

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ROME DIVISION**

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

NOTICE OF FILING ASSET PURCHASE AGREEMENT
(THE GARDENS OF WATERFORD)

COME NOW the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”)¹ by and through the undersigned counsel, and hereby file the Asset Purchase Agreement (the “**APA**”) attached hereto as Exhibit 1 which reflects the terms and conditions of a proposed sale transaction between RHCSC Montgomery I AL Holdings LLC and RHCSC Montgomery I Health Holdings LLC (collectively, the “**Sellers**”), on the one hand, and Medal of Honor, LLC (the “**Buyer**”) on the other hand. The Debtors intend to seek approval of the APA pursuant to the procedures set forth in the *Order Establishing Notice And Objection Procedures With Respect To Debtors’ Motion For Authority To Sell Assets Free And Clear Of Liens, Claims, And Encumbrances* [Dkt. No. 173] which was entered by the Court on August 5, 2022.

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.



This 21st day of February, 2025.

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Respectfully submitted,

SCROGGINS, WILLIAMSON & RAY, P.C.

/s/ Ashley R. Ray
J. ROBERT WILLIAMSON
Georgia Bar No. 765214
ASHLEY REYNOLDS RAY
Georgia Bar No. 601559
MATTHEW W. LEVIN
Georgia Bar No. 448270

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “**Agreement**”) is made and entered into as of this _____ day of February 2025 (the “**Effective Date**”), between (i) Medal of Honor, LLC (“**Buyer**”) and (ii) RHCSC Montgomery I AL Holdings LLC and RHCSC Montgomery I Health Holdings LLC (together, the “**Sellers**” and collectively with the Buyer, the “**Parties**”). UMB Bank, N.A., serves as successor trustee (the “**Trustee**”) with respect to certain bonds (the “**Bonds**”) related to the Purchased Assets (as defined below), and as directed by the holder of the Bonds, consents to and acknowledges the transactions contemplated by this Agreement.

RECITALS

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

B. The Sellers, each limited liability companies, own the real estate and personal property related to the following projects to be purchased and sold pursuant to this Agreement:

Facility	Address	Number of Units
The Gardens of Waterford	3920 Antoinette Drive Montgomery, Alabama 36111-2722	50

(the “**Project**”).

C. The Trustee holds first-priority liens and a mortgage on substantially all of the assets being sold to the Buyer, and as to the extent set forth in the Final Order (I) Authorizing (A) Secured Postpetition Financing; (B) Granting Security Interests to the Bondholders; (C) Superpriority Claims and Other Adequate Protection to the Bond Trustee; and (II) Authorizing the Use of Cash Collateral by the Debtors, as subsequently amended or modified [Dkt. Nos. 80 and 146].

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



D. Buyer desires to purchase the Purchased Assets (as defined below), in exchange for the payment by Buyer of the consideration set forth herein, all upon the terms and conditions set forth herein.

E. The Trustee has consented to the sale as set forth herein, subject to certain conditions as set forth herein.

F. As a result of the foregoing, the Parties have entered into this Agreement which supersedes all prior documents and discussions regarding the purchase and sale of the Sellers' assets, and which sets forth the terms and conditions under which the Sellers will sell and the Buyer will buy the Purchased Assets (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I **PURCHASE OF ASSETS**

1.1 **Purchased Assets.** On the terms and subject to the conditions set forth herein, on the Closing Date (defined below), the Sellers shall sell, transfer, assign, convey and deliver to the Buyer, and the Buyer shall purchase and accept from the Sellers:

(a) Sellers' entire right, title and interest in and to all of the real property described on **Schedule 1.1(a)** together with all improvements located thereon and appurtenances thereto (collectively, the "**Real Estate**"); and

(b) Sellers' entire right, title and interest in and to all of the Sellers' tangible personal property (including all furniture, fixtures and equipment, inventory and supplies) located on the Real Estate (the "**Other Purchased Assets**" and together with the Real Estate, the "**Purchased Assets**"). Notwithstanding anything to the contrary in this Section 1.1(b), Buyer reserves the right, in its sole discretion, to exclude any personal property, and other assets of Sellers, from Purchased Assets.

Notwithstanding anything contained herein to the contrary, the Purchased Assets shall not include (i) any cash or cash equivalents, (ii) accounts receivable existing as of the Proration Time (defined below); (iii) any funds held by the Trustee; (iv) Sellers' rights under this Agreement, (v) any funds in the accounts being maintained by the Sellers; (vi) any rights to any tax refunds owed to the Sellers or any affiliates thereof related in any way to the Purchased Assets, including but not limited to Employee Retention Tax Credits; (vii) any prepaid expenses or deposits; (viii) any causes of action existing as of the Proration Date other than those set forth on **Schedule 1.1(c)**; (ix) any proceeds of insurance claims submitted by the Sellers before the Execution Date; and (x) any other items set forth on **Schedule 1.1(d)** (collectively, the "**Excluded Assets**"). The sale, transfer, assignment and conveyance shall be evidenced by appropriate quit claim deed(s) with respect to the Real Estate, bill(s) of sale with respect to the Other Purchased Assets, other Closing deliverables described in Sections 4.3 and 4.4 to the parties entitled thereto, and such other instruments or documents of transfer, assignment and conveyance as may be reasonably

necessary or appropriate to consummate the transactions contemplated by this Agreement, the forms of which are attached as Exhibits A and B.

