to the protection of that provision.

K. The APA attached hereto as **Exhibit 1** was negotiated, proposed, and entered into by the Debtors and the Back-Up Bidder without collusion, in good faith, and from arms-length bargaining positions. Neither the Debtors, nor the Back-Up Bidder, has engaged in any conduct that would cause or permit the Sale or any part of the transactions contemplated by the APA to be avoidable under § 363(n) of the Bankruptcy Code.

L. As demonstrated by (i) the testimony and other evidence proffered at the Sale Hearing; and (ii) the representations of counsel made on the record at the Sale Hearing, the Debtors

afforded interested potential purchasers a full and fair opportunity to qualify as Qualified Bidders under the Bid Procedures and to submit an offer for the Assets.

M. The Back-Up Bidder is not an “insider” of the Debtors as that term is defined in § 101(31) of the Bankruptcy Code.

N. The consideration provided by the Back-Up Bidder for the Assets pursuant to the APA: (i) is fair and reasonable; (ii) is the highest and best offer for the Assets; (iii) will provide a greater recovery for all of the Debtors’ stakeholders than would be provided by any other practical available alternative; and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code, the Uniform Fraudulent Transfer Act or the Uniform Voidable Transactions Act, as applicable, and all other applicable laws.

O. The Debtors have demonstrated a sufficient basis and compelling circumstances requiring the Debtors to enter into the APA and sell the Assets under § 363 of the Bankruptcy Code, and such actions are appropriate exercises of the Debtors’ business judgment and are in the best interests of the Debtors, their estates and their creditors.

P. The marketing and bidding processes implemented by the Debtors and their advisors, as set forth in the Motion, were fair, proper, and reasonably calculated to result in the best value received for the Assets.

Q. The Debtors have full authority and power to execute and deliver the APA, related agreements, and all other documents contemplated by the APA, to perform their obligations therein, and to consummate the Sale. No additional consents or approvals, other than those provided in the APA, are necessary or required for the Debtors to enter into the APA, perform their obligations therein, and consummate the Sale.

R. The Back-Up Bidder would not have entered into the APA and would not consummate the transactions thereby, thus adversely affecting the Debtors and their residents, estate and creditors, if the Assets were not sold to it free and clear of all Claims and Encumbrances, except those expressly assumed by the Back-Up Bidder. A sale of the Assets other than one free and clear of all such Claims and Encumbrances would adversely impact the Debtors' estates, residents and creditors, and would yield substantially less value to the Debtors' estates.

S. The provisions of § 363(f) of the Bankruptcy Code have been satisfied pursuant to the terms of this Sale Order.

T. The Bond Trustee and the DIP Lender have consented to the sale of the Assets pursuant to the APA free and clear of Claims and Encumbrances, including any Claims and Encumbrances of the Bond Trustee or the DIP Lender against the Assets, pursuant to the terms of this Sale Order.

U. Subject to the right of parties to object pursuant to the terms of this Sale Order, the Debtors may assume each contract and lease listed on applicable schedule of the APA, as such Schedules may be amended pursuant to the APA and this Sale Order (the "Assigned Executory Contracts"), and assign each of them to the Back-Up Bidder pursuant to §§ 363 and 365 of the Bankruptcy Code and this Sale Order notwithstanding any anti-assignment clause or other provision in the Assigned Executory Contracts, as provided by § 365(f) of the Bankruptcy Code.

V. The counterparties to the agreements that were not listed on the Cure Notice shall be provided notice of the assumption and assignment of the Assigned Executory Contracts and the proposed cure amounts in connection therewith, if any, pursuant to the procedures set forth in the Bid Procedures Order.

W. The Court's approval of this Sale and entry of this Sale Order are predicated on the Buyers' representations that: (1) neither Ephram Lahasky ("Lahasky"), MED Healthcare Partners LLC ("MED-HP"), any member or manager of MED-HP, nor any other Person that is an Affiliate of either Lahasky or MED-HP (collectively, the "Excluded Persons") is now or hereafter will be: (a) a Buyer or a Buyer's designee under the APA, (b) a Person that owns or controls, directly or indirectly, any financial or other interest in any Buyer or a Buyer's designee under the APA, or (c) a Person that has any role whatsoever in the management or operation of any Facility, Business, or Asset to be acquired by a Buyer or a Buyer's designee under the APA; and (2) no agreement exists whereby any Excluded Person has a right to purchase or has been promised the right to purchase or otherwise acquire or receive any direct or indirect ownership or financial, economic, or other interest in any Buyer or any Buyer's designee under the APA or any Facility, Business, or Asset to be acquired by a Buyer or a Buyer's designee under the APA (the "Predicate Representations").

X. If any Predicate Representation is determined to have been false when made or is later (including post-Closing) breached by a Buyer, notwithstanding section 363(m) of the Bankruptcy Code or anything to the contrary in this Sale Order, parties in interest may seek appropriate relief from this Court or another court or adjudicative body of competent jurisdiction.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED, EFFECTIVE IMMEDIATELY, AS FOLLOWS:

1. The relief requested in the Motion is **GRANTED** and **APPROVED** in all respects. The Debtors' entry into the APA and the Sale is hereby **GRANTED** and **APPROVED** in all respects. The terms and conditions of the APA are hereby **GRANTED** and **APPROVED** in all respects.

2. All objections to the relief sought in the Motion that have not been previously resolved or withdrawn are hereby overruled on their merits and with prejudice; *provided, however*, that any Assumption Objections and Assignment Objections not timely heard or dealt with at the Sale Hearing based upon the Bid Procedures Order filed in connection with the Assigned Executory Contracts shall be determined in accordance with the Bid Procedures Order.

3. The Debtors are authorized and directed to take any and all actions necessary or appropriate to (i) consummate the Sale in accordance with the Motion, the APA and this Sale Order, and (ii) perform, consummate, implement and close fully the Sale, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the APA, including filing the Memorandum of Sale Order substantially in the form attached hereto as **Exhibit 2** with the appropriate clerk or recorder. After the date of entry of this Sale Order, the Debtors and the Back-Up Bidder may, after notice to (a) the Bond Trustee, (b) the Committee, (c) the United States (with respect to any Federal Interest (as defined herein), including the HUD Facilities (each, as defined in the APA)), and Assets that are subject to liens securing the HUD Debt immediately prior to the Closing, (d) Lument (with respect to the HUD Facilities, the HUD Debt, and Assets that are subject to liens securing the HUD Debt immediately prior to the Closing only) and (e) the State of Illinois, enter into any amendment, supplement, or modification to the APA that is not material or is not adverse to the Debtors' estates, the Bond Trustee, any Federal Interests (as to the United States), or Lument without the need of further notice, hearing or Court order.

4. Those holders of Claims and Encumbrances and other non-Debtor parties who did not object, or who withdrew their objections prior to entry of this Sale Order are deemed to have consented to this Sale Order, the Sale and the APA pursuant to § 363(f)(2) of the Bankruptcy Code

and are enjoined from taking any action against the Back-Up Bidder, its affiliates, or any agent of the foregoing to recover any claim which such person or entity has against the Debtor. Those holders of Claims and Encumbrances and other non-Debtor parties who did object, if any, fall within one or more of the other subsections of § 363(f) of the Bankruptcy Code and are adequately protected by having their Claims and Encumbrances, if any, attach to the proceeds of the Sale ultimately attributable to the property against or in which they assert a Claim and Encumbrance with the same validity and priority that existed immediately prior to consummation of the Sale.

Sale and Transfer of the Assets

5. The APA, related transaction documents, all transactions contemplated thereby and all of the terms and conditions thereof are hereby **APPROVED** as a back-up bid to the Successful Bid for the Assets.

6. Upon closing of the Sale with the Back-Up Bidder (the “Closing”), the Assets transferred, sold, and delivered to the Back-Up Bidder pursuant to the APA shall be free and clear of all Claims and Encumbrances of any person or entity, except those Claims and Encumbrances expressly assumed by the Back-Up Bidder, including without limitation the HUD Debt to the extent assumed in accordance with the APA and pursuant to the consent and approval of HUD and Lument, with all such Claims and Encumbrances attaching automatically to the proceeds of the Sale in the same manner, validity and priority that they attached to the Assets prior to the Closing. The transfer of the Assets to the Back-Up Bidder constitutes a legal, valid, and effective transfer of the Assets and shall vest the Back-Up Bidder with all right, title, and interest in and to the Assets described in the APA.

7. Upon Closing, this Sale Order shall be construed as, and shall constitute for any and all purposes, a full and complete general assignment, conveyance and transfer of the Assets pursuant to the terms of the APA.

8. Notwithstanding anything in this Sale Order or the APA to the contrary, the Assets sold to the Back-Up Bidder pursuant to the APA and this Sale Order shall not include any charitable funds held by or on behalf of the Debtors.

9. Upon Closing, except as permitted by the APA or this Sale Order, all persons and entities, including, but not limited to, the Debtors and their creditors, residents, employees, former employees and shareholders, administrative agencies, tax and regulatory authorities, governmental departments, secretaries of state, federal, state and local officials, and their respective successors or assigns, including, but not limited to, persons asserting any Claims and Encumbrances against the Assets (except with respect to any Claims or Encumbrances that have been assumed pursuant to the APA and this Sale Order, including the HUD Debt, to the extent so assumed), shall be permanently and forever barred, restrained and enjoined from commencing or continuing in any manner any action or other proceeding of any kind against the Assets or the Back-Up Bidder (or its members, representatives, or affiliates) as alleged successor or otherwise, with respect to (i) any Claims and Encumbrances on or in respect of the Assets, and (ii) recovering from any claim which such person or entity had solely against the Debtors or any of the Debtors' subsidiaries, affiliates, directors, officers, agents, representatives, employees, investors, owners, shareholders, partners, or joint venturers.

10. The terms and provisions of this Sale Order shall be binding in all respects upon all entities, including, but not limited to the Debtors, the Back-Up Bidder, creditors, residents, employees, former employees and shareholders, administrative agencies, governmental departments, secretaries of state, federal, state and local officials and their respective successors or assigns, including, but not limited to, persons asserting any Claim and Encumbrance against or

interest in the Debtors' estates or the Assets, including any subsequent appointment of a trustee or other fiduciary under any section of the Bankruptcy Code.

11. Upon Closing, except to the extent such liability is expressly assumed by the Back-Up Bidder under the APA (including the HUD Debt to the extent so assumed) or this Sale Order, all entities holding a Claim and Encumbrance of any kind and nature against the Assets hereby are barred from asserting such Claim and Encumbrance against the Back-Up Bidder and/or the Assets and, effective upon the transfer of the Assets to the Back-Up Bidder upon Closing, the Claims and Encumbrances shall attach to the proceeds of the Sale with the same force, validity, priority, and effect, if any, as against the Assets.

12. This Sale Order (i) is and shall be effective as a determination that, upon Closing, all Claims and Encumbrances existing as to the Assets conveyed to the Back-Up Bidder (other than Claims and Encumbrances against the HUD Facilities and their Assets securing the HUD Debt immediately before Closing to the extent such debt has been assumed) have been and hereby are adjudged to be unconditionally released, discharged, and terminated, with all such Claims and Encumbrances attaching automatically to the proceeds in the same manner, extent, validity, and priority as they existed at Closing, and (ii) shall be binding upon and govern the acts of all entities, including all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies or units, governmental departments or units, secretaries of state, federal, state and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Assets conveyed to the Back-Up Bidder. All Claims and Encumbrances of record as of the date of this Sale Order, other than those Claims and

Encumbrances against the HUD Facilities and their assets securing the HUD Debt to the extent such debt has been assumed in accordance with the APA and this Sale Order, shall be removed and stricken as against the Assets in accordance with the foregoing. All entities are authorized and specifically directed to strike all such recorded Claims and Encumbrances against the Assets from their records, official or otherwise. For the avoidance of doubt, in the event the HUD and Lument approve the assumption of the HUD Debt by the Back-Up Bidder (or its permitted designee), Debtors, Lument, and HUD are each authorized to take any and all actions required by HUD in connection with the assumption of the HUD Debt, including but not limited to amending the existing loan documents relating the HUD Debt, and any Claims and Encumbrances relating thereto, including as appropriate filing and/or recording any such documents as are necessary or appropriate to reflect the assumption of such HUD Debt by the Back-Up Bidder (or its permitted designee).

13. If any person or entity which has filed financing statements, mortgage, lis pendens or other documents or agreements evidencing Claims and Encumbrances on the Assets (other than with respect to those Claims and Encumbrances against the HUD Facilities and their assets securing the HUD Debt to the extent such debt has been assumed) shall not have delivered to the Debtor prior to Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements and any other documents necessary for the purpose of documenting the release of all Claims and Encumbrances which the person or entity has or may assert with respect to the Assets, the Debtors are hereby authorized and directed upon Closing, and the Back-Up Bidder is hereby authorized upon Closing, to execute and file such statements, instruments, releases and other documents on behalf of such person or entity with respect to the Assets. Upon Closing of the Sale, each of the Debtors' creditors

is authorized and directed to execute such documents and take all such actions as may be necessary to release their respective Claims and Encumbrances against the Assets.

14. Upon a Closing, the Back-Up Bidder shall not be deemed to be (i) a successor to the Debtors, (ii) party to a *de facto* merger of the Back-Up Bidder and the Debtors or (iii) a mere continuation of the Debtors. Without limiting the generality of the foregoing, and except as specifically provided in the APA or as provided in this Sale Order, the Back-Up Bidder shall not be liable for any claims against the Debtors or any of its predecessors or affiliates, other than as expressly provided for in such APA or this Sale Order. Further, except as expressly provided in the APA or this Sale Order, the Back-Up Bidder is not assuming nor shall it in any way be liable or responsible, as successor or otherwise, for any claims, debts, obligations, Claims or Encumbrances of the Debtors or their estates of any kind or character in any way whatsoever relating to or arising from the Assets or the Debtors' operation or use of the Assets prior to the Closing, whether known or unknown as of the Closing, now existing or hereafter arising, whether fixed or contingent, under the laws of the United States, any state, territory, or possession of the United States, the District of Columbia or any other country or foreign jurisdiction, including but not limited to the following: (i) any labor or employment Agreements; (b) any mortgages, deeds of trust, and security interests; (ii) any pension, welfare, compensation, or other employee benefit plans, Agreements, practices, and programs, including, without limitation, any pension plan of the Debtors; (iii) any other employee, worker's compensation, occupational disease, or unemployment or temporary disability related claim, including, without limitation, claims that might otherwise arise under or pursuant to (a) the Employee Retirement Income Security Act, as amended, (b) the Fair Labor Standards Act, (c) Title VII of the Civil Rights Act of 1964, (d) the Federal Rehabilitation Act of 1973, (v) the National Labor Relations Act, (e) the WARN Act, (f) the Age

Discrimination in Employment Act, as amended, (g) the Americans with Disabilities Act, (h) the Family Medical Leave Act, (i) the Labor Management Relations Act, (j) the Multiemployer Pension Protection Act, (k) the Pension Protection Act, (l) the Consolidated Omnibus Budget Reconciliation Act of 1985, (m) the Comprehensive Environmental Response Compensation and Liability Act, (n) state discrimination laws, (o) state unemployment compensation laws or any other similar state laws, or (p) any other state or federal benefits or claims relating to any employment with the Debtors or any of its respective predecessors; (iv) any bulk sales or similar law; (v) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended, or any state or local tax laws; (vi) any escheat or unclaimed property laws; (vii) to the extent not included in the foregoing, any of the Excluded Liabilities under the Agreement; and (viii) any theories of successor or transferee liability.

15. Back-Up Bidder stipulates and agrees that neither Back-Up Bidder, nor any designee thereof, nor any intended operator of any of the HUD Facilities nor any Affiliate or “insider” of the foregoing (with “insider” having the meaning given to it in Section 101 of the Bankruptcy Code with “Back-Up Bidder” being substituted in place of “debtor” as used therein) (i) has filed or emerged from bankruptcy within the last 5 years; (ii) has a history of not paying creditors in a timely manner; (iii) is insufficiently capitalized; (iv) has any delinquent federal debt that has not been resolved, including through an agreed upon repayment plan, (v) has any judgments against it or its principals that could significantly impact upon the financial position of the individual/firm or corporation or result in a determination that the individual, firm or corporation is an unacceptable credit risk; and (vi) is insolvent or subject to any pending bankruptcy or insolvency proceeding.

Sale Proceeds

16. Except for the payments made on account of Cure Amounts (as defined below), and all of the amounts needed to satisfy obligations of the Debtors and the Back-Up Bidder (including any permitted assignee thereof) to effectuate the assumption of the HUD Debt by the Back-Up Bidder (or its permitted assignee), including all reasonable legal fees, costs and expenses of Lument (the “Assumption Obligations”), the cash portion of the Purchase Price (including the release of the Escrow Deposit) received by the Debtors at Closing of a sale of the Assets to Back-Up Bidder with assumption of the HUD Debt (collectively, the “Net Cash Proceeds”) and the amounts on deposit in all segregated cash accounts associated with the Assets (including any reserves that have not been transferred as part of the assumption) and the amount reserved for Smart-Fill pursuant to Paragraph 54 of this Order, at such Closing with assumption of the HUD Debt shall be paid directly to UMB Bank, N.A. (“UMB”), in its capacity as DIP Lender and Bond Trustee, and the Debtors are authorized and directed to pay such amounts directly to the UMB in an amount up to the amount of outstanding prepetition and postpetition obligations of the Debtors to the DIP Lender and the Bond Trustee for indefeasible application by the DIP Lender or the Bond Trustee, as applicable, to all such outstanding obligations.

17. The Assumption Obligations shall include all amounts necessary to (a) pay HUD Debt obligations that are due and payable as of the Closing Date, and (b) satisfy all reasonable outstanding legal fees, costs and expenses, and all other amount owed by the Debtors to Lument through the Closing Date relating to the HUD Debt, provided that (i) Lument will provide UMB supporting documentation of such amounts at least eleven (11) calendar days prior to the Closing date, and (ii) UMB shall have ten (10) calendar days to object to any requested amounts and, if the parties cannot resolve such disputes, the Debtors will pay the undisputed portion of such amounts with the disputed portion held in escrow pending resolution by the Bankruptcy Court; provided

that the scope of UMB's objection shall be limited to the reasonableness of such legal fees, expenses and other amounts and not as to whether Lument is an oversecured creditor. Debtors shall pay the undisputed Assumption Obligations to Lument immediately prior to Closing of the sale as to the HUD Facilities.

18. In connection with the assumption, UMB shall release its first-priority lien on Washington Village at the Closing of the Sale thereof, with such lien automatically attaching as a first-priority lien to the Net Cash Proceeds, and, upon Closing of the Sale with assumption of the HUD Debt, Lument (and, if applicable, HUD) shall release all of its liens and claims (including any liens and claims under the Final DIP Order) against any assets of the Debtors' estates that are not sold to the Back-Up Bidder; each release shall not require any further act or filing by any of the foregoing parties.

19. For the avoidance of all doubt, the Back-Up Bidder shall be responsible to satisfy any Assumption Fees and closing costs, including the fees, costs and expenses of Lument solely to the extent relating to the assumption of the HUD Debt, directly at Closing.

20. HUD and Lument will work in good faith to determine whether the reserve amounts currently held by Lument with respect to the Assets are consistent with or exceed the required reserve amounts and, upon approval of HUD, Lument will promptly return any excess reserve amounts to the Debtors, to be placed into the segregated cash account associated with the applicable Asset.

21. Notwithstanding anything to the contrary herein, in the event the Back-Up Bidder proceeds with the Closing by paying the entire Purchase Price in cash (i.e., without deduction for the HUD Debt assumed) (such event, a "Cash Closing") as contemplated in the APA, the rights

and objections of the Debtors, UMB, and the HUD Related Parties shall be reserved in full with respect to the allocation, use, or distribution of any proceeds resulting from a Cash Closing.

22. Back-Up Bidder acknowledges and agrees that the HUD Debt will include a prepayment premium in the event the Sale proceeds as a Cash Closing. Back-Up Bidder acknowledges and agrees that (i) Back-Up Bidder shall pay off, from its own funds and not as a part of the purchase price, the IHDA loan related to the Wabash Apartments and (ii) in the event of a Cash Closing for acquisition of one or both of the HUD Facilities, Back-Up Bidder shall increase the purchase price to include the required prepayment premium(s) associated with the retirement of the HUD Debt.

Assumption and Assignment of Assigned Executory Contracts

23. Notwithstanding any provisions in the APA to the contrary, the Back-Up Bidder may add or remove executory contracts and unexpired leases to the list of Assigned Executory Contracts until the date that is two (2) business days prior to closing of the Sale.

24. If, as to any Assigned Executory Contract, a counterparty does not assert an objection (an “Assumption Objection”) in accordance with the Cure Notice procedures by the objection deadline (the “Objection Deadline”), such Assigned Executory Contract shall be deemed assumed by the Debtors and assigned to the Back-Up Bidder pursuant to § 365 of the Bankruptcy Code without further order of the Court, effective as of the later of (i) the Objection Deadline; (ii) payment of the applicable cure amount, if any; and (iii) the date the Sale closes (the “Closing Date”). If, however, an Assumption Objection is received by the Objection Deadline, and the Debtors and/or the Back-Up Bidder is unable to resolve such Assumption Objection consensually, the proposed assumption and assignment which is the subject of the Assumption Objection shall be subject to further order of the Court, and the Debtors and/or the Back-Up Bidder shall promptly schedule a hearing to consider the Assumption Objection.

25. The Debtors have demonstrated that assuming and assigning the Assigned Executory Contracts in connection with the Sale is an exercise of their sound business judgment, and that such assumption and assignment is in the best interests of the Debtors' estates. Pursuant to the Assumption and Assignment Procedures, the Debtors will cure, or will provide adequate assurance of cure of, any defaults existing prior to the Closing Date, which is the effective date of the assumption of the Assigned Executory Contracts, and will provide for compensation or adequate assurance of compensation to any non-Debtor party to such contracts for any of their actual pecuniary losses resulting from any default arising prior to the Closing Date under the Assigned Executory Contracts, within the meaning of §363(b)(1)(B) of the Bankruptcy Code (collectively, the "Cure Amounts"). Pursuant to the APA, all Cure Amounts shall be funded by the Back-Up Bidder to the Debtor.

26. Subject to Paragraph 24 and payment of the Cure Amounts (which amounts may be satisfied or waived in part or whole according to any separate agreements with any non-Debtor party thereto), each Assigned Executory Contract will be in full force and effect and enforceable by the Back-Up Bidder against any non-Debtor party thereto in accordance with its terms upon the Closing of the Sale. The Debtors shall be relieved from any further liability with respect to the Assigned Executory Contracts after such assignment to and assumption by the Back-Up Bidder.

27. Unless otherwise agreed by any party potentially entitled to a Cure Amount, on the Closing Date or such other date as determined by the Court, the Debtor will pay in full all Cure Amounts in respect of all undisputed cure claims and all Cure Amounts that have been determined by this Court or resolved by agreement. Any agreements regarding Cure Amounts shall be binding as if and have the same effect as if the Court had made a final determination of such Cure Amounts

pursuant to this Sale Order and the motion or notice filed by the Debtor regarding assumption and assignment of such Assigned Executory Contracts.

28. Subject to Paragraph 24, except for the obligation to pay the Cure Amounts, each non-Debtor party to an Assigned Executory Contract hereby is forever barred, estopped, and permanently enjoined from asserting against the Debtors or the Back-Up Bidder, or the property of any of them, any default existing as of the date of the Sale Hearing, whether declared or known or unknown.

29. Any provisions in any Assigned Executory Contracts that prohibit or condition the assignment of any Assigned Executory Contracts or allow the non-Debtor party to such Assigned Executory Contract to terminate, recapture, impose any penalty, condition a renewal or extension, or modify or limit any term or condition upon the assignment of such Assigned Executory Contract, constitutes unenforceable anti-assignment provisions that are void and of no force and effect. Subject to Paragraph 24, all other requirements and conditions under §§ 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment to the Back-Up Bidder of the Assigned Executory Contracts have been satisfied.

30. Subject to Paragraph 24, the Back-Up Bidder has provided adequate assurance of its future performance under the Assigned Executory Contracts within the meaning of § 365(b)(1)(C) and (f)(2)(B) of the Bankruptcy Code.

31. Assumption of the Assigned Executory Contracts shall include any ancillary or related agreements, or rights appurtenant thereto, pursuant to which the Debtors have rights or licenses granted in connection with or under the Assigned Executory Contracts, so long as such ancillary or related agreements do not create additional obligations of the Debtors or Back-Up

Bidder beyond those set out in the Assigned Executory Contracts (unless Back-Up Bidder subsequently agrees to such obligations).

32. The Debtors and the Back-Up Bidder shall jointly file and serve a Notice of Closing and Schedule of Assigned Executory Contracts (the “Closing Notice”) within two (2) business days following the Closing, and service of such Closing Notice by CM/ECF shall be deemed sufficient in all regards. No assumption and assignment of any Assigned Executory Contract shall be binding on the Debtors and the Back-Up Bidder until the Closing of the APA pursuant to this Sale Order.

Additional Provisions

33. The provisions of this Sale Order and the APA and any actions taken pursuant hereto or thereto shall survive entry of any order which may be entered (i) confirming or consummating any plan of reorganization or liquidation of the Debtors; (ii) converting the Debtors’ Bankruptcy Cases from chapter 11 to chapter 7; (iii) dismissing the Debtors’ Bankruptcy Cases; or (iv) appointing a chapter 11 trustee or examiner, and the terms and provisions of the APA as well as the rights and interests granted pursuant to this Sale Order and the APA shall continue in these chapter 11 cases or any superseding case and shall be binding upon the Debtors, the Back-Up Bidder and their respective successors and permitted assigns. The post-closing obligations under the APA shall be unaffected and fully preserved, so that any successor, liquidating trust, chapter 7 trustee, or the like shall be obligated and required to comply with all post-Closing duties, including without limitation any further assurances, regardless of the status of these chapter 11 cases, without cost to, or the necessity of a motion or administrative claim from, the Back-Up Bidder.

34. Each and every federal, state, and governmental agency or department and any other person or entity is hereby directed to accept any and all documents and instruments necessary

and appropriate to consummate the transactions contemplated by the APA. A certified copy of **Exhibit 2** may be filed with the appropriate clerk or recorded with the recorder of any state, county, or local authority to act to cancel any of the Claims, Encumbrances, and Interests, and any other encumbrances of record, except the Assumed Liabilities.

35. Nothing contained in any order of any type or kind entered in these chapter 11 cases or any related proceeding subsequent to entry of this Sale Order, nor in any chapter 11 plan confirmed in these chapter 11 cases, shall conflict with or derogate from the provisions of the APA or the terms of this Sale Order, which shall be expressly preserved under the terms of such plan. To the extent, if any, anything contained in this Sale Order conflicts with a provision in the APA, the APA shall govern and control.

36. The Back-Up Bidder is purchasing the Assets in good faith and is a good faith purchaser within the meaning of § 363(m) of the Bankruptcy Code, and is therefore entitled to the protection of that provision. The consideration provided by the Back-Up Bidder for the Assets is fair and reasonable, and the Sale may not be avoided under § 363(n) of the Bankruptcy Code.

37. This Court retains jurisdiction, even after conversion of these chapter 11 cases to cases under chapter 7, to: (i) interpret, implement and enforce the terms and provisions of this Sale Order (including any injunctive relief provided in this Sale Order) and the terms of the APA, all amendments thereto and any waivers and consents thereunder and of each of the agreements executed in connection therewith; (ii) protect the Back-Up Bidder and the Assets from and against any of the Claims and Encumbrances, other than those expressly assumed by the Back-Up Bidder; (iii) resolve any disputes arising under or related to the APA or the Sale; (iv) adjudicate all issues concerning (alleged) pre-Closing Claims and Encumbrances and any other (alleged) interest(s) in and to the Assets, including the extent, validity, enforceability, priority and nature of all such

(alleged) Claims and Claims and Encumbrances and any other (alleged) interest(s); (v) adjudicate any disputes related to the Assigned Executory Contracts between the Debtors and the Back-Up Bidder or the Debtors and a counterparty to the Assigned Executory Contracts; and (vi) adjudicate any and all issues and/or disputes relating to the Debtors' right, title or interest in the Assets, the Motion, the APA and/or the Wind-Down Reserve.

38. From and after the date hereof, the Debtors and the Back-Up Bidder shall act in accordance with the terms of the APA.

39. This Sale Order shall be binding in all respects upon all creditors (whether known or unknown) of the Debtor, all successors and assigns of the Back-Up Bidder, the Debtors and their affiliates and subsidiaries, the Assets, and any subsequent trustees appointed in these chapter 11 cases or upon (i) a conversion of these chapter 11 cases to cases under chapter 7 or (ii) dismissal of these chapter 11 cases.

40. The failure specifically to include any particular provisions of the APA in this Sale Order shall not diminish or impair the efficacy of such provisions, it being the intent of the Court that the APA with the Back-Up Bidder and each and every provision, term and condition thereof be, and therefore is, authorized and approved in its entirety.

41. The provisions of this Sale Order are nonseverable and mutually dependent.

42. The automatic stay of § 362(a) of the Bankruptcy Code shall not apply to and otherwise shall not prevent the exercise or performance by any party of its rights or obligations under the APA with the Back-Up Bidder, including, without limitation, with respect to any cash held in escrow pursuant to the provisions thereof.

43. As to the United States, notwithstanding any provision to the contrary in this Sale Order, the APA, or any other document related to the transactions contemplated by the APA,

nothing shall: (1) release, nullify, preclude or enjoin the enforcement of any police or regulatory power or any liability that the Back-Up Bidder or any other entity would be subject to as the owner, lessor, lessee or operator of property that such entity owns, operates or leases after the date of entry of this Sale Order; (2) affect the setoff or recoupment rights of the United States; (3) confer exclusive jurisdiction to this Court except to the extent set forth in 28 U.S.C. § 1334 (as limited by any other provisions of the United States Code); (4) authorize the assumption, assignment, sale or other transfer of any federal (a) grants, (b) grant funds, (c) contracts, (d) agreements, (e) awards, (f) task orders, (g) property, (h) intellectual property, (i) patents, (j) leases, (k) certifications, (l) applications, (m) registrations, (n) billing numbers, (o) national provider identifiers, (p) provider transaction access numbers, (q) licenses, (r) permits, (s) covenants, (t) inventory, (u) guarantees, (v) indemnifications, (w) data, (x) records, or (y) any other interests belonging to the United States (collectively, “Federal Interests”) without compliance with all terms of the Federal Interests and with all applicable non-bankruptcy law; (5) be interpreted to set cure amounts or to require the United States to novate, approve or otherwise consent to the sale, assumption, assignment or other transfer of any Federal Interests; (6) waive, alter or otherwise limit the United States’ property rights; or (7) expand the scope of 11 U.S.C. § 525.

44. Notwithstanding anything to the contrary in the Sale Motion, the APA, or this Sale Order, with respect to any Medicare Part A provider agreements to be included in the Sale (the “Assumed Provider Agreements”), the Debtors shall assume and assign to the Back-Up Bidder (in such capacity, the “Assignee”) and the Assignees shall accept assignment of the Assumed Provider Agreements as if such Assumed Provider Agreements are executory contracts being assumed and assigned pursuant to § 365 of the Bankruptcy Code, subject to regulatory approval pursuant to applicable non-bankruptcy law, including Title XVIII of the Social Security Act, 42 U.S.C. §§

1395–1395 et. seq., all applicable Medicare regulations, and Medicare policies and procedures (together, “Medicare Program Law”).

45. In accordance with the Medicare Program Law, including 42 C.F.R. § 489.18, successor liability attaches to any claim arising under the Assumed Provider Agreements, and payments to the Assignees (or any future assignee under the provisions of Medicare Law) will be adjusted in accordance with 42 U.S.C. § 1395g(a) to account for prior overpayments and underpayments which may be determined in the future. Further, all setoff and recoupment rights under Medicare Program Law relating to the Assumed Provider Agreements are reserved. Nothing in this Sale Order, the APA, or any other documents relating to the Sale shall affect any liabilities under any Assumed Provider Agreements.

46. Nothing in this Sale Order, the APA, or any other document related to the Sale shall limit, modify, or in any way affect the authority of the United States Secretary (the “Secretary”) of the United States Department of Health and Human Services to regulate the enrollment or participation of Assignee or any other entity as a Medicare provider or the right and authority of the Secretary, the Centers for Medicare & Medicaid Services (“CMS”) or its contractors to review, approve, deny, or pay Medicare claims in the ordinary course of business in accordance with Medicare Program Law.

47. In the event of an inconsistency or conflict between any provision of the APA or any other document related to a transaction contemplated by the APA and this Sale Order, as to the United States, Paragraphs 43 to 46 of this Sale Order and federal law shall govern.

48. Nothing in this Sale Order, the APA, or any other document related to the Sale shall limit, modify, or in any way affect the regulatory authority of the United States Secretary of the United States Department of Housing and Urban Development with respect to a project insured

under Section 232 of the National Housing Act, including as to any transfer of physical assets, change of ownership (COO), change of operator (CHOP), or any use of a management agent, whether on an interim or final basis.

49. Additionally, with respect to properties and or facilities located in Illinois, nothing in this Sale Order, the APA, or any other document related to the Sale shall limit, modify, or in any way effect The State of Illinois' ability to enforce its statutory rights and its regulatory powers as they relate to these transactions and this includes but is not limited to the following, Ill. Admin. Code tit. 77 Section 295.400 – License Requirement for an assisted living establishment;, Ill. Admin. Code tit. , § 300.120;, Ill. Admin. Code tit. 77, § 300.150 – Skilled Nursing and Intermediate Care Facilities, Issuance of an Initial License Due to a Change of Ownership.

50. Upon the HUD Related Parties' approval of assumption of the HUD Debt by the Back-Up Bidder, the Bond Trustee will consent to release of the First-Priority Lien on Washington Villages at Closing of the Sale, notwithstanding the insufficiency of cash proceeds to satisfy in full the DIP Lien and all other amounts needed for Closing, including the Lument Fees (defined below).

51. The Bond Trustee will consent to use of the cash proceeds from the sale to HP Developers to satisfy the Lument Fees, including all fees and expenses of Vorys, B. Riley, and BluePrint incurred in the Debtors' bankruptcy cases, with such amounts subject to review by the Bond Trustee's counsel and a 10-day objection period. If no objection is asserted, the Lument Fees will be paid at Closing of the Sale. If there is an objection, the portion of such fees that are not objected to will be paid at Closing with the remaining amounts held in escrow subject to allowance by the Bankruptcy Court. To the extent there is a dispute, it is a dispute over the

reasonableness of the fees and not a dispute as to whether Lument is over-secured and entitled to payment under § 506(b) of the Bankruptcy Code.

52. Lument will release its liens in unsold estate assets upon the closing of a Loan Assumption sale. If the sale is a cash sale, then Lument would retain its liens on unsold assets.

53. Notwithstanding anything to the contrary in the APA, in the event that HUD Approval (as defined in the APA) is not obtained or is denied on a final basis within 180 days following entry of this Sale Order, Back-Up Bidder shall have the option to proceed with the Closing by paying the entire Purchase Price in cash (i.e., without deduction for the HUD Debt assumed) (such event, a “Cash Closing”). If a Cash Closing occurs, the rights and objections of the Debtors, the Back-Up Bidder, the DIP Lender, the Bond Trustee, and the HUD Related Parties shall be reserved in full with respect to the allocation, use, or distribution of any proceeds resulting from a Cash Closing. Lument will not put the loan to HUD while HUD is considering the loan assumption request from the Back-Up Bidder.

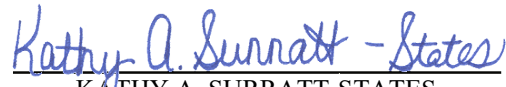
54. Upon a Closing, the Debtors shall holdback and retain from the proceeds of the sale of any assets to which any liens of Smart-Fill Management Group, Inc. (“Smart-Fill”) attach the Smart-Fill Holdback (as defined below) with regard to any adequate protection claims of Smart-Fill as referenced in Paragraph 23 of the *Supplemental Final Order (1) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; and (4) Granting Liens, Security Interests and Superpriority Claims* (Docket No 377) (the “Supplemental DIP Order”). The Smart-Fill Holdback for all of the sale orders shall be equal to a sum not to exceed the lesser of a) \$475,745.91, b) the amount that Smart-Fill, UMB and the Debtors agree, or c) the amount the Court determines with regard to amounts due, if any, for Smart-Fill’s adequate protection claim as described in the

Supplemental DIP Order. The DIP Lender and the Bond Trustee shall retain their claims and liens against such Smart-Fill Holdback. Smart-Fill, Debtors, the DIP Lender, Bond Trustee and the Committee shall reserve all of their respective rights, remedies and defenses with regard to the claims of Smart-Fill, including claims arising from the failure of adequate protection and the priority or timing of any payment of the Smart-Fill claims.

55. The Bankruptcy Clerk is hereby authorized and instructed to issue a separate certified copy of just **Exhibit No. 2**, without the cover sheet for **Exhibit No. 2**, to any party so requesting the same for purposes of recordation of **Exhibit No. 2**.

56. This Sale Order shall take effect immediately and shall not be stayed pursuant to Bankruptcy Rules 6004(g), 6004(h), 6006(d), 7062, or otherwise.

Not later than two (2) business days after the date of this Order, the Debtors shall serve a copy of the Order and shall file a certificate of service no later than twenty-four (24) hours after service.


KATHY A. SURRATT-STATES
U.S. Bankruptcy Judge

DATED: December 20, 2024
St. Louis, Missouri
jjh

Proposed Order submitted by:

Stephen O'Brien
(MoBar # 43977)
DENTONS US LLP
211 N Broadway Ste 3000
St. Louis, MO 63102
Telephone: (314) 241-1800
stephen.obrien@dentons.com

Robert E. Richards (*pro hac vice*)
Samantha Ruben (*pro hac vice*)
DENTONS US LLP
233 S. Wacker Drive, Suite 5900
Chicago, Illinois 60606-6404
Telephone: (312) 876-8000
robert.richards@dentons.com
samantha.ruben@dentons.com

– and –

David A. Sosne
(MoBar # 28365)
SUMMERS COMPTON WELLS LLC
903 South Lindbergh Blvd., Suite 200
St. Louis, Missouri 63131
Telephone: (314) 991-4999
dsosne@scw.law

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

EXHIBIT 1

APA WITH BACK-UP BIDDER

ASSET PURCHASE AGREEMENT

by and among

Washington Village Estates, LLC,
Wabash Estates, LLC and
Wabash Christian Village Apartments, LLC

each, as a Seller, and collectively, Sellers

and

HP Developers, LLC as Buyer

dated as of November 22, 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 22, 2024 (the “**Execution Date**”) by and among the undersigned seller entities (individually a “**Seller**” and collectively, the Sellers) and **HP DEVELOPERS, LLC**, an Illinois 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. In accordance with the Bid and Sale Procedures Order, this Agreement has been designated as a Back Up Bid and Agreement subject to termination in accordance with Section 9.01(v) hereof.

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.

"**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.

“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**”).

“**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, and any prepayment premium that may be due under the Lument Loan Documents.

“**HUD Facilities**” shall have the meaning set forth in Section 2.12.

“**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 William Daugherty.

“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 June 1, 2025, 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 HUD Facility, 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) All prepaid or deferred charges and deposits that have been prepaid to any third parties pursuant to any Assumed Contract by the applicable Seller to the extent solely relating to the applicable Facility or its Business;
- (k) 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;
- (l) 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);
- (m) Goodwill associated with the Purchased Assets;
- (n) 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 at each Facility or utilized in connection with the owning, operating or managing the operations of any Facility.
- (o) Leases, contracts and agreements between any Seller (and, if applicable, any Affiliate of Seller's) and any resident (each, a "***Resident***") of a Facility (the "***Residency Agreements***");
- (p) All deposits made by any Resident related to any Residency Agreement or otherwise; and
- (q) 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 Accrued PTO and (ii) all Liabilities arising from and after the Effective Time, in each case for any Hired Employees;
- (c) 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.
- (d) Those Liabilities of the Sellers, if any, set forth in Schedule 2.03(d);
- (e) All liabilities and obligations created by this Agreement respecting Buyer; and
- (f) 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 THIRTEEN MILLION ONE HUNDRED THIRTY-THREE THOUSAND THREE HUNDRED THIRTY THREE AND 00/100 DOLLARS (\$13,133,333.00) (the "**Purchase Price**"), plus (i) the assumption of the Assumed Liabilities and (ii) the Cure Amounts; less the HUD Debt, to the extent assumed by Buyer at Closing as set forth in Section 3.04.

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

- (a) Buyer has delivered to Escrow Agent, an earnest money deposit in the amount of \$250,000.00 (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 execution of this Agreement, Buyer shall deposit, in one or more installments, the sum of TWO HUNDRED FIFTY THOUSAND and 00/100 DOLLARS (\$250,000.00) ("**Additional Deposit**") for a total deposit of \$500,000.00. 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 and the Escrow Deposit Agreement.
- (b) Buyer shall assume 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, and the amount equal to the unpaid balance of the HUD Debt as of the Closing Date shall be credited against the Purchase Price at Closing.
- (c) After payment of the Escrow Deposit and credit for the Loan Assumption, Buyer shall pay the balance of the Purchase Price, if any, 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 taxes 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 Facility identified on Schedule 2.01(a) as a "**HUD Facility**" (each, a "**HUD Facility**" and collectively, 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, which shall be a deduction of the Purchase Price as set forth in Section 2.06(b). No later than thirty (30) days after the entry of the Sale Order, Buyer shall file one or more applications for the assignment and assumption of the HUD Debt by the Buyer (the "**HUD Application**") and shall thereafter use its commercially reasonable best efforts and diligently proceed to pursue and secure approval from Lument and/or HUD, as applicable, for the HUD Application for the assignment and assumption of the HUD Debt by the Buyer 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 Buyers' 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.

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 Closing Date as set forth in Section 3.01(a), with the release by Escrow Agent of the entire Escrow Deposit to Seller, which amount of Escrow Deposit shall be the Purchase Price amount allocated to the Non-HUD Loan Facility. For the avoidance of doubt, the Closing with respect to the Non-HUD Loan Facility shall occur contemporaneously with the Closing for the HUD Facilities.
 - (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, as may be extend by agreement of the Parties; (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; 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 Additional 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). In connection with the HUD Application, Buyer shall compile, submit and complete all documentation required by the Change of Ownership Checklist no later than thirty (30) 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 the Closing Date, 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 in writing from HUD or Lument, or (ii) the Loan Assumption does not take place within six (6) months of the date of the entry of the Sale Order, then Buyer shall proceed to close this transaction without the Loan Assumption within thirty (30) days of the earlier to occur of either (i) or (ii) of this Section 3.04(e).
- (f) Buyer shall be and shall cause any separate operator of each HUD Facility to be a “special purpose bankruptcy remote entity,” meeting the requirements set forth by HUD.

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. Each 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 in the aggregate exceed \$100,000, for which each 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. Each Seller is in compliant in all material respects with all Permits applicable to the conduct and operation of the Business or relating to or affecting the Purchased Assets.

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 recoded) 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 Illinois. 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 all material 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 each 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, 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 have 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.

Section 8.03 Interim Management. Upon request of the Sellers, in their sole discretion, Buyer and Sellers will work together in good faith to execute, deliver and implement an interim management services agreement on customary market terms to provide for the operation of the Facilities by Buyer (or its designee) prior to Closing, so as to account for any commercially reasonable delays in Buyer obtaining all Permits and Regulatory Approvals and to consummate HUD Approval.

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.
 - (v) This Agreement will terminate on December 27, 2024 unless on or prior to such date this Agreement has been accepted and designated as the primary agreement for purchase of these Facilities and is no longer a back up agreement.

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: HP Developers, LLC
c/o WMD Asset Management, LLC
814 AIA N. Ste. #101
Ponte Vedra Beach, FL 32082
Attn: William M. Daugherty
Email: wmd@wmdasset.com

330 W. Marion Avenue
Forsyth, IL 62535
Attn: Steve Horve
Email: stevehorve@aol.com

Copy to: Stinson LLP
100 South Ashley Drive, Suite 500
Tampa, FL 33602
Attn: Todd M. Phelps
Email: todd.phelps@stinson.com
cj.harayda@stinson.com

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, designee, or an assignee of Buyer without the need to secure consent of the Sellers.

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.

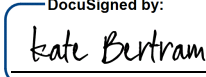
BUYER:

HP Developers, LLC,
an Illinois limited liability company

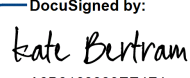
By: Steve Horve
Steve Horve, Authorized Signatory

SELLER:

WASHINGTON VILLAGE ESTATES, LLC,
an Illinois limited liability company

By: 
A9B9169339EE4F4...
Kate Bertram
President and Chief Executive Officer

WABASH ESTATES, LLC,
an Illinois limited liability company

By: 
A9B9169339EE4F4...
Kate Bertram
President and Chief Executive Officer

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


By: 
A9B9169339EE4F4...
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 _____, 2025, 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 _____, 2025 (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 [____], 2025

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 _____, 2025, _____, 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 _____, 2025, 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 Participant(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"/>	<input type="checkbox"/>
	92202-a Lender Narrative for Change of Ownership Application (Form <u>HUD-92266-ORCF</u>) (1,2)	<input type="checkbox"/>	<input type="checkbox"/>
	92203-a Contact Sheet (Form <u>HUD-90024-ORCF</u>) (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"/>
	<i>*An application fee \$0.50 per \$1,000 of the original face amount of the HUD-insured loan is required. The</i>		

No.	Item	Incl.	N/A
	<p><i>same application fee is required if the proposed transaction involves:</i></p> <ul style="list-style-type: none"> • Transfer of more than fifty percent (50%) of “partnership” Mortgagor’s Interest • Transfer of more than fifty percent (50%) of the Corporate Stock of “Corporate Mortgagor” • Transfer of less than fifty percent (50%) of the corporate stock of “Corporate Mortgagor” if the result is a “Change in Control” of Corporate Mortgagor 		
	<p>Organizational Documents – Borrower (1,2,3)</p> <p>a. 92207-a Organizational Charts (<i>current and proposed</i>)</p> <p>b. 92207-b Organizational certification (<i>including incumbency</i>)</p> <p>c. 92207-c Formation documents, as amended</p> <p>d. 92207-d Governing documents, as amended</p> <p>e. 92207-e Authorizing resolution</p> <p>f. 92207-f Status certificates</p> <p>Principal of Borrower’s Organizational Documents (2).....</p> <p><i>Provide for any entity in Borrower’s signature block. For trusts, submit the Trust Agreement and the Certification or Affidavit of Trust.</i></p> <p>aa. 92207-aa Organizational Charts (<i>current and proposed</i>)</p> <p>bb. 92207-bb Organizational certification (<i>including incumbency</i>)</p> <p>cc. 92207-cc Formation documents, as amended</p> <p>dd. 92207-dd Governing documents, as amended</p> <p>ee. 92207-ee Authorizing resolution</p> <p>ff. 92207-ff Status certificates</p>		
	<p>92208-a Qualifications/Resumes (Purchaser/New Borrower, New Operator, and/or New Management Agent) (1,2,4,5)</p> <p><i>Provide evidence for the business entity and each of its principals.</i></p>		
	<p>Attorney’s Opinion(s)</p> <p><i>OMB Opinions are only required for a full change of the Borrower entity, Operator entity, or Master Tenant entity. The Opinion format can be adapted for CHOP transactions as needed.</i></p> <p>92209-a THIS LINE INTENTIONALLY LEFT BLANK</p> <p>92209-b Opinion of Borrower’s Counsel (<u>HUD-91725-ORCF</u>) (1).....</p> <p>92209-c Opinion of Operator’s Counsel (<u>HUD-92325-ORCF</u>) (4)</p> <p>92209-d Opinion of Master Tenant’s Counsel (<u>HUD-92335-ORCF</u>) (4).....</p> <p>92209-e Attorney’s Certification on Execution and Recordation (<i>see ORCF Loan servicing website</i>) (1,2,3,4,5)</p>		
	<p>92210-a Evidence of Registration for Controlling Participants in Business Partner Registration System (BPRS) (1,2,3,4,5)</p>		
	<p>92211-a Application for Facility License [OR] copy of License with name of New Operator entity (1,3,4,5)</p>		
	<p>Evidence of Title Insurance (1,3)</p> <p><i>Applicable when the mortgage is assumed or amended (to modify references to the Master Lease in pre-2019</i></p>		

Organizational Documents – Borrower (1,2,3)

Principal of Borrower's Organizational Documents (2).....

aa. **92207-aa** Organizational Charts (*current and proposed*)

bb. **92207-bb** Organizational certification (*including incumbency*)

cc. **92207-cc** Formation documents, as amended

dd. **92207-dd** Governing documents, as amended

ee. **92207-ee** Authorizing resolution

ff. **92207-ff** Status certificates

92208-a Qualifications/Resumes (Purchaser/New Borrower, New Operator, and/or New Management Agent) (1,2,4,5)

Attorney's Opinion(s)

92209-a THIS LINE INTENTIONALLY LEFT BLANK

92209-c Opinion of Operator's Counsel (HUD-92325-ORCF) (4)

92209-e Attorney's Certification on Execution and Recordation *(see ORCF Loan servicing website)*

92210-a Evidence of Registration for Controlling Participants in Business Partner
Registration System (BPRS) (1,2,3,4,5)

Evidence of Title Insurance (1,3).....

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"/>

No.	Item	Incl.	N/A
	<ul style="list-style-type: none"> h. 92222-h Master Tenant Security Agreement (<u>HUD-92340-ORCF</u>)..... i. 92222-i Master Tenant Assignment of Leases and Rents (<u>HUD-92334-ORCF</u>).... j. 92222-j Memorandum of Master Lease k. 92222-k Master Tenant UCC Financing Statement (County) l. 92222-l Master Tenant UCC Financing Statement (State) 	<input type="checkbox"/>	<input type="checkbox"/>
	<p>Modification of Existing Master Lease (1, 4)</p> <p><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></p> <ul style="list-style-type: none"> a. THIS LINE INTENTIONALLY LEFT BLANK b. 92223-b Draft Master Tenant Estoppel Certificate with attached existing Master Lease (<u>HUD-92339-ORCF</u>) c. 92223-c HUD Master Lease Addendum (<u>HUD-92211-ORCF</u>) d. 92223-d Draft Amendment/Joinder to Existing Master Lease e. 92223-e Existing Cross-Default Guaranty of Subtenants (<u>HUD-92331-ORCF</u>) .. f. 92223-f Draft Amendment/Joinder to Cross-Default Guaranty of Subtenants g. 92223-g Memorandum of Master Lease h. 92223-h Healthcare Regulatory Agreement – Master Tenant and/or Amendment thereto (<u>HUD-92337-ORCF</u>) i. 92223-i Master Tenant Security Agreement and/or Amendment thereto (<u>HUD-92340-ORCF</u>) j. 92223-j Master Tenant Assignment of Leases and Rents and/or Amendment thereto (<u>HUD-92334-ORCF</u>) k. 92223-k Master Tenant UCC-1 Financing Statements (County) l. 92223-l Master Tenant UCC-1 Financing Statements (State) m. 92223-m Master Lease Subordination [Non-Disturbance and Attornment] Agreement and/or Amendment thereto (<u>HUD-92333-ORCF</u>) n. THIS LINE INTENTIONALLY LEFT BLANK 	<input type="checkbox"/>	<input type="checkbox"/>
	<p>Master Lease Release Documents (1, 4)</p> <p><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></p> <ul style="list-style-type: none"> a. 92224-a Mortgagee Letter of Recommendation b. 92224-b Master Lease Analysis (<i>Optional worksheet available on ORCF website</i>)..... c. 92224-c Copy of Master Lease and Master Lease Addendum, including all amendments and joinders (<u>HUD-92211-ORCF</u>) d. 92224-d Draft Amendment to HUD Master Lease (<i>please see Amendment to HUD Master Lease (Partial Termination and Release) (<u>HUD-92342-ORCF</u>) for sample language</i>) e. 92224-e Copy of existing Cross Default Guaranty of Subtenants (<u>HUD-92331-ORCF</u>)..... f. 92224-f Draft Amendment to Cross-Default Guaranty of Subtenants g. 92224-g Copy of Recorded Memorandum of Master Lease h. 92224-h Draft Termination of Memorandum of Master Lease 	<input type="checkbox"/>	<input type="checkbox"/>

No.	Item	Incl.	N/A
	i. 92224-i Copy of Master Tenant Security Agreement (HUD-92340-ORCF).....	<input type="checkbox"/>	<input type="checkbox"/>
	j. 92224-j Draft Termination of Master Tenant Security Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	k. 92224-k Copy of Recorded Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	l. 92224-l Draft Termination of Master Tenant Assignment of Leases and Rents	<input type="checkbox"/>	<input type="checkbox"/>
	m. 92224-m Copy of Recorded Master Lease Subordination [Non-Disturbance and Attornment] Agreement (HUD-92333-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	n. 92224-n Draft Termination of Master Lease Subordination [Non-Disturbance and Attornment] Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	o. 92224-o Copy of Recorded Healthcare Regulatory Agreement – Master Tenant (HUD-92337-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	p. THIS LINE INTENTIONALLY LEFT BLANK		
	q. 92224-q Copy of Recorded Master Tenant UCC-1 Financing Statements (county and state)	<input type="checkbox"/>	<input type="checkbox"/>
	r. 92224-r Draft Termination of Master Tenant UCC-1 Financing Statements (county and state)	<input type="checkbox"/>	<input type="checkbox"/>
	s. 92224-s Master Tenant Estoppel Certificate (HUD-92339-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	t. 92224-t AR Lender confirmation that Master Lease Release will not be considered a default under the AR loan documents	<input type="checkbox"/>	<input type="checkbox"/>
	Master Lease Termination (1, 4)	<input type="checkbox"/>	<input type="checkbox"/>
	<i>As applicable, for transactions where the existing Master Lease is being terminated simultaneously with the CHOP.</i>		
	a. 92225-a Copy of Master Lease and Master Lease Addendum, including all amendments and joinders (HUD-92211-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92225-b Draft Amendment to HUD Master Lease (Partial Termination and Release (HUD-92342-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92225-c Copy of Recorded Memorandum of Master Lease	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92225-d Draft Termination of Memorandum of Master Lease	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92225-e Copy of Cross Default Guaranty of Subtenants (HUD-92331-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	f. 92225-f Draft Termination and Release of Cross Default Guaranty of Subtenants, Section 232 (HUD-92341-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	g. 92225-g Copy of Master Tenant Security Agreement (HUD-92340-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	h. 92225-h Draft Termination of Master Tenant Security Agreement.....	<input type="checkbox"/>	<input type="checkbox"/>
	i. 92225-i Copy of Recorded Master Tenant Assignment of Leases and Rents (HUD-92334-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	j. 92225-j Draft Termination of Master Tenant Assignment of Leases and Rents....	<input type="checkbox"/>	<input type="checkbox"/>
	k. 92225-k Copy of Recorded Master Lease Subordination [Non-Disturbance and Attornment] Agreement (HUD-92333-ORCF)	<input type="checkbox"/>	<input type="checkbox"/>
	l. 92225-l Draft Termination of Master Lease Subordination [Non-Disturbance and Attornment] Agreement	<input type="checkbox"/>	<input type="checkbox"/>
	m. 92225-m Copy of Recorded Healthcare Regulatory Agreement – Master Tenant.	<input type="checkbox"/>	<input type="checkbox"/>
	n. THIS LINE INTENTIONALLY LEFT BLANK		
	o. 92225-o Copy of Recorded Master Tenant UCC-1 Financing Statements (county and state)	<input type="checkbox"/>	<input type="checkbox"/>

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 (<u>HUD-90020-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	b. 92226-b Draft Intercreditor Agreement (Redlined Version) (<u>HUD-92322-ORCF</u>)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92226-c Cash flow chart, as attached to the Operator Security Agreement (<u>HUD-92323-ORCF</u>)	<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 (<i>as applicable</i>) (1)	<input type="checkbox"/>	<input type="checkbox"/>
	a. 92227-a 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. 92227-b Promissory Note (s)	<input type="checkbox"/>	<input type="checkbox"/>
	c. 92227-c Residual Receipts Note (HUD 91710-ORCF) (<i>to be submitted for each unsecured promissory note when Borrower is a non-profit entity</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	d. 92227-d Surplus Cash Note (HUD-92223-ORCF) (<i>to be submitted for each unsecured promissory note when Borrower is a for-profit entity</i>)	<input type="checkbox"/>	<input type="checkbox"/>
	e. 92227-e Subordination Agreement (HUD-92420-ORCF) (<i>to be submitted if a governmental source is providing secured, secondary financing</i>)	<input type="checkbox"/>	<input type="checkbox"/>
28.	Commercial Space Leases (<i>as applicable</i>) (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 (<i>as applicable</i>) (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 (HUD-92466A-ORCF) (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"/>

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 1

Facilities to be Purchased

Community Name	Address	State
Wabash Christian Village Apartments, LLC	548 Abelson Dr; Carmi, IL 62821	IL
Wabash Estates, LLC	532 Abelson Dr; Carmi, IL 62821-1588	IL
Washington Village Estates, LLC	1150 Newcastle Rd; Washington, IL 61571-1244	IL

Schedule 2.01(a) to Asset Purchase Agreement

DESCRIPTION OF REAL PROPERTY

[To be inserted.]

EXHIBIT "A"
Legal Description

Wabash Estates – White County, Illinois

LOTS 37, 38 AND 39, EXCEPT 38 FEET OF EVEN WIDTH OFF THE WEST SIDE OF SAID LOT 39, IN
WILMAR RESTORIUM SECOND SUBDIVISION TO THE CITY OF CARMI, WHITE COUNTY, ILLINOIS.

For APN/Parcel ID(s): 13-24-103-003, 13-24-103-004 and 13-24-103-013

EXHIBIT "A"
Legal Description

Wabash Christian Village Apartments – White County, Illinois

LOTS NUMBER 40, 41, 42 AND 38 FEET OF EVEN WIDTH OFF OF THE WEST SIDE OF LOT NUMBER 39, ALL IN WILMAR RESTORIUM SECOND SUBDIVISION TO THE CITY OF CARMI, WHITE COUNTY, ILLINOIS.

For APN/Parcel ID(s): 13-24-102-012, 13-24-102-013, 13-24-102-011 and 13-24-103-012

EXHIBIT "A"
Legal Description

Washington Village Estates – Tazewell County, Illinois

TRACT 2:

A PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 26 NORTH, RANGE 3 WEST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 14; THENCE NORTH 00 DEGREES 06 MINUTES 00 SECONDS EAST (BEARING ASSUMED FOR THE PURPOSE OF DESCRIPTION ONLY), ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, 1576.14 FEET TO THE SOUTHWEST CORNER OF LOT 35 IN THE SOUTHWEST QUARTER OF SAID SECTION 14 (SAID LOT 35 SHOWN ON PLAT BOOK I, PAGE 169, IN THE OFFICE OF THE RECORDER OF DEEDS OF TAZEWELL COUNTY); THENCE SOUTH 87 DEGREES 09 MINUTES EAST, ALONG THE SOUTH LINE OF SAID LOT 35, 378.79 FEET; THENCE SOUTH 01 DEGREES 13 MINUTES 58 SECONDS WEST, 24.41 FEET TO THE POINT OF BEGINNING OF THE TRACT TO BE DESCRIBED; FROM THE POINT OF BEGINNING, THENCE SOUTH 88 DEGREES 13 MINUTES 21 SECONDS EAST, 290.40 FEET; THENCE SOUTH 01 DEGREES 13 MINUTES 58 SECONDS WEST, 300.00 FEET; THENCE NORTH 88 DEGREES 13 MINUTES 21 SECONDS WEST, 290.40 FEET; THENCE NORTH 01 DEGREES 13 MINUTES 58 SECONDS EAST, 300.00 FEET TO THE POINT OF BEGINNING, SITUATED AND BEING IN THE COUNTY OF TAZEWELL AND STATE OF ILLINOIS.

TRACT 3:

A PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 26 NORTH, RANGE 3 WEST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 14; THENCE NORTH 00 DEGREES 06 MINUTES 00 SECONDS EAST (BEARING ASSUMED FOR PURPOSE OF DESCRIPTION ONLY), ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, 1576.14 FEET TO THE SOUTHWEST CORNER OF LOT 35 IN THE SOUTHWEST QUARTER OF SAID SECTION 14 (SAID LOT 35 SHOWN ON PLAT BOOK I, PAGE 169, IN THE OFFICE OF THE RECORDER OF DEEDS OF TAZEWELL COUNTY); THENCE SOUTH 87 DEGREES 09 MINUTES EAST, ALONG THE SOUTH LINE OF SAID LOT 35, 378.79 FEET; THENCE SOUTH 01 DEGREES 13 MINUTES 58 SECONDS WEST, 24.41 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 21 SECONDS EAST, 290.40 FEET TO THE POINT OF BEGINNING OF THE TRACT TO BE DESCRIBED; FROM THE POINT OF BEGINNING, THENCE SOUTH 88 DEGREES 13 MINUTES 21 SECONDS EAST, 450.00 FEET; THENCE SOUTH 01 DEGREES 13 MINUTES 58 SECONDS WEST, 300 FEET; THENCE NORTH 88 DEGREES 13 MINUTES 21 SECONDS WEST, 450 FEET; THENCE NORTH 01 DEGREES 13 MINUTES 58 SECONDS EAST 300 FEET TO THE POINT OF BEGINNING, SITUATED IN TAZEWELL COUNTY, ILLINOIS.

For APN/Parcel ID(s): 02-02-14-300-023

Schedule 2.01(g) to Asset Purchase Agreement

INTELLECTUAL PROPERTY

[To be inserted.]

Schedule 2.01(g)
Intellectual Property

Facility Name	Intellectual Property?
Wabash Christian Village Apartments, LLC	None
Wabash Estates, LLC	None
Washington Village Estates, LLC	None

Schedule 2.02(b) to Asset Purchase Agreement

PREPAID EXPENSES AND CREDITS

[To be inserted.]

Schedule 2.02(b)

Prepaid Expenses and Credits Related to Assumed Liabilities

		8/31/24 Balance
Community Name	Description	Preapid Expenses
Wabash Christian Village Apartments, LLC	Vendor Expenses	-
Wabash Estates, LLC	Vendor Expenses	10,589.59
Washington Village Estates, LLC	Vendor Expenses	18,510.99
Wabash Christian Village Apartments, LLC	Insurance	1,010.90
Wabash Estates, LLC	Insurance	33,123.19
Washington Village Estates, LLC	Insurance	43,847.01

Schedule 2.02(d) to Asset Purchase Agreement

DEPOSIT ACCOUNTS

[To be inserted.]

Schedule 2.02(d)
Deposit Accounts

Community	Bank	Account Name	Account Number
Wabash Estates, LLC	Old National Bank	Wabash Estates LP Deposit Account	8100491185
Wabash Estates, LLC	Old National Bank	Wabash Estates LP Main Account	8100491193
Wabash Estates, LLC	Old National Bank	Wabash Estates - Non Government Deposit	8100491276
Washington Village Estates, LLC	Old National Bank	Washington Village Estates LP Deposit	8100491169
Washington Village Estates, LLC	Old National Bank	Washington Village Estates LP Main	8100491177
Washington Village Estates, LLC	Old National Bank	Washington Village Estate - Non Governme	8100491284
Wabash Estates, LLC	Old National Bank	Wabash Estates LP Reserve	9641452777
Washington Village Estates, LLC	Old National Bank	Washington Village Estates LP Reserve	9641402095
Wabash Christian Village Apartments, LLC	First Mid Bank & Trust	Wabash Christian Apartments Lmted PSHIP	357086262
Wabash Christian Village Apartments, LLC	First Mid Bank & Trust	Wabash Christian Apts Operating Reserve	11284
Wabash Christian Village Apartments, LLC	First Mid Bank & Trust	Wabash Christian Apartments Security Deposit A	163015
Wabash Christian Village Apartments, LLC	First Mid Bank & Trust	Wabash Christian Apts Replacement Reserve	2600074088
Washington Village Estates, LLC	Heartland Bank & Trust C	Washington Christian Village Security Deposit Ac	6596

Schedule 2.03(d) to Asset Purchase Agreement

LIABILITIES

[To be inserted.]

Schedule 2.03(d)
Assumed Liabilities

Community	Refundable Entrance Fees	Mortgage	PTO Credit (9/30)	Net Assumed Liabilities
Wabash Christian Village Apartments, LLC	-	286,665.68	-	286,665.68
Wabash Estates, LLC	-	3,876,349.60	39,774.87	3,916,124.47
Washington Village Estates, LLC	-	4,716,225.14	46,153.93	4,762,379.07
Total	-	8,879,240	85,929	8,965,169

Schedule 2.07 to Asset Purchase Agreement

ALLOCATION

[To be inserted.]

Schedule 4.05 to Asset Purchase Agreement

MATERIAL CONTRACTS

[To be inserted.]

Schedule 4.05
Material Contracts

Debtor	Contract Description (name at top of agreement)	Contract Type	Contract Date (Finite Date only)	Effective Date (Finite Date only)	Termination Date (Finite Date only)	Evergreen (automatically renews) (Y/N)	Evergreen Initial Term (i.e. 6 months, 2 years, etc.)	Evergreen Renewal Term (i.e. 6 months, 2 years, etc.)	Lease Location (Real Property)	Counterparty Name
Wabash Christian Village Apartments, LLC	Extension and Amendment of Management Agreement	Agreement / Contract	4/5/2021	11/1/2021	10/31/2031	No				Illinois Housing Development Authority
Wabash Christian Village Apartments, LLC	Registered Nurse Recruitment and Leasing Agreement	Lease	12/6/2021			Yes	36 months	1 year		United Methodist Healthcare Recruitment
Wabash Christian Village Apartments, LLC	Registered Nurse Leasing Agreement	Lease	12/2/2020	12/2/2020		Yes	3 years	12 month periods		United Methodist Healthcare Recruitment
Washington Village Estates, LLC	Client Services Agreement	Agreement / Contract	11/4/2013	11/4/2013		Yes	1 year	1 year		Molina Healthcare of Illinois, Inc.
OTHER - Multiple Entities	Addendum to Service Agreement	Agreement / Contract								On Hold:32
OTHER - Multiple Entities	Addendum to Service Agreement	Agreement / Contract								On Hold:32
OTHER - Multiple Entities	Addendum to Service Agreement	Agreement / Contract								On Hold:32
OTHER - Multiple Entities	Addendum to Service Agreement	Agreement / Contract	7/29/2016							On Hold:32
Wabash Estates, LLC	Facility Agreement	Agreement / Contract	7/1/2021	7/1/2021		Yes	1 year	1 year		Aetna Better Health Inc. dba Aetna Better Health of Illinois
Washington Village Estates, LLC	Facility Agreement	Agreement / Contract		7/1/2021		Yes	1 year	1 year		Aetna Better Health Inc. dba Aetna Better Health of Illinois

OTHER - Multiple Entities	Attachment to Account Application	Agreement / Contract	1/24/2020							Gordon Food Service
Wabash Estates, LLC	Quote re: Fire Alarm Replacement	Quote	3/21/2023							Koorsen Fire & Security, Inc.
Wabash Estates, LLC	Health Plan Service Order Form to the Master Subscription Agreement Dated April 21, 2022	Agreement / Contract	4/21/2022	4/21/2022						Collective Medical Technologies, Inc.
Wabash Estates, LLC	Master Subscription Agreement	Agreement / Contract	8/23/2021	8/23/2021		Yes	1 year	1 year		Collective Medical Technologies, Inc.
Wabash Estates, LLC	Master Subscription Agreement	Agreement / Contract	4/21/2022	4/21/2022		Yes	1 year	1 year		Collective Medical Technologies, Inc.
Wabash Estates, LLC	MobilixUSA Portable Diagnostic Services Agreement	Agreement / Contract	3/1/2017			Yes	1 year	1 year		Symphony Diagnostic Services No. 1, Inc., dba MobilixUSA
Wabash Estates, LLC	Enrollment to the Illinois Medical Assistance Program	Agreement / Contract								Illinois Department of Healthcare and Family Services
Wabash Estates, LLC	Dual Eligible Provider Agreement for Facility Services	Agreement / Contract	7/1/2021	7/1/2021		Yes	42 months	12 months		Health Care Service Corporation a Mutual Legal Reserve Company
Washington Village Estates, LLC	Dual Eligible Provider Agreement	Agreement / Contract	7/1/2021	7/1/2021		Yes	3 years	12 months		Health Care Service Corporation a Mutual Legal Reserve Company
Wabash Estates, LLC	Ancillary Participation Agreement	Agreement / Contract	2/18/2021	7/1/2021		Yes	3 years	1 year		Humana Health Plan, Inc.
Wabash Estates, LLC	Ancillary Participation Agreement	Agreement / Contract	2/18/2021	7/1/2021		Yes	3 years	1 year		Humana Insurance Company
Wabash Estates, LLC	Product Delivery and Handling Services Agreement	Agreement / Contract	5/16/2018	5/16/2018		Yes	1 year	1 year		Procurement Partners, LLC
Wabash Christian Village Apartments, LLC	Signature Authorization Form	_Misc / Non-Contract								Rental Housing Support Program
Wabash Estates, LLC	Amendment to the Participating Provider Agreement	Agreement / Contract	6/8/2021	6/8/2021						Meridian Health Plan of Illinois, Inc.
Wabash Estates, LLC	Amendment to the Participating Provider Agreement	Agreement / Contract	6/8/2021	6/8/2021						WellCare Health Plans, Inc.
Wabash Estates, LLC	Amendment to the Ancillary Participation Agreement Effective July 1, 2021	Agreement / Contract		7/1/2021						Humana Health Plan, Inc.
Wabash Estates, LLC	Amendment to the Ancillary Participation Agreement Effective July 1, 2021	Agreement / Contract		7/1/2021						Humana Insurance Company
Washington Village Estates, LLC	Ancillary Provider Participation Agreement	Agreement / Contract	4/28/2021	7/1/2021		Yes	3 years	1 year		Humana Inc.
Wabash Estates, LLC	Product Delivery and Handling Services Agreement	Agreement / Contract	5/16/2018	5/16/2018		Yes	1 year	1 year		Medline Industries, Inc.

Schedule 4.07 to Asset Purchase Agreement

PERMITS AND REGULATORY APPROVALS

[To be inserted.]

Schedule 4.07

Permits and Regulatory Approvals

State	Licensee	License	Licensing Department	License No.	Effective Date	Expiration Date
Illinois	Supportive Living of Wabash	Supportive Living Program Certification	Illinois Department of Healthcare and Family Services	N/A	2/25/2008	N/A
Illinois	Supportive Living of Washington	Supportive Living Program Certification	Illinois Department of Healthcare and Family Services	N/A	11/24/2008	N/A

Schedule 4.08 to Asset Purchase Agreement

LITIGATION PROCEEDINGS

[To be inserted.]

Schedule 4.11 to Asset Purchase Agreement

EMPLOYEE RELATIONS

[To be inserted.]

Schedule 4.12 to Asset Purchase Agreement

INSURANCE POLICIES

[To be inserted.]

Schedule 4.12
Insurance Policies

Policy Type	Carrier	Policy No.	Inception	Expiration
Auto	Philadelphia Indemnity Ins Company	PHPK2683413	5/1/2024	5/1/2025
Property	Travelers Indemnity Company	KTKCMB8K5402962	5/1/2024	5/1/2025
Workers' Compensation	Accident Fund Insurance Co. of America	UHWCP100090478	3/1/2024	3/1/2025
GLPL	Caring Communities	CCRRRG-0067-24	1/1/2024	1/1/2025
Cyber Liability	Travelers Excess and Surplus Lines Co.	CYB10801084700	5/1/2024	5/1/2025
Pollution	Ascot Specialty Insurance Company	ENPM24100012820	5/1/2024	5/1/2025
D&O/Fiduciary/EPL	Ironshore Specialty Insurance Company	DO6CAC2MCO001	7/1/2024	6/30/2025
Crime	Ironshore Specialty Insurance Company	FI4NAC2MQS001	6/30/2024	6/30/2025
Excess D&O/Fiduciary/EPL	Hudson Excess Insurance Company	HE-0303-11718	6/30/2024	6/30/2025
Excess D&O/Fiduciary/EPL	Ascot Insurance Company	MLXS2410001605-1	6/30/2024	6/30/2025

Schedule 4.15 to Asset Purchase Agreement

RESIDENCY AGREEMENTS

[To be inserted.]

Schedule 6.05 to Asset Purchase Agreement

ASSUMED CONTRACTS AND REJECTED CONTRACTS

Schedule 8.01(g) to Asset Purchase Agreement

EMPLOYEE BENEFIT PLANS

[To be inserted.]



Summary of Benefits

Benefit	Provider	Summary	Covered
Medical Insurance	Anthem	Fully insured medical coverage for employee and family. Offer PPO, HRA and High Deductible. Employee makes contrition based on their base pay.	Full-time employees eligible to elect coverage. Exec & Sr. Leaders covered 1 st of month after date of hire, all others first of the month after 60 days of employment
Flexible Spending Account	Employee Benefits Corporation	Medical and dependent flexible spending account.	Full-time employees
Health Savings Account	Employee Benefits Corporation	Employees who elected a High Deductible Health plan may contribute to Health Spending account	Full-time employees that elected a High Deductible Health Plan.
Life & AD&D Insurance	New York Life	Term life & AD&D. Depending on position coverage is 1 time, 1.5 times or 2 times annual compensation. Cost paid by company.	Full time employees
Voluntary Life or AD&D	New York Life	Employees can purchase additional life insurance. If the employees elects coverage can then purchase coverage for spouse and/or children	Full time employees
Long Term Disability Insurance	New York Life	Fully insured covers 60% of monthly earnings up to max of \$6,000 per month. Exec & Sr Leaders premium paid by Company, all others premium paid by employee.	Full time employees
Short Term Disability Insurance	New York Life	Fully insured voluntary benefit covers up to 60% of weekly earnings to maximum of \$2,500 per week. Waiting period 7 days and maximum benefits is 12 weeks. Premium paid by employee.	Full time employees

Benefit	Provider	Summary	Covered
Dental	Anthem	Fully insured dental coverage. Premium paid by employee.	Full time employees
Vision	Anthem	Fully insured vision coverage. Premium paid by employee.	Full time employees
Identify Theft	LifeLock	Identity theft protection. Full cost paid by employee.	Full time employees
Critical Illness	Anthem	Fully insured lump some payments for scheduled conditions. Full cost paid by the employees.	Full time employees
Accident Insurance	Anthem	Fully insured benefit for accident. Full cost paid by the employees.	Full time employees
Hospital Indemnity	Anthem	Fully insured benefit for specified amount when individual is confined to hospital. Full cost paid by the employees.	Full time employees
Employee Assistance Program	ComPsych	Employee assistance for employees or any household member. Additional offering: Wellness support; financial, legal & estate support; health advocacy; secure travel	All employment statuses
403b	Ascensus	ERISA 403b Retirement Plan. Can begin contribution on date of hire. No required employer match.	Employees expected to work 1,000+ hours in 12 months
Paid Time Off		Earn an amount based on position and years of service	Full-time and part-time employees
Tuition Reimbursement		Self-funded. Cover up to IRS maximum provided maintain obtain C or better in the course.	Full time employees that have completed 6 months of service
Earned Wage Access	DailyPay	Can access a portion of pay prior to regular pay date. All costs are paid by employee	All employment statuses

Exhibit 2

**Memorandum of Order Authorizing Sale Free and Clear of All
Liens, Claims, and Encumbrances**

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:	§	Chapter 11
	§	
MIDWEST CHRISTIAN VILLAGES,	§	Case No. 24-42473-659
INC. <i>et al</i> ,	§	
	§	Jointly Administered
Debtors.	§	
	§	Related Docket Nos. 13, 90, 102, 159 and 488

**MEMORANDUM OF ORDER AUTHORIZING SALE OF SUBSTANTIALLY ALL
ASSETS OF WASHINGTON VILLAGE ESTATES, LLC, WABASH ESTATES, LLC
AND WABASH CHRISTIAN VILLAGE APARTMENTS, LLC
FREE AND CLEAR OF ALL LIENS, CLAIMS AND ENCUMBRANCES**

On July 16, 2024, each of the above-captioned Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

On July 16, 2024, the Debtors filed *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) 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* [Docket No. 13] (the "Motion").¹

On November [25], 2024, the United States Bankruptcy Court for the Eastern District of Missouri entered an order (the "Sale Order") approving the sale of substantially all of the assets of Debtors Washington Village Estates, LLC ("Washington Village"), Wabash Estates, LLC ("Wabash Estates"), and Wabash Christian Village Apartments, LLC ("Wabash Apartments"), and together with Washington Village and Wabash Estates, the "Assets") from Washington Village, Wabash Estates and Wabash Apartments (collectively, the "Seller") to HP Developers, LLC (the "Buyer").

Among other things, the Sale Order approved the sale of the Assets free and clear of any liens, claims, and encumbrances, other than Assumed Liabilities (including without limitation, the HUD Debt to the extent assumed in accordance with the APA). The Sale Order approved the Debtors' entry into and performance under the APA, substantially in the form attached as **Exhibit**

¹ Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Motion or the APA, as applicable.

1 to the Sale Order. The Sale Order also approved the assumption and assignment of the Assigned Contracts. The Motion, Sale Order and other filings in the bankruptcy cases can be accessed at <https://veritaglobal.net/mcv>, the website established by Verita for the Debtors' chapter 11 cases.

The Sale Order moreover approved the filing of this *Memorandum of Order Authorizing Sale Free and Clear of All Liens, Claims, and Encumbrances* as notice to all parties of the nature of the sale. The legal description of the real property being sold pursuant to the Sale Order is as follows:

Legal Descriptions

SEE ATTACHED LEGAL DESCRIPTIONS

Wabash Estates – White County, Illinois

LOTS 37, 38 AND 39, EXCEPT 38 FEET OF EVEN WIDTH OFF THE WEST SIDE OF SAID LOT 39, IN
WILMAR RESTORIUM SECOND SUBDIVISION TO THE CITY OF CARMi, WHITE COUNTY, ILLINOIS.

For APN/Parcel ID(s): 13-24-103-003, 13-24-103-004 and 13-24-103-013

Wabash Christian Village Apartments – White County, Illinois

LOTS NUMBER 40, 41, 42 AND 38 FEET OF EVEN WIDTH OFF OF THE WEST SIDE OF LOT NUMBER 39, ALL IN WILMAR RESTORIUM SECOND SUBDIVISION TO THE CITY OF CARMi, WHITE COUNTY, ILLINOIS.

For APN/Parcel ID(s): 13-24-102-012, 13-24-102-013, 13-24-102-011 and 13-24-103-012

Washington Village Estates – Tazewell County, Illinois

TRACT 2:

A PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 26 NORTH, RANGE 3 WEST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 14; THENCE NORTH 00 DEGREES 06 MINUTES 00 SECONDS EAST (BEARING ASSUMED FOR THE PURPOSE OF DESCRIPTION ONLY), ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, 1576.14 FEET TO THE SOUTHWEST CORNER OF LOT 35 IN THE SOUTHWEST QUARTER OF SAID SECTION 14 (SAID LOT 35 SHOWN ON PLAT BOOK I, PAGE 169, IN THE OFFICE OF THE RECORDER OF DEEDS OF TAZEWELL COUNTY); THENCE SOUTH 87 DEGREES 09 MINUTES EAST, ALONG THE SOUTH LINE OF SAID LOT 35, 378.79 FEET; THENCE SOUTH 01 DEGREES 13 MINUTES 58 SECONDS WEST, 24.41 FEET TO THE POINT OF BEGINNING OF THE TRACT TO BE DESCRIBED; FROM THE POINT OF BEGINNING, THENCE SOUTH 88 DEGREES 13 MINUTES 21 SECONDS EAST, 290.40 FEET; THENCE SOUTH 01 DEGREES 13 MINUTES 58 SECONDS WEST, 300.00 FEET; THENCE NORTH 88 DEGREES 13 MINUTES 21 SECONDS WEST, 290.40 FEET; THENCE NORTH 01 DEGREES 13 MINUTES 58 SECONDS EAST, 300.00 FEET TO THE POINT OF BEGINNING, SITUATED AND BEING IN THE COUNTY OF TAZEWELL AND STATE OF ILLINOIS.

TRACT 3:

A PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 26 NORTH, RANGE 3 WEST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 14; THENCE NORTH 00 DEGREES 06 MINUTES 00 SECONDS EAST (BEARING ASSUMED FOR PURPOSE OF DESCRIPTION ONLY), ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, 1576.14 FEET TO THE SOUTHWEST CORNER OF LOT 35 IN THE SOUTHWEST QUARTER OF SAID SECTION 14 (SAID LOT 35 SHOWN ON PLAT BOOK I, PAGE 169, IN THE OFFICE OF THE RECORDER OF DEEDS OF TAZEWELL COUNTY); THENCE SOUTH 87 DEGREES 09 MINUTES EAST, ALONG THE SOUTH LINE OF SAID LOT 35, 378.79 FEET; THENCE SOUTH 01 DEGREES 13 MINUTES 58 SECONDS WEST, 24.41 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 21 SECONDS EAST, 290.40 FEET TO THE POINT OF BEGINNING OF THE TRACT TO BE DESCRIBED; FROM THE POINT OF BEGINNING, THENCE SOUTH 88 DEGREES 13 MINUTES 21 SECONDS EAST, 450.00 FEET; THENCE SOUTH 01 DEGREES 13 MINUTES 58 SECONDS WEST, 300 FEET; THENCE NORTH 88 DEGREES 13 MINUTES 21 SECONDS WEST, 450 FEET; THENCE NORTH 01 DEGREES 13 MINUTES 58 SECONDS EAST 300 FEET TO THE POINT OF BEGINNING, SITUATED IN TAZEWELL COUNTY, ILLINOIS.

For APN/Parcel ID(s): 02-02-14-300-023