

Background

1. On August 26, 2021 (the “**Petition Date**”), the Debtors each filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Northern District of Georgia, Rome Division (the “**Court**”). The Debtors are authorized to operate their businesses as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

2. No committee, trustee or examiner has been requested or appointed in this Case.

3. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C § 157(b)(2). Venue of the Debtors’ Chapter 11 cases (collectively, the “**Case**”) and this Application are proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. On or about April 1, 2022, the Debtors filed an Application for Authority to Retain SLIB II, Inc. d/b/a Senior Living Investment Brokerage as Investment Broker to the Debtors [Dkt. No. 126].

5. On or about April 15, 2022, the Court entered an order approving the retention of SLIB II, Inc. d/b/a Senior Living Investment Brokerage [Dkt. No. 128].

6. Pursuant to the terms of the Representation Agreement with SLIB II, Inc. d/b/a Senior Living Investment Brokerage (“**SLIB II**”), SLIB II had the exclusive right to market the Debtors’ assets for sale through and including August 16, 2022. The Representation Agreement expired without the Debtors consummating a sale transaction for the Remaining Properties.

7. On or about January 9, 2023, the Debtors filed an Application for Authority to Retain Senior Housing Services, LLC (“**SHS**”) as Exclusive Broker Agent to the Debtors [Dkt. No. 226].

8. On or about January 30, 2023, the Court entered an order approving the retention of SHS [Dkt. No. 236].

9. Pursuant to the terms of the Representation Agreement with SHS, SHS had the exclusive right to market the Debtors' assets for sale through and including October 8, 2023. The Representation Agreement expired without the Debtors consummating a sale transaction for the Remaining Properties.

10. On or about August 4, 2023, the Debtors filed an Application for Authority to Retain Commercial Real Estate Exchange, Inc. ("**Crexi**") as the real estate marketing platform to the Debtors with regard to the Debtors' Montgomery II facility [Dkt. No. 257].

11. On or about August 4, 2023, the Court entered an order approving the retention of Crexi, subject to objection [Dkt. No. 258]. No objections were filed to the Crexi Order.

12. Pursuant to the terms of the Engagement Agreement with Crexi, Crexi had the exclusive right to market the Debtors' assets for sale through and including November 4, 2023. The Engagement Agreement expired without the Debtors consummating a sale transaction for the Montgomery II facility.

13. Simultaneously herewith, the Debtors are filing an application to retain SVN | Toomey Property Advisors ("**SVN**") as their broker to market the Remaining Properties for sale. SVN will work in conjunction with CWFS to drive potential buyers to CWFS's auction platform for participation in the auction.

Relief Requested

14. The Debtors now desire to employ CWFS as their real estate marketing platform to cooperate with SVN in marketing and soliciting offers on the Remaining Properties through an on-line auction of the assets, pursuant to Section 328(a) of the Bankruptcy Code, and Bankruptcy

Rules 2014 and 2016, and to obtain approval of the terms set forth in the Platform Access Agreement, including the terms under which CWFS will be compensated, at the expense of the Debtors' estates.

Basis for Relief

15. Under Sections 327 and 328 of the Bankruptcy Code, a trustee, debtor in possession and committee appointed under Section 1102 of the Bankruptcy Code may employ one or more professionals, that do not hold or represent an interest adverse to the estate and that are disinterested persons, to assist such parties in carrying out their duties under the Bankruptcy Code. Specifically, Section 328(a) of the Bankruptcy Code provides that the Debtors:

with the court's approval, may employ or authorize the employment of a professional person under section 327 or 1103 of this title, as the case may be, on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis.

11 U.S.C. § 328(a). Further, Bankruptcy Rule 2014(a) requires that an application for retention include:

specific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the [firm's] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

Fed. R. Bankr. P. 2014(a).

16. By this Application, the Debtors request that the Court approve the compensation arrangement described in the Platform Access Agreement pursuant to Section 328(a) of the Bankruptcy Code. The compensation arrangement contained in the Platform Access Agreement is beneficial to the Debtors' estates as it provides certainty and proper inducement for CWFS to act expeditiously and prudently with respect to the matters for which it will be employed.

Necessity

17. The Debtors, in consultation with UMB Bank, National Association, as trustee (the “**Bond Trustee**”), have chosen CWFS to act as their real estate marketing platform with regard to the Remaining Properties. To date, no acceptable offers have been received on such assets through the efforts of the Debtors’ prior retained investment brokers, and therefore the Debtors and the Bond Trustee have come to the conclusion that that selling the Remaining Properties through CWFS’s auction platform is the best course of action.

Qualifications

18. CWFS has substantial experience in facilitating online auctions for commercial real estate. Since 2017, CWFS has operated an online auction platform for stakeholders to market, analyze, and trade commercial real estate properties. Since 2017, CWFS’s online auction platform has helped to close upwards of \$4.7 billion in total transactions.

Services To Be Rendered

19. As more fully set forth in the Platform Access Agreement, the services that CWFS will provide to the Debtors include, but shall not be limited to, assistance in marketing the Remaining Properties for sale, identification of potential buyers, and hosting an online auction.

Compensation

20. Subject to the Court’s approval, and in accordance with Section 328(a) of the Bankruptcy Code, CWFS will be paid as set forth in Section 5 of the Platform Access Agreement.

21. The overall compensation structure described therein is comparable to compensation generally charged by auction platforms of similar stature to CWFS for comparable engagements, both in and out of court.

Conflicts

22. To the best of the Debtors' knowledge, information, and belief, and based upon the Smoter Declaration, CWFS is a "disinterested person" as that term is defined in Section 101(14) of the Bankruptcy Code.

23. As described in detail in the Smoter Declaration, CWFS has, among other things, reviewed the creditors matrix for the Debtors' Chapter 11 cases (which excluded resident information), and determined that neither CWFS nor any of its professional employees have any connection that relates to the Debtors' Chapter 11 cases with the above-named estates, their creditors, or any party in interest, or their respective attorneys or accountants. However, due to the size of CWFS and the number of creditors and other parties in interest involved in the cases, CWFS may have connections to certain of the Debtors' creditors or other parties in interest in matters wholly unrelated to the Debtors' Chapter 11 cases.

Notice

24. Notice of this Motion has been provided to the Office of the United States Trustee, counsel to the Bond Trustee and all parties who have appeared in this case under the Bankruptcy Court's Electronic Case Filing Program. In light of the nature of the relief requested, the Debtors submit that no further notice is necessary.

WHEREFORE, based on the facts and disclosures above, the Debtors respectfully request that the Court:

- (a) grant the Debtors authority to employ and retain CWFS as its real estate marketing platform for the Remaining Properties;

- (b) approve the terms and conditions set forth in the Platform Access Agreement, pursuant to the provisions of Section 327(a) of the Bankruptcy Code and Bankruptcy Rule 2014;
- (c) approve the compensation of CWFS at the expense of the Debtors' estate on the terms set forth in the Platform Access Agreement, pursuant to the provisions of Section 328(a) of the Bankruptcy Code and Bankruptcy Rule 2016; and
- (d) grant such other and further relief as is just and proper.

This 21st day of November, 2024.

SCROGGINS, WILLIAMSON & RAY, P.C.

By: /s/ Ashley R. Ray

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Counsel for the Debtors

Exhibit A

Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

IN RE:)	CHAPTER 11
)	
REGIONAL HOUSING & COMMUNITY SERVICES CORP., et al.,)	Jointly Administered Under
)	CASE NO. 21- 41034
)	
Debtors.)	

DECLARATION OF DAMIAN SMOTER IN SUPPORT OF APPLICATION FOR AUTHORITY TO RETAIN CWFS-REDS LLC AS REAL ESTATE MARKETING PLATFORM TO THE DEBTORS

I, Damian Smoter, declare under penalty of perjury as follows:

1.

I am a Senior Vice President of CWFS-REDS LLC, a Delaware limited liability company (“CWFS”), and in that capacity, I have personal knowledge of, and authority to speak on behalf of, CWFS with respect to the matters set out herein. This Declaration is offered in support of the Application of the above-captioned debtors (collectively, the “**Debtors**”)¹ to retain CWFS as the real estate marketing platform for those Debtors identified in the Platform Access Agreement during the pendency of their Chapter 11 cases (the “**Application**”), and the matters set out herein are true and correct to the best of my knowledge, information and belief.

2.

¹ The Debtors in these chapter 11 cases include: Regional Housing & Community Services Corporation, RHCSC Columbus AL Holdings LLC, RHCSC Columbus Health Holdings LLC, RHCSC Douglas AL Holdings LLC, RHCSC Douglas Health Holdings LLC, RHCSC Gainesville AL Holdings LLC, RHCSC Gainesville Health Holdings LLC, RHCSC Montgomery I AL Holdings LLC, RHCSC Montgomery I Health Holdings LLC, RHCSC Montgomery II AL Holdings LLC, RHCSC Montgomery II Health Holdings LLC, RHCSC Rome AL Holdings LLC, RHCSC Rome Health Holdings LLC, RHCSC Savannah AL Holdings LLC, RHCSC Savannah Health Holdings LLC, RHCSC Social Circle AL Holdings LLC, and RHCSC Social Circle Health Holdings LLC.

CWFS has substantial experience in facilitating online auctions for commercial real estate. Since 2017, CWFS has operated an online auction platform for stakeholders to market, analyze, and trade commercial real estate property. During that time, CWFS has helped to close upwards of \$4.7 billion in transactions.

3.

Based on the information disclosed in the creditors matrix for the Debtors' Chapter 11 cases (which excluded resident information), neither CWFS nor any of its professional employees have any connection that relates to the Debtors' Chapter 11 cases with the above-named estates, their creditors, or any party in interest, or their respective attorneys or accountants. However, due to the size of CWFS and the number of creditors and other parties in interest involved in the cases, CWFS may have connections to certain of the Debtors' creditors or other parties in interest, or their respective attorneys or accountants, in matters wholly unrelated to the Debtors' Chapter 11 cases.

4.

Based on the information disclosed in the creditors matrix for the Debtors' Chapter 11 cases (which excluded resident information), neither CWFS nor any of its professional employees represent any interest adverse to that of the estates or the Debtors in matters upon which CWFS shall be engaged.

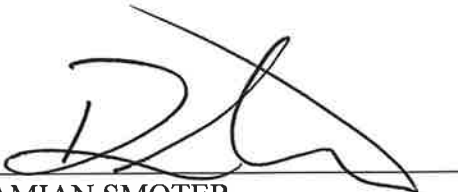
5.

Based on the foregoing, I believe that CWFS is a "disinterested person" within the meaning of 11 U.S.C. § 101(14).

6.

I believe that the retention of CWFS under the terms outlined herein and in the Application would be in the best interest of the Debtors and their creditors.

This 20 day of November, 2024.



DAMIAN SMOTER

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. §§152 and 3571.

Exhibit B

Platform Access Agreement

PLATFORM ACCESS AGREEMENT

This PLATFORM ACCESS AGREEMENT (this "Agreement"), dated as of November 1, 2024, is by and among CWFS-REDS LLC, a Delaware limited liability company ("REDS"), and Regional Housing & Community Services Corporation, on behalf of each of the Sellers identified in the signature block below (individually or collectively, as the context may require, "Seller") (each a "Party" and together the "Parties").

Seller's authority to enter into this Agreement is subject to approval by the United States Bankruptcy Court for the Northern District of Georgia (the "Bankruptcy Court"), and the receipt of such approval shall be a condition precedent to the effectiveness of this Agreement. As used herein, "Effective Date" shall mean the date the foregoing approval is received from the Bankruptcy Court. Notwithstanding anything contained in this Agreement to the contrary, this Agreement (including any signatures hereto) shall be null and void if the Bankruptcy Court (1) denies Seller's request to enter into this Agreement and/or proceed with the sale process contemplated by this Agreement, or (2) fails to render a decision on Seller's request to enter into this Agreement and/or proceed with the sale process contemplated by this Agreement within thirty (30) days from the date set forth hereinabove. All sales contemplated by this Agreement are subject to approval by the Bankruptcy Court.

RECITALS

WHEREAS, Seller owns certain commercial real property described in Exhibit A attached hereto (the "Property" or "Properties") and has retained certain brokers ("Seller's Broker" or "Seller's Brokers") as detailed in Exhibit A attached hereto, to market and promote the sale of the Properties; and

WHEREAS, Seller has requested that Seller's Brokers be permitted to use the online sales platform known as RealINSIGHT Marketplace and operated by REDS (the "Platform") to conduct an online sale of the Properties; and

WHEREAS, REDS has agreed to allow Seller's Broker to conduct an online sale of the Properties on the Platform (a "Sale Event") on the date(s) as detailed in Exhibit A (each, a "Sale Event Date") (or such other date to be mutually determined by REDS and Seller, subject to the consent of UMB Bank, National Association as Trustee (the "Trustee")), subject to the terms and conditions set forth in this Agreement.

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

1. Recitals. The foregoing recitals are hereby made a part of this Agreement.
2. Properties. Those certain parcels of real estate as detailed in Exhibit A.
3. Brokerage, Platform Access, Auctioneer, Ownership of Properties, Trustee Consent.

(a) Seller shall pay each of Seller's Brokers and, to the extent agreed to by Seller, any broker retained by the eventual purchaser of the Properties, a commission pursuant to Seller's agreement with Seller's Brokers and the applicable purchase agreement with a purchaser. REDS shall not be liable for

any commission or other compensation owed to Seller's Brokers, any broker retained by a purchaser of a Property, or any other broker.

(b) Seller shall instruct Seller's Brokers to reasonably cooperate with REDS and to direct all potential purchasers of the Properties to the Platform.

(c) REDS has retained a licensed auctioneer ("Auctioneer" or "Auctioneers") which holds all necessary licenses to auction real property in the Property Jurisdiction (defined below), and which shall act as the auctioneer for the auction sale of the Properties on the Platform. REDS shall be responsible for paying the Auctioneers.

(d) REDS has agreed to allow Seller's Brokers to market and sell the Properties through use of the Platform, subject to (i) each of Seller's Brokers execution of the Seller's Broker Addendum and Auctioneer Alliance Addendum in substantially the form attached hereto, and (ii) Seller's Brokers acceptance of and compliance with the terms and conditions for usage of the Platform upon account set-up, which terms may be amended or modified by REDS from time to time.

(e) Seller represents to REDS it is the owner of each Property. If the consent of the Trustee is required hereunder, Seller covenants to request any such consent in a timely manner.

4. Reserve Price. The reserve price (the "Reserve Price") for the Properties will be as detailed in Exhibit A.

5. Platform Fee. In consideration of services rendered in conjunction with a Sale Event, Seller agrees that REDS shall be entitled to receive, and agrees to incorporate into any purchase and sale agreements, a five percent (5%) platform fee (the "Platform Fee"), with such Platform Fee being calculated based on the purchase price for each Property individually and payable by the purchaser at closing. A Platform Fee will be earned, and Seller agrees to pay REDS the Platform Fee immediately, if any of the following occur:

(a) If Seller requests that REDS remove a Property from the Platform subsequent to REDS marketing such Property on the Platform for any reason other than due to a material adverse change to the Property outside of Seller's control, Seller shall immediately pay REDS its reasonable, actual documented expenses related to the marketing of such Property up to a maximum amount of \$25,000;

(b) If the highest offer for a Property is greater than or equal to the Reserve Price and Seller rejects such offer, then Seller shall immediately pay REDS the greater of (i) the Platform Fee based on such offer, or (ii) \$25,000; or

(c) If Seller terminates a fully executed purchase and sale agreement for a Property for any reason other than a termination due to a buyer default or failure of a closing condition that is not a result of a Seller default, the Seller shall immediately pay REDS the greater of (i) the Platform Fee based on the purchase price listed in such purchase and sale agreement, or (ii) \$25,000.

(d) If Seller, or any affiliate thereof, closes a sale of a Property to any party that has executed a confidentiality agreement and gained access to the Platform for purposes of reviewing information related to the Property and such closing occurs within 60 days after the Termination Date, pursuant to Section 10 of this Agreement, the Seller shall be obligated to pay REDS the greater of (i) the Platform Fee

based on the purchase price listed in such purchase and sale agreement, or (ii) \$25,000.00 for each Property individually.

6. Title Company and Escrow Agent. For each Property, a title company as detailed in Exhibit A shall serve as the title company and escrow agent for the completion of each Property sale resulting from a Sale Event. Seller agrees to promptly order a title commitment for each Property, as of its Sale Event Date, within five (5) business days of the Effective Date of this Agreement, for posting on the Platform for prospective purchasers to review. Seller shall be fully responsible for either paying or causing the winning bidder to pay all costs of each Title Company.

7. Purchase and Sale Agreement. Seller shall provide approval, and finalize, the purchase and sale agreement to be used to document the purchase of the Properties by a winning bidder. To the extent necessary, Seller shall (i) obtain the consent or approval of the Trustee with respect to the final purchase and sale agreement, and (ii) incorporate sufficient language in the purchase and sale agreement such that the sale of any Property is subject to approval of the Bankruptcy Court.

8. Due Diligence Materials. Within three (3) business days following the Effective Date, Seller shall provide to REDS the following documents for each Property to the extent such documents are in the possession, custody and control of Seller: (i) copies of any leases and amendments, guaranties, and non-privileged correspondence related to the leases, (ii) a rent roll including the rent rate, term, amount of space, security deposit information and reimbursements made by tenants under the leases to Seller for any expenses, including but not limited to real estate taxes, insurance and other common expenses, (iii) an accounts receivable report, (iv) operating statements and/or budgets for the Property for the current year to date and each of the prior three (3) calendar years, (v) real estate tax bills for each of the prior three (3) calendar years, (vi) any building plans, as-built drawings, permits, construction reports, certificates of completion and occupancy, and specifications, (vii) any property condition and environmental reports relating to the Property, (viii) Seller's existing title policy for the Property, (ix) any existing survey of the Property, and (x) any other documents or information Seller, Seller's Brokers or REDS deem necessary to successfully market the Property (collectively, the "Property Documents"). Seller acknowledges and agrees that the Property Documents shall not include any personal identifying information or any protected health information, including without limitation, any information subject to the Health Insurance Portability and Accountability Act (HIPAA) ("Protected Information"), and Seller shall redact (or cause to be redacted) any such Protected Information before furnishing any Property Documents to REDS; provided, however, Seller may provide documents with Protected Information to prospective purchasers who agree to the terms of a Business Associate Privacy, Security and HITECH Addendum in form acceptable to Seller. Seller authorizes REDS to make the Property Documents available to prospective purchasers who agree to keep the Property Documents confidential by acceptance of the terms and conditions of the Platform.

9. Third Party Reports. REDS may obtain certain reports, such as environmental reports and property condition reports (the "Report(s)") from third-party vendors (the "Reports Vendor(s)") in connection with the sale of the Properties on the Platform. Seller will be responsible for approving Report Vendors before engagement, completing any Report Vendor questionnaires, and allowing Report Vendors reasonable access to the Properties for inspection. Copies of such Report(s) will initially be made available to the Seller for review and, once approved by the Seller (with the consent of the Trustee), made available on the Platform for review by potential buyers. Neither REDS nor its affiliates make any representations or warranties regarding the accuracy, content or completeness of the Report(s) and each report will include a non-reliance statement. Any costs and fees associated with obtaining the Report(s)

(the “Report Fees”) will be paid by REDS; provided, however, if a Property achieves its Reserve Price at a Sale Event and the Seller determines not to proceed with a sale, Seller will reimburse REDS for the cost of the Report Fees within fifteen (15) days after a request for payment is made by REDS.

10. Seller’s Consent Rights in Sale Process. Notwithstanding any terms and conditions disclosed or otherwise set forth on the Platform, to the extent the Sale Event Terms and Conditions provide REDS with the right (i) to accept, reject, terminate, or otherwise take any action with respect to any bid for a Property on the Platform, including but not limited to selection of a winning bidder of a Property or selection of any party to which a purchase agreement for a Property should be presented (which purchase agreement shall not be binding until signed by the buyer and countersigned by Seller), or (ii) to accept registration, waive registration requirements, require additional registration information, or reject or terminate any registration of any party with respect to a Property, such actions by REDS are subject to the direction and consent by Seller (with the consent of the Trustee). A copy of the current Sale Event Terms and Conditions (including certain Property specific supplements thereto) is attached as Exhibit B.

11. Termination. With respect to each Property, this Agreement shall terminate automatically upon the earlier of (i) the closing of the sale of such Property, (ii) the date that is six (6) months after the Sale Event Date for such Property (the “Termination Date”) unless either Party has delivered a notice (an “Extension Notice”) to the other Party setting forth its desire to extend the term of this Agreement with respect to such Property until the date set forth in the Extension Notice (the “Extended Termination Date”), or (iii) thirty (30) days after the date on which either Party notifies the other Party that it is terminating this Agreement with respect to such Property. Notwithstanding the termination of this Agreement, any payment obligations (including any payment obligations arising under Section 5 above, and Section 12, below) shall continue until fully satisfied or waived in writing and the provisions of Section 13 shall continue.

12. Intentionally Omitted.

13. Miscellaneous.

(a) Binding Effect. This Agreement is binding upon the Parties hereto and their respective successors and assigns.

(b) Assignment. This Agreement may not be assigned by either Party without the prior written consent of the other Party.

(c) Severability. If any term, covenant or provision hereof is held to be illegal, invalid or unenforceable in any respect for any reason whatsoever, such provision shall be severed from this Agreement and shall not affect the validity of the remaining provisions of this Agreement. A waiver of any breach or default under this Agreement must be in writing and shall not constitute a waiver of any other or subsequent breach or default of the same or any other provision hereof.

(d) Confidentiality. Each Party hereto, for itself and all persons retained or employed by it in performing services hereunder or otherwise, shall hold in confidence and not use or disclose to others any confidential or proprietary information of any other party which may become known to such Party under this Agreement, except where such disclosing Party specifically authorizes disclosure; provided, however, that for purposes of this Agreement information shall not be deemed to be confidential if it is otherwise within the public domain or a Party has obtained such information from a source other than a Party hereto or its employees or agents that is not known

by such other Party to have had a duty of confidentiality to any person or entity. Notwithstanding the foregoing, any Party hereto may make such disclosures as reasonably necessary to its and its affiliates' respective directors, officers, agents, representatives, employees, partners and advisers, provided that such Party hereto shall be responsible for any such person's breach of the provisions this Section 13(d) to the extent such Party would be liable if it had committed such breach.

(e) Limited Liability. In no event shall any partner, member, shareholder, manager, director, officer, agent, employee, representative or affiliate of any Party hereto or its respective affiliates have any personal liability in connection with this Agreement. Notwithstanding anything to the contrary contained in this Agreement, under no circumstances shall any Party hereto be liable to the other for, and each Party hereto hereby waives any and all rights to claim against the other for, unless paid to a third party as part of a third party claim or constituting direct or general damages (in each case to the extent such amounts are otherwise indemnifiable by Seller pursuant to Section 12), any special, indirect, expectation, incidental, consequential, punitive or exemplary damages in connection with this Agreement or any services performed hereunder, including, but not limited to, lost profits and revenues, business interruption and, except as appropriate to measure direct or general damages, diminution in value, even if such Party has knowledge of the possibility of such damages, and without limiting the generality of the foregoing (but except as appropriate to measure direct or general damages), no "multiple of earnings" or "multiple of cash flow" or similar valuation methodology shall be used in calculating the amount of any damages.

(f) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without application of its principles of conflict of laws.

(g) Jurisdiction. For the purposes of any suit, action or proceeding involving this Agreement, each Party hereto hereby expressly submits to the jurisdiction of (a) the Bankruptcy Court to the extent Seller remains a debtor subject to the jurisdiction of the Bankruptcy Court, and (b) in all other cases, all federal and state courts sitting in the State of Georgia, and consents that any order, process, notice or motion or other application to or by any such court or a judge thereof may be served as permitted by law, and each Party agrees that such courts shall have exclusive jurisdiction over any such suit, action or proceeding commenced by any Party hereto. Each of REDS and Seller hereby irrevocably waives any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement brought in any federal or state court sitting in the State of Georgia, except as limited by this section, and hereby further irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(h) Waiver of Jury Trial. Each of the Parties to this Agreement hereby waives its rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement or any other agreements or any dealings among them relating to the subject matter of this Agreement or the relationship that is being established hereby.

(i) Fully Integrated Agreement; Modification. This Agreement represents the entire and integrated agreement by and among the Parties regarding the subject matter hereof, and shall supersede all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by all of the Parties to this Agreement.

(j) Waiver. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by such Party. The failure or delay of any Party to require performance of any provision shall not constitute any waiver thereof, unless and until such performance has been waived by such Party in writing in accordance with the terms hereof. No waiver by any Party of any term or condition of this Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by law or otherwise afforded, shall be cumulative and not alternative.

(k) Notices. All notices, requests and other communications hereunder must be in writing and shall be delivered personally (by hand delivery or by overnight courier), or electronic mail (with receipt of transmission confirmation), or mailed (certified mail postage prepaid) to the Parties at the addresses provided by the Parties from time to time and shall be effective upon receipt (when sent by personal delivery or certified mail) and upon receipt of transmission confirmation (when sent by electronic mail).

(l) Relationship of Parties. Nothing in this Agreement is intended to nor does it create the relationship of employer and employee, principal and agent, partners, or joint venturers among REDS, Seller, Seller's Broker, or Auctioneer. Each Party further agrees that such Party has no authority, real, implied or apparent, to bind the other to any contract, agreement, loan, deposit or in any other transaction or to hold itself out as agents or representatives of the other Parties.

(m) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which when taken together will constitute one and the same instrument. The signature page of any counterpart of this Agreement may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart of this Agreement identical thereto except having an additional signature page executed by the other Parties to this Agreement attached thereto. Any counterpart of this Agreement may be delivered via facsimile, email or other electronic transmission, and shall be legally binding upon the Parties hereto to the same extent as originals.

(n) Legal Compliance. Seller represents it has knowledge of and is in compliance with: (i) any applicable anti-bribery, anti-money laundering, or anti-corruption laws or regulations whether of the United States ("U.S.") or of any other jurisdiction where Seller conducts business or has a legal presence; (ii) the export control laws of the U.S. administered by the U.S. government (including, but not limited to, the Departments of Commerce, State, Energy and Agriculture); (iii) the economic sanctions laws of the U.S. administered by the Office of Foreign Assets Control ("OFAC"), U.S. Treasury Department, and by the Department of State, and in this regard, Seller represents that it is neither 50% or more owned (directly or indirectly) by an individual or entity on OFAC's List of Specially Designated Nationals and Blocked Persons ("SDN List"), nor owns 50% or more of an entity on the SDN List; (iv) the laws governing foreign investment in the U.S. administered by the Committee on Foreign Investment in the U.S., U.S. Treasury Department, particularly as they apply to real estate transactions; (v) the anti-boycott laws administered by the U.S. Departments of Commerce and Treasury; and (vi) all material laws in each jurisdiction where it conducts business or has a legal presence and is in good standing under all such material laws.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the day and year first above written in their respective name by their duly authorized officers.

REDS:

CWFS-REDS LLC

Signed by:
By: Damian Smoter
Name: Damian Smoter
Title: Senior Vice President

SELLER:

Regional Housing & Community Services Corporation, on behalf of each of the following Sellers¹

DocuSigned by:
By: Katie Goodman
Name: Katie Goodman
Title: Chief Restructuring Officer

¹ The Sellers are: RHCSC Columbus AL Holdings LLC, RHCSC Columbus Health Holdings LLC, RHCSC Douglas AL Holdings LLC, RHCSC Douglas Health Holdings LLC, RHCSC Montgomery I AL Holdings LLC, RHCSC Montgomery I Health Holdings LLC, Savannah AL Holdings LLC, and RHCSC Savannah Health Holdings LLC

EXHIBIT A

Properties /Assets

Seller (name/entity): RHCS Columbus AL Holdings LLC, RHCS Columbus Health Holdings LLC
Property name: The Landings of Columbus
Property address: 6830 River Road, Columbus, GA 31904
Seller Broker: SVN Toomey Property Advisors
Sale Event Date: December 11, 2024
Reserve Price: [Provided under separate cover]
Title Company: Crown Title

Seller (name/entity): RHCS Douglas AL Holdings LLC, RHCS Douglas Health Holdings LLC
Property name: The Landings of Douglas
Property address: 1360 West Gordon Street, Douglas, GA 31533
Seller Broker: SVN Toomey Property Advisors
Sale Event Date: December 11, 2024
Reserve Price: [Provided under separate cover]
Title Company: Crown Title

Seller (name/entity): Savannah AL Holdings LLC, and RHCS Savannah Health Holdings LLC
Property name: The Gardens of Savannah
Property address: 249 Holland Drive, Savannah, GA 31419
Seller Broker: SVN Toomey Property Advisors
Sale Event Date: December 11, 2024
Reserve Price: [Provided under separate cover]
Title Company: Crown Title

Seller (name/entity): RHCS Montgomery I AL Holdings LLC, RHCS Montgomery I Health Holdings LLC
Property name: The Landings of Montgomery
Property address: 3300 Lynchburg Drive, Montgomery, AL 36116
Seller Broker: SVN Toomey Property Advisors
Sale Event Date: December 11, 2024
Reserve Price: [Provided under separate cover]
Title Company: Crown Title

EXHIBIT B

[Sale Event Terms and Conditions (including supplement)]



LOG IN / SIGN UP



Sale Event Terms and Conditions

Scope

These Sale Event Terms and Conditions (these “Terms”) apply to each sale event (each, a “Sale Event”) conducted for real property, mortgage notes, mezzanine notes or any other type of property (each, a “Property”) on RealINSIGHT Marketplace (“RIM”), which are being sold on behalf of the owners of such Properties (each, an “Owner”). “Bidder” means an entity or individual who registers to participate in a Sale Event and “Bid” means the amount a Bidder submits as an offer to purchase a Property. “Buyer” means the Bidder that submits a Bid during a Sale Event that is accepted by Owner in the manner provided in these Terms. Where appropriate, the terms Buyer, Bidder, and Owner also refer to their respective Representatives (as defined herein).

CWFS-REDS LLC (“CW REDS”) holds an exclusive license to use and maintain RIM from CWFS Insight LLC (“RI”). CW REDS, together with its retained brokers, auctioneers and auction firms, shall be referred to as “REDS”.

In addition to these Terms, the Terms of Use, the Privacy Terms (the “Privacy Terms”) and the Frequently Asked Questions (the “RIM FAQs”), together with all other rules, policies and other requirements relating to RIM, any changes to the foregoing, as may be implemented by REDS from time to time, and any other agreement between REDS and Bidder/Buyer with respect to such Bidder’s/Buyer’s use of RIM (individually and collectively, the “Additional Terms”) are incorporated into these Terms by reference and shall apply to any usage of RIM by a Bidder/Buyer. By using RIM and any related services, each Bidder/Buyer agrees to be bound by these Terms (including, without limitation, any Additional Terms). By submitting a Bid on any Property, each Bidder/Buyer further agrees to any additional terms and conditions included on the Property Webpage (as defined herein) at the time of the Bid and such additional terms shall be deemed to be part of these Terms.

CW REDS may update these Terms and any Additional Terms in its sole discretion at any time by posting the updated Terms and/or updated Additional Terms on RIM and any such update shall be effective immediately when posted. The use or continued use of RIM or any related services by Bidder/Buyer at any time after an update is posted on RIM constitutes Bidder’s/Buyer’s acceptance of any updated Terms and/or updated Additional Terms. In the event that a Bidder/Buyer does not agree with these Terms or any Additional Terms, such Bidder’s/Buyer’s sole recourse is to cease use of RIM and any related services.

Eligibility

The services offered on RIM are available only to individuals and entities that have the capacity and authority to form legally binding contracts and that are actively registered on RIM. If Bidder is an individual, by using RIM, Bidder represents and warrants that Bidder (i) is over the age of eighteen (18) and (ii) has the authority and capacity to form legally binding contracts. If Bidder is an entity, by using RIM, the individual placing the Bid on such entity’s behalf

represents and warrants that (i) he or she is authorized to place such Bid, (ii) he or she has the authority to execute and deliver the Purchase Agreement (as defined herein) and (iii) such Purchase Agreement will be binding upon Bidder.

Registration

Only registered Bidders may participate in a Sale Event. To register, each Bidder must provide the following:

Full name;

Address;

Phone number;

Confirmation that the registered Bidder is a natural person and is over the age of eighteen (18);

Certain billing and financial information; and

Current email address

CW REDS reserves the right to accept a registration, waive registration requirements, require additional registration information or the satisfaction of additional conditions or reject or terminate any registration of any party at any time in its sole and absolute discretion or at the request of an Owner. For information regarding the disclosure and use of the information that Bidders provide through registration, please consult the Privacy Terms. The RIM FAQs also provide important information about the registration process.

No registration fee is required to use RIM; however, CW REDS reserves the right to change this policy as it may determine in its sole discretion.

Bidding and Buying

(a) Bidding Conduct

By using RIM, Bidder agrees to conduct himself, herself or itself fairly, honestly, and in good faith. If CW REDS determines in its sole discretion that a Bidder is using RIM for such Bidder's own benefit, as a marketing platform, in bad faith or in such a way that would violate any applicable rules, laws, or regulations, such use will constitute a Breach (as defined herein) and CW REDS may revoke Bidder's RIM registration permanently. By using RIM, Bidder agrees to refrain from submitting any harmful, misleading, fraudulent, or otherwise unlawful materials.

Owner may place a Bid on its own Property (an "Owner Bid") directly or through a broker or other authorized person unless making an Owner Bid is prohibited by applicable law. No Owner Bid will be disclosed to Bidders unless required by applicable law, in which case such Owner Bid shall be disclosed in accordance with such law(s). Owner Bids may not exceed the Reserve Price (as defined herein).

Notwithstanding anything contained in these Terms, each of CW REDS and Owner reserves the right, each in his, her or its respective sole and absolute discretion, to accept any Bid, regardless of whether or not such Bid is the highest Bid for the applicable Property.

(b) Review of Sale Event Documents on Property Webpages; Due Diligence

R

Each Bidder is responsible for reviewing the form of purchase agreement, any addenda related to such purchase agreement and other related documents (including any linked webpages containing additional information) (such documents, collectively, the "Purchase Agreement") accessible on each Property webpage (each, a "Property Webpage") prior to placing a Bid. If after reviewing the posted form of Purchase Agreement on a Property Webpage, Bidder would like to propose revisions to such Purchase Agreement, then such Bidder must submit in writing to CW REDS a detailed explanation of such Bidder's concern about the Purchase Agreement, together with any proposed revisions thereto. Such explanation and any such proposed revisions must be submitted to CW REDS at least thirty (30) days prior to the start of the Sale Event. Any such proposed revisions that are accepted by Owner will be posted to the Property Webpage prior to the end of the Sale Event. No proposed revisions to the terms of the Purchase Agreement will be considered if submitted less than thirty (30) days before the start of the Sale Event. By placing a Bid on any Property, Bidder agrees that, if Bidder receives a Purchase Agreement, Bidder will execute and deliver the Purchase Agreement without modification. CW REDS and Owner each reserves the right to make changes to the Purchase Agreement prior to the end of the Sale Event.

A Property Webpage may include documents and statements relating to the condition of the Property (collectively, the "Property Information"), such as the environmental and structural conditions of the Property and the type of encumbrances that may exist on the Property. Each Bidder is responsible for reviewing the Property Information and conducting his, her or its own due diligence and inspections of the Property. Any Bidder that wishes to inspect a Property must make the request to Owner through the listing broker provided on the Property Webpage. Bidder must coordinate all inspections with the listing broker for the Property. Bidder acknowledges that, in some instances, Owner may be unable to provide physical access to a Property for inspections. For the avoidance of doubt, each Property listed for sale on RIM is sold as-is and neither REDS nor any Owner makes any representations or warranties with respect to any repairs, improvements, conditions or otherwise with respect to a Property. Each Bidder/Buyer is responsible for (and assumes the risk of) any claim, loss, injury, liability, damage or expense, directly or indirectly arising out of or related to Bidder's/Buyer's inspection of, visit to or other investigation of the Property (whether in-person or otherwise). REDS does not assume any liability or responsibility for any inspections or the outcomes thereof.

If a Property is a mortgage note or mezzanine note, then Bidder shall not (i) contact the owner of the real property securing such mortgage note or mezzanine note (the "Collateral") or any other obligors in connection with such mortgage note or mezzanine note, (ii) visit the Collateral, or (iii) contact any of the parties providing services to the Collateral including, without limitation, any receivers. Bidder shall not contact property managers or any tenants with respect to any Property or any Collateral. All Bids should be based solely on Bidder's independent due diligence as well as Bidder's review of the Purchase Agreement and the Property Information. Any Bid(s) made by a Bidder are submitted at his, her or its own risk.

The Property Information available on RIM has not been verified by REDS in any manner and REDS MAKES NO REPRESENTATIONS WHATSOEVER ABOUT THE ACCURACY OR COMPLETENESS OF ANY PROPERTY INFORMATION OR ANY PROPERTY WEBPAGE. All Bidders are encouraged to seek advice and guidance from independent professionals prior to making any bidding decision with respect to any Property.

Bidder acknowledges and agrees that Bidder will be bidding on the Property pursuant to Bidder's independent examination, study, inspection and knowledge of the Property, and Bidder is relying upon his, her or its own determination of the value and condition of the Property and not on any information provided or to be provided by REDS. Bidder is relying solely upon his, her or its own inspections, investigations, research and analyses in entering into the Purchase Agreement and is not relying in any way upon any representations or warranties, statements, plans, specifications, cost estimates, studies, reports, descriptions, guidelines or other information or material furnished by Owner, REDS or any of their respective Representatives to Bidder or his, her or its representatives, whether oral or written, express or implied, or of any nature whatsoever regarding any such matters.

(c) Intent to Purchase

Bidder agrees that, by placing a Bid on any Property, Bidder is confirming his, her or its intention to purchase such Property and his, her or its ability to pay the full amount of the Purchase Price (as defined herein) of such Property, including the Earnest Money Deposit (as defined herein), in the manner set forth in the Purchase Agreement and within the time frames provided herein or otherwise requested by CW REDS and/or Owner. Except as otherwise set forth on the applicable Property Webpage, each placed Bid during a Sale Event is IRREVOCABLE, final upon submission and constitutes a legally binding commitment to purchase such Property in accordance with these Terms in the event that such Bid is chosen by Owner.

By placing a Bid during a Sale Event, each Bidder agrees to be available to be contacted by CW REDS during and after the conclusion of any such Sale Event. Unless the bidding information for a particular Property provides different time frames, or either CW REDS or Owner provides different time frames, a Bidder must (i) respond to any attempt by CW REDS to contact such Bidder during and/or after a Sale Event for which Bidder has placed a Bid within thirty (30) minutes of CW REDS's first such attempt; (ii) to the extent Bidder receives a Purchase Agreement from CW REDS, execute and deliver a Purchase Agreement within two (2) hours after such Bidder receives a copy of the Purchase Agreement for execution; and (iii) pay the amount of the Earnest Money Deposit to the escrow agent in the manner and time frame set forth in the Purchase Agreement.

Owner and CW REDS each reserves the right to require any Bidder/Buyer to provide satisfactory evidence that demonstrates such Bidder's/Buyer's ability to enter into the Purchase Agreement, to pay the amount of any required deposits and to consummate the purchase of a Property and pay the amount of the Bid placed by such Bidder/Buyer (the "Purchase Price") and any associated fees should Owner choose Bidder's Bid. Bidder/Buyer agrees to provide such evidence within the time frame requested by Owner and/or CW REDS. If Bidder/Buyer fails to provide the requested evidence within the required time frame, CW REDS may deem such Bidder/Buyer to be in Breach and Owner and/or CW REDS may reject Bidder's Bid and/or a Purchase Agreement sent to and/or executed by any prospective Buyer.

(d) Sale Event Timing

During a Sale Event, Bidder's screen will display a countdown clock, the current Bid and the amount of the minimum bidding increment (the "Bid Increment"). The countdown clock on RIM constitutes an official "timekeeper" for each Sale Event.

CW REDS reserves the right, exercisable in its sole and absolute discretion, to extend the time period during which Bidding is open and to change the amount of the Bid Increment. The countdown clock will automatically reset to three (3) minutes when the countdown clock has two (2) minutes or less remaining before the end of the Sale Event if either (i) a Bid is submitted or (ii) the Bid Increment changes. Bidder understands and acknowledges that such resets may not occur at all or may occur one or more times during the course of a Sale Event.

BIDDER UNDERSTANDS THAT VARYING CONNECTION SPEEDS, LOSS OF CONNECTION, PROCESSOR SPEEDS AND MANY OTHER FACTORS MAY DELAY OR CAUSE THE LOSS OF THE COUNTDOWN CLOCK INTERFACE AS IT APPEARS ON BIDDER'S SCREEN. EACH BIDDER IS SOLELY RESPONSIBLE FOR MAINTAINING ADEQUATE INTERNET CONNECTIVITY AND ADEQUATE TECHNOLOGY RESOURCES TO PARTICIPATE IN THE BIDDING PROCESS AND EACH SALE EVENT AND UNDER NO CIRCUMSTANCES WILL REDS AND/OR ITS REPRESENTATIVES BE RESPONSIBLE FOR PLACING A BID ON BIDDER'S BEHALF OR LEAVING THE BIDDING OPEN BEYOND THE SALE EVENT END TIME.

(e) Conclusion of Bidding; Purchase Agreement

Once the Sale Event has concluded and the potential Buyer has been selected, CW REDS will distribute to such potential Buyer an electronic copy of the Purchase Agreement and instructions for electronic execution thereof (the "Email Instructions") to the email address provided in such potential Buyer's registered account(s). The Email Instructions are part of these Terms and the prospective Buyer must execute the Purchase Agreement in accordance with such Email Instructions and within the time frame provided therein. Failure to execute the Purchase Agreement in accordance with the Email Instructions, to provide requested information or to pay any required Earnest Money Deposit will constitute a "Purchase Failure" and a Breach and may result in the rejection of the prospective Buyer's Bid, in which event Owner may decline to consider the prospective Buyer's executed Purchase Agreement. A PURCHASE FAILURE MAY RESULT IN A CLAIM FOR LIQUIDATED DAMAGES AS SET FORTH HEREIN. Furthermore, nothing contained herein precludes Owner and/or CW REDS from rejecting a Bid either prior to or after distribution of the Purchase Agreement to a prospective Buyer or after execution and delivery of the Purchase Agreement by a prospective Buyer, unless and until Owner accepts the Bid pursuant to paragraph (f), nor does anything contained herein require Owner and/or CW REDS to distribute a copy of the Purchase Agreement to any Bidder or prospective Buyer.

Once the potential Buyer has executed and delivered the Purchase Agreement pursuant to the Email Instructions, the executed Purchase Agreement will be sent to Owner and/or CW REDS for consideration.

(f) Selection of Buyer

A Bidder shall be designated as Buyer and Owner shall be deemed to have accepted a Bid only when Owner executes and delivers the Purchase Agreement to such Bidder at the conclusion of a Sale Event and any required Earnest Money Deposit has been paid by Bidder; provided, however, that if a Sale Event is designated as "Subject to Seller Approval" (as further described in paragraph (i) below), then Owner shall be deemed to have accepted a Bid only at the conclusion of the relevant "Subject To Period".

Each Bidder further understands and agrees that (i) no Owner is under any obligation to enter into a Purchase Agreement with any Bidder, regardless of whether a Bidder submits the highest Bid for a Property, (ii) each Owner and/or CW REDS reserves the right, exercisable in such Owner's and/or CW REDS's (as applicable) sole and absolute discretion, to reject or accept a Bid for any reason (regardless of whether such Bid is the highest Bid), and (iii) Bidder's execution of the Purchase Agreement only entitles such Bidder to have his, her or its Bid considered by Owner, and does not require Owner to sell the relevant Property to such Bidder.

(g) Earnest Money Deposits

The Purchase Agreement may require a prospective Buyer to pay a deposit to the escrow agent designated in such Purchase Agreement (each, an "Earnest Money Deposit"). Such Earnest Money Deposit must be received by the escrow agent designated in the Purchase Agreement, and in the time frame provided for in the Purchase Agreement. Failure to provide such Earnest Money Deposit in the required time frame may result in a Purchase Failure and a Breach of these Terms and/or the Purchase Agreement. In the event that Owner fails to consummate the transaction through no fault of Bidder/Buyer, the Earnest Money Deposit should be returned promptly by the escrow agent or Owner (to the extent the Earnest Money Deposit was released to Owner pursuant to the terms of the Purchase Agreement).

(h) Platform Fee

Certain Property Webpages may specify that a Buyer must pay a "Platform Fee" at closing. Any required Platform Fee is in addition to the Purchase Price and is due at closing along with the amount of the Purchase Price for the Property (as provided in the Purchase Agreement).

(i) Certain Sale Event Terms

Except as provided herein, each Property being sold as part of a Sale Event will have an unpublished minimum selling price that Owner is willing to accept for such Property (a "Reserve Price"). If the highest Bid is below the Reserve Price, then Owner is under no obligation to sell the Property to any Bidder; provided, however, that Owner, in his, her or its sole and absolute discretion, may elect to sell a Property to a Bidder who or which submits a Bid that is below the Reserve Price. Notwithstanding the foregoing, and only where permitted by applicable law, CW REDS and/or Owner may elect for certain Properties to be sold on RIM without a Reserve Price. If a Property is being sold without a Reserve Price, then the Property Webpage will specifically state that the Property is being sold without a Reserve Price and specific provisions may be provided if necessary regarding the conduct of the Sale Event for such Property.

Certain Sale Events may be designated as "Subject to Seller Approval" regardless of whether a particular Bid is below, at or above the Reserve Price. Where a Sale Event is so designated, Owner has the unilateral right to terminate the Purchase Agreement in accordance with the terms and conditions contained therein, and any Bidder should closely review the form of Purchase Agreement for any such Sale Events before placing a Bid. If Owner elects to terminate the Purchase Agreement through no fault of the relevant prospective Buyer, then such prospective Buyer shall be entitled to the return of any fees or deposits paid in connection with the pending purchase of the Property.

Residential Sale Event Terms and Conditions

R

Without limiting any other provisions of these Terms or any additional disclaimers which may be provided on the relevant Property Webpage, the following additional terms and conditions shall apply solely with respect to any Property described as a residential Property on the relevant Property Webpage (each, a "Residential Property").

(a) Proxy Bidding

Except where prohibited by applicable law, and solely with respect to a Residential Property, proxy Bids may be placed on behalf of a Bidder by an independent and duly licensed real estate agent or broker engaged by such Bidder.

(b) Property Status

Each Bidder/Buyer acknowledges and agrees that, unless required by applicable law, each Residential Property listed for sale on RIM is listed without any express or implied guarantees, representations, warranties, promises, covenants or agreements of any kind from any party. With respect to any Residential Property listed for sale on RIM, each of REDS, RI, Owners, the brokers, the auctioneers and/or their respective Representatives specifically disclaim any representations or warranties with respect to any of the following: (i) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Residential Property; (ii) the Residential Property's value, nature, quality or condition, and the potential for any income to be derived from the Residential Property; (iii) any matter affecting the stability or integrity of the land or any buildings, structures or improvements situated on the Residential Property; (iv) the suitability of the Residential Property for any and all purposes, activities and uses; (v) the Residential Property's compliance with any laws, rules, codes or ordinances applicable thereto (including, without limitation, any zoning, land use, environmental, health or building laws, rules, codes or ordinances); (vi) the quality and state of repair of the Residential Property or the quality of any materials used on or incorporated into the Residential Property; (vii) the conformity of the improvements to any plans or specifications for the Residential Property that may be provided to any Bidder/Buyer; (viii) whether the Residential Property is located in any hazard zones or special studies zones; (ix) whether the Residential Property is occupied other than by a tenant pursuant to a valid written lease; and/or (x) any other matter with respect to the Residential Property. Each Bidder/Buyer understands and agrees that, by placing a Bid on a Residential Property, he, she or it is confirming his, her or its intention to purchase such Residential Property in its current state, including with respect to all defects (whether patent or latent).

Other Terms and Conditions

(a) Disclaimer; Release

NONE OF CW REDS, RI, OWNERS, THE BROKERS, THE AUCTIONEERS AND/OR THEIR RESPECTIVE EMPLOYEES, AGENTS, REPRESENTATIVES, PRINCIPALS, AFFILIATES, DIRECTORS, MANAGERS, ATTORNEYS, ADVISORS AND SUBSIDIARIES ("REPRESENTATIVES") MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, REGARDING ANY PROPERTY, INFORMATION RELATED TO ANY PROPERTY, OR THE SUFFICIENCY OF ANY INFORMATION AND/OR DOCUMENTS ON RIM OR AFFILIATED WITH ANY SALE EVENT. EACH BIDDER/BUYER RELEASES CW REDS, RI,

OWNERS, THE BROKERS, THE AUCTIONEERS AND/OR THEIR RESPECTIVE REPRESENTATIVES FROM ANY AND ALL CLAIMS, WHETHER CURRENT OR FUTURE, AGAINST CW REDS, RI, ANY OWNER, ANY BROKER, ANY AUCTIONEER AND/OR ANY OF THEIR RESPECTIVE REPRESENTATIVES. THIS WAIVER IS INCLUSIVE OF ANY AND ALL CLAIMS OF WHICH BIDDER/BUYER IS CURRENTLY UNAWARE, REGARDLESS OF WHETHER SUCH CLAIMS WOULD AFFECT BIDDER'S/BUYER'S RELEASE OF CW REDS, RI, ANY OWNER, ANY BROKER, ANY AUCTIONEER OR ANY OF THEIR RESPECTIVE REPRESENTATIVES.

EACH BIDDER/BUYER WAIVES THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 (AND ANY OTHER SUBSTANTIALLY SIMILAR STATE STATUTES IN OTHER JURISDICTIONS), WHICH PROVIDES: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

(b) Additional Bidder/Buyer Representations and Warranties

Any Bidder placing a Bid on any Property hereby represents and warrants that Bidder (i) is a sophisticated purchaser with knowledge and experience in financial and business matters, particularly with respect to matters relating to the purchase, financing, sale, origination, or ownership of real property, (ii) can evaluate the merits and risks of investment in such Property and can bear the risks of purchasing such Property, whether economic or otherwise, (iii) has reviewed the Purchase Agreement and the Property Information and will independently make his, her or its own investment analysis of such Property and decision about whether to submit a Bid for such Property based on Bidder's own findings and conclusions, with such other due diligence and investigations as Bidder may choose to perform (subject to the terms hereof), (iv) if such Bidder's Bid is chosen by Owner, is able to execute and deliver the Purchase Agreement, deliver the Earnest Money Deposit and provide any additional requested or required information within the time frame(s) requested by CW REDS and/or Owner, or otherwise provided herein, and (v) will be available to be contacted by CW REDS during and after the conclusion of any Sale Event for which Bidder placed one or more Bids.

If bidding on a Property that is a mortgage note or mezzanine note, Bidder further represents and warrants that Bidder is an "accredited investor", a representative of an institution that qualifies as an "accredited investor", or a "qualified institutional buyer", as each of those terms are defined by the Securities Act of 1933.

(c) Bidder/Buyer Breach, Indemnification, Liquidated Damages

In the event that any Bidder/Buyer breaches or fails to comply with any of the representations, warranties, covenants or agreements set forth in these Terms or in any Additional Terms (each, a "Breach"), each such Bidder/Buyer hereby covenants and agrees to indemnify, defend and hold harmless CW REDS, RI, each Owner, each broker, each auctioneer and/or their respective Representatives (collectively, the "Indemnitees") for, from and against any losses of any nature whatsoever incurred by such Indemnitees (including, without limitation, any attorneys' fees and costs) ("Losses"), with respect to each and every such Breach. Further, each Bidder/Buyer agrees to indemnify, defend and hold harmless each and every Indemnitee for any Losses incurred by such Indemnitee with respect to any claim brought by any such Bidder/Buyer and any of such Bidder/Buyer's agents, brokers, or representatives which arises from these Terms, the Additional Terms, the Purchase Agreement and/or the conduct of any Sale Event.

In the event that any claims are brought by any Indemnitee against any Bidder/Buyer, which arise from these Terms, the Additional Terms, the Purchase Agreement and/or the conduct of any Sale Event, each such Bidder/Buyer agrees to reimburse the Indemnitees for any Losses incurred by such Indemnitees with respect to any such claims.

CW REDS, AT ITS SOLE OPTION, MAY REQUIRE A BIDDER/BUYER IN BREACH OF THESE TERMS BY REASON OF A PURCHASE FAILURE TO PAY TO CW REDS LIQUIDATED DAMAGES IN THE AMOUNT EQUAL TO THE AMOUNT OF ANY EARNEST MONEY DEPOSIT OR IF NO EARNEST MONEY DEPOSIT WAS REQUIRED OR PAID, AN AMOUNT EQUAL TO TWO PERCENT (2%) OF BIDDER/BUYER'S BID FOR THE PROPERTY IN QUESTION. IF BIDDER/BUYER PAID ANY EARNEST MONEY DEPOSIT BY CREDIT CARD, CW REDS RESERVES THE RIGHT IN ITS SOLE AND ABSOLUTE DISCRETION TO CHARGE SUCH CREDIT CARD IN THE AMOUNT EQUAL TO THE REQUISITE LIQUIDATED DAMAGES AS SET FORTH HEREIN. BIDDER/BUYER RECOGNIZES THE DIFFICULTY OF ESTIMATING THE ACTUAL LIQUIDATED DAMAGES TO WHICH CW REDS WOULD BE ENTITLED IN THE EVENT OF A BREACH, AND THEREFORE AGREES THAT THE PRE-DETERMINED VALUE OF LIQUIDATED DAMAGES SET FORTH HEREIN DOES NOT REPRESENT A FORFEITURE OR PENALTY.

(d) Online Venue

RIM is a website used by real estate brokers, auctioneers, and auction firms to host the bidding on, and transfer of, Properties during Sale Events and to list Properties for sale (each, a "Listing"). RIM itself does not function as an Owner, real estate broker, auctioneer, auction firm or agent of any of the foregoing.

(e) Refusal of Service; Cancellation of Sale Events or Listings

CW REDS reserves the right in its sole and absolute discretion to (i) terminate and/or reject a Bid, revoke any registration or approval to Bid and/or refuse service to any individual or entity, at any time; (ii) impose conditions on submitting Bids or accessing RIM; (iii) combine, group together or separate any Properties for sale within a Sale Event, at any time; (iv) cancel or postpone any Sale Event or the sale of any Property within a Sale Event at any time, whether or not such Sale Event is already in progress and whether or not bidding on any Property has started or has been completed; or (v) prohibit any Listing or terminate any existing Listing.

(f) Forum; Choice of Law

These Terms shall be governed and construed in accordance with the laws of the State of Delaware and any disputes arising under these Terms shall be adjudicated in the state and federal courts located in Maryland with the exception of disputes arising from, or in relation to, Properties located in the State of California, in which case such disputes shall be governed and construed in accordance with the laws of the State of California.

(g) Marketing; No Offer to Solicit or Sell

From time to time, REDS may provide marketing materials, including digital advertisements, emails, flyers, and postcards. These materials, and any information posted on websites, shall not constitute an offer to sell any Property, nor shall they constitute a solicitation of Bids.

(h) Waiver of Class Action

R

Any suit brought by an individual and/or entity against CW REDS, RI, any Owner, any broker, any auctioneer and/or any of their respective Representatives must be brought in that individual's or entity's sole capacity. Use of RIM and any associated services with respect to RIM constitutes a waiver of any class action proceedings.

(i) Intellectual Property

Any and all logos, images and other marks displayed on RIM are the sole property of CW REDS or RI and may not be transferred to, or used or displayed by, any person without the prior written consent of CW REDS and RI.

(j) Compliance with Laws and Regulations

Bidder/Buyer and any of his, her or its associated broker(s) are responsible for compliance with all applicable laws and regulations. Bids submitted during a Sale Event are void where such Bids are prohibited by law. In the event that any Sale Event or sale of Property requires registration under any state securities law, such registration must be completed and verified by the applicable Owner in such Owner's sole and absolute discretion prior to consummating any sale.

By using RIM, Bidder/Buyer represents it has knowledge of, and is in compliance with: (1) any applicable anti-bribery, anti-money laundering, or anti-corruption laws or regulations whether of the United States ("U.S.") or of any other jurisdiction where Bidder/Buyer conducts business or has a legal presence; (2) the export control laws of the U.S. administered by the U.S. government (including, but not limited to, the Departments of Commerce, State, Energy and Agriculture); (3) the economic sanctions laws of the U.S. administered by the Office of Foreign Assets Control ("OFAC"), Department of the Treasury, and by the Department of State, and in this regard, Bidder/Buyer represents that it is neither 50% or more owned (directly or indirectly) by an individual or entity on OFAC's List of Specially Designated Nationals and Blocked Persons ("SDN List"), nor owns 50% or more of an entity on the SDN List; (4) the laws governing foreign investment in the U.S. administered by the Committee on Foreign Investment in the U.S. ("CFIUS"), Department of the Treasury, particularly as they apply to real estate transactions; (5) the anti-boycott laws administered by the U.S. Departments of Commerce and Treasury; and, (6) all material laws in each jurisdiction where it conducts business or has a legal presence.

(k) Licensure

Any brokers or Owners that add any Property to RIM or sell any such Property/Properties shall indemnify the Indemnitees for all damages and costs directly or indirectly arising out of or related to the advertisement and marketing of such Property/Properties on RIM.

(l) Cooperating Broker Fees

Certain Sale Events may offer a commission for cooperating brokers, so long as (i) the cooperating broker has registered on RIM as a broker, (ii) the cooperating broker is identified by the Bidder with whom or which it is associated, and (iii) the Bidder represented by such cooperating broker actually purchases the Property if Owner

accepts the Bid from such Bidder in accordance with the terms hereof. A cooperating broker may only be entitled to a Commission if such broker meets the following conditions: (i) the broker agrees to these Terms and all other terms and conditions posted on the applicable Property Webpage(s); (ii) the broker is not a family member or an affiliate of the Bidder such broker represents; (iii) the broker is properly licensed in the state(s) in which the applicable Property or Properties is or are located; (iv) the broker identifies the Bidder such broker is representing prior to the start of the Sale Event (the timing of which shall be determined in CW REDS' sole and absolute discretion); and (v) the broker is identified by the Bidder at the time that such Bidder registers on RIM.

Each Bidder/Buyer agrees to indemnify, defend and hold each of the Indemnitees, free and harmless from any claims of any broker(s), representative(s), employee(s), agent(s) or other intermediary(ies) claiming to have represented Owner, Buyer and/or Bidder, respectively, or otherwise to be entitled to compensation, including a cooperating broker fee, directly or indirectly arising out of or relating to the Purchase Agreement or the sale of the Property. This indemnity shall survive both the closing and any termination of the applicable Purchase Agreement.

(m) Bidder Privacy Terms and Conditions

Use of RIM and participation in any Sale Event may require that Bidder register and disclose certain Personally Identifiable Information ("PII"), including financial information, credit card data, and other payment information, through RIM. CW REDS will only store Bidders' PII to the extent necessary for each Bidder's participation in the Sale Event(s). Once such Sale Event(s) has/have concluded and the Buyer has been selected, CW REDS will only retain sufficient PII from each Buyer as is necessary to associate each Buyer with such Buyer's purchase.

Updated: October 13, 2023



(l)

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Property Specific Supplemental Terms

The following Property specific terms will be displayed on the Platform landing page for each Property:

NOTICE TO BIDDERS

The following provisions shall apply with respect to the sale of [APPROPRIATE DESCRIPTION] (the "Property"). To the extent the following provisions are inconsistent with the Sale Event Terms and Conditions, the Privacy Terms, the RIM FAQs, the Additional Terms, or any other rules or terms of the auction, the following shall supersede such other terms. Capitalized terms not otherwise defined in this Notice to Bidders have the meanings given to them in the Sale Event Terms and Conditions.

- The sale of the Property, including any executed Purchase Agreement, is subject to approval by the United States Bankruptcy Court for the Northern District of Georgia (the "Bankruptcy Court") in Owner's pending Chapter 11 Case No. 21-41034-pwb (jointly administered). Owner will file a Notice of Filing Asset Purchase Agreement with the Bankruptcy Court promptly following execution of a Purchase Agreement in accordance with the terms of the Purchase Agreement, seeking entry of a sale order which, among other things, will provide that the Property is being sold free and clear of all liens, claims and interests.
- The Property is being sold AS-IS, WHERE-IS, with all faults. Owner and REDS have not made, do not intend to make, and hereby expressly disclaim any and all express or implied representations, warranties, statements or conditions of any kind or nature whatsoever as to the present, past or future physical condition or quality of the Property. Any Bid placed by a Bidder should be in reliance on solely Bidder's own diligence, inspection and examination.

SELLER'S BROKER ADDENDUM

In connection with REDS's agreement to allow Seller's Broker to market and sell the Property through use of the Platform, Seller's Broker represents and warrants as follows:

1. Seller's Broker understands and agrees that its use of the Platform to market and sell the Property and Seller's Broker's access to the applicable webpage featuring the Property ("Property Page") and the Platform is subject to all the terms and conditions for usage of the Platform as noted in Section 3(d)(ii) of the Platform Access Agreement.
2. Seller's Broker is a licensed real estate broker in the jurisdiction where the Property is located ("Property Jurisdiction") and has been engaged by Seller to market and sell the Property.
3. Within three (3) business days following the Effective Date, Seller's Broker shall provide to REDS all disclosures required by any regulatory authority to be posted by a real estate broker in the Property Jurisdiction (the "Required Disclosures") for posting on the Property Page. If any of the Required Disclosures change prior to the conclusion of the Sales Event, Seller's Broker shall promptly provide such revised Required Disclosures to REDS.
4. Seller's Broker understands and agrees that its name and contact information will be listed on the Property Page. Seller's Broker will be listed as the primary contact for inquiries about the Property and Seller's Broker agrees to be responsive to all inquiries about the Property and sales process used on the Platform.
5. At all times during the term of the Platform Access Agreement, Seller's Broker shall maintain in full force and effect, an errors and omissions policy or policies of insurance in a commercially reasonable amount. Upon request, certificates of such insurance policy or policies evidencing the coverage under each such policy shall be delivered to REDS.
6. Seller's Broker agrees to indemnify, defend and hold harmless REDS and its officers, employees and agents, from and against any and all claims, damages, demands, actions, causes of action, costs, and liabilities, including expenses of litigation, arising out of or resulting from, either directly or indirectly, any negligent or wrongful acts or both or from any acts done in direct violation of this Seller's Broker Addendum by Seller's Broker's officers, employees or agents, including but not limited to, the dissemination to any bidder or to any other person or entity of false or misleading information, and which Seller's Broker or its officers, employees or agents know or with the exercise of reasonable care and diligence would know to be false or misleading; provided, however, that Seller's Broker shall not incur any liability to indemnify REDS for any claims or damages which arise out of any false or misleading information given to Seller's Broker by REDS which Seller's Broker or its officers, employees or agents do not know or with the exercise of reasonable care and diligence would not know to be false or misleading.

SELLER'S BROKER:

By: _____

Name:

Title:

AUCTIONEER ALLIANCE ADDENDUM

This Auctioneer Alliance Addendum (this "Auctioneer Addendum") is entered into by and between Fisher Auction Company, Inc./Lamar Paul Fisher, a Florida Corporation ("Auctioneer") and Seller's Broker.

1. REDS has entered into an agreement with Auctioneer, by which Auctioneer will provide auction-related services associated with the sale of the Property on the Platform, to the extent such services are required to be provided by a licensed auctioneer in the Property Jurisdiction.
2. Seller's Broker and Auctioneer shall work together cooperatively in the online auction sale of the Property on the Platform and comply with all laws and regulations of the Property Jurisdiction with respect to conducting an online real estate auction.
3. (a) Seller's Broker shall:
 - i. Maintain a physical office in the Property Jurisdiction throughout the term of the Platform Access Agreement;
 - ii. Conduct all activities requiring a real estate broker's license, as required by law within the Property Jurisdiction;
 - iii. Provide to Auctioneer all records related to the auction sale of the Property, where such records are needed in order to comply with state and local laws and regulations governing the Property Jurisdiction; and
 - iv. If requested, assist and represent Auctioneer with real estate-related aspects of the Auction.
- (b) Auctioneer shall:
 - i. Maintain a valid auctioneer's license in the Property Jurisdiction throughout the term of the Platform Access Agreement;
 - ii. Supervise and review all auction activities as is required by law in the Property Jurisdiction;
 - iii. Advise Seller's Broker and REDS of any regulatory or legal restrictions or requirements pertaining to the conduct of the online auction in the Property Jurisdiction; and
 - iv. Take bids for the Property through the Platform if required in the Property Jurisdiction.
4. Auctioneer and Seller's Broker each agree to indemnify, defend and hold harmless the other and its affiliates, and their directors, officers, employees, agents, successors and assigns from and against all liabilities, losses, damages and costs (including reasonable attorneys' fees) they may suffer as a result of a breach of this Auctioneer Addendum, or the gross negligence or willful misconduct on the part of the indemnifying party. In addition, Seller's Broker shall, at its sole cost, defend and indemnify Auctioneer from and against any legal or disciplinary action taken against Auctioneer that arises from the offering of any Property on the Platform unless such legal or disciplinary action is caused by Auctioneer's breach of this Auctioneer Addendum or by Auctioneer's gross negligence or willful misconduct.

(SIGNATURES ON FOLLOWING PAGE)

AUCTIONEER:

SELLER'S BROKER:

Fisher Auction Company, Inc.

[INSERT NAME]

By: _____

Name: Lamar P. Fisher

Title:

By: _____

Name:

Title:

Asset Name: _____

Auctioneer Name: _____

Company/Firm Name: Fisher Auction Company, Inc.

Company/Firm Address: 2112 E. Atlantic Blvd., Pompano Beach, FL 33062

Contact Phone: 754-220-4113

Contact Email: lamar@fisherauction.com

Auctioneer License No.: _____

Company/Firm Tax ID No.: _____

Seller's Broker's Name: _____

Company/Firm Name: _____

Company/Firm Address: _____

Contact Phone: _____

Contact Email: _____

Seller's Broker's License No.:

Company/Firm Tax ID No.: _____

CERTIFICATE OF SERVICE

This is to certify that on this date a true and correct copy of the within and foregoing **Application for Authority to Retain CWFS-REDS LLC as Real Estate Marketing Platform to the Debtors** was served by the Court's CM/ECF system on all counsel of record registered in this case through CM/ECF.

This 21st day of November, 2024.

SCROGGINS, WILLIAMSON & RAY, P.C.

By: /s/ Ashley R. Ray

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ASHLEY REYNOLDS RAY
Georgia Bar No. 601559
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