ARTICLE II

CERTAIN LIABILITIES TO BE ASSUMED BY THE BUYER

2.1 **Liabilities.** The Buyer shall not assume or be required to pay, satisfy, discharge or perform, or take or agree to take, any of the Purchased Assets subject to, and shall not be deemed by virtue of the execution and delivery of this Agreement or any document delivered to or by the Buyer at the Closing pursuant hereto, or as a result of the consummation of the transaction which is the subject of this Agreement, to have successor liability for, or to have assumed, or to have agreed to assume, or to take, or to have agreed to take, or to pay, satisfy, discharge or perform, any liabilities of the Sellers or Project, whether accrued or contingent or known or unknown, whether arising in tort, contract, or otherwise, attributable to or arising from the operation of the Project prior to the Closing (“**Disclaimed Liabilities**”). Notwithstanding the foregoing, Buyer shall be liable for the performance of obligations first accruing after the Closing, and any liabilities set forth on **Schedule 2.1** (the “**Assumed Liabilities**”). For the avoidance of doubt, any liabilities, including contract rights, that are not specifically identified on an applicable exhibit or scheduled incorporated herein shall be retained by Sellers and not be included in Buyer’s Assumed Liabilities (i.e. unlisted liabilities shall automatically be deemed herein as “**Disclaimed Liabilities**”). In the event of any inconsistency between the second last sentence of this Section 2.1 and any other term or provision of this Agreement, the second to last sentence of this Section 2.1 shall control. The provisions of this Section 2.1 shall survive the Closing.

ARTICLE III

PURCHASE PRICE; DEPOSIT

3.1 **Purchase Price.** In consideration of the conveyance to the Buyer of the Purchased Assets, and subject to the conditions and in accordance with the terms hereof, Buyer shall (a) pay in cash through escrow with Title Insurer to Sellers a purchase price of two million dollars (\$2,000,000) (the “**Purchase Price**”) in cash, subject to those prorations, apportionments and credits set forth in Sections 3.5, 3.8, 3.9, 5.1 and otherwise herein (the “**Adjustments**”). The Purchase Price shall be paid as provided in this Article III.

3.2 **Deposit.** Within twenty-four (24) hours after the Effective Date, Buyer shall deliver fifty thousand dollars (\$50,000) (together with all interest, if any, to accrue thereon, the “**Deposit**”) to a title insurer selected by Buyer and reasonably acceptable to Sellers and the Trustee (the “**Title Insurer**”), to be held in accordance with the terms of an escrow agreement agreed to by the Parties, and approved by the Trustee, or otherwise in accordance with this Agreement. The Title Insurer shall retain the Deposit until Closing and shall apply the Deposit at Closing in accordance with this Agreement. If the Closing takes place as provided herein, then the Deposit shall be a credit in favor of Buyer against the Purchase Price at Closing. If this Agreement is terminated prior to the Closing, then the Deposit shall be disbursed by the Title Insurer, as applicable, in accordance with Article XII below. Costs of the Title Insurer as they relate to closing of the transactions subject to this Agreement (but excluding any costs associated with title insurance or services provided exclusively to Buyer) shall be split evenly between Buyer and Sellers.

3.3 Payment of Purchase Price at Closing. At the Closing, the Buyer shall deposit with the Title Insurer the Purchase Price, subject to the Adjustments, and less the Deposit, and the Title Insurer shall consummate Closing by simultaneously (i) disbursing all amounts held by the Title Insurer pursuant to Section 3.1 and 3.2 and otherwise in connection with the sale of the Purchased Assets pursuant to this Agreement, in accordance with the executed Closing Statement (defined below) and an order of the Bankruptcy Court approving the sale and authorizing the Sellers to enter into the sale, which shall be satisfactory to the Trustee (the “**Sale Order**”) (ii) delivering the deed(s) for recordation, and (iii) delivering the fully-executed other Closing deliveries described in Sections 4.3 and 4.4 to the parties entitled thereto.

3.4 Intentionally Omitted.

3.5 Prorations and Apportionments. As a general principle it is agreed that Sellers shall be responsible for all expenses, and shall receive all income from the Real Estate and Other Purchased Assets, attributable to the period prior to and including the Proration Time (as defined below); and that Buyer shall be responsible for all expenses, and shall receive all income from the Real Estate and Other Purchased Assets, attributable to the period after the Proration Time. Buyer and Sellers (subject to the approval of the Trustee) shall jointly prepare proposed proration schedules prior to the Closing Date (as defined below) including the items listed below and any other items the parties mutually determine to be necessary or proper. Buyer and Sellers shall use commercially reasonable efforts to finalize and agree on the final proration schedule, subject to the approval of the Trustee (the “**Proration Schedule**”) at least one (1) business day prior to the Closing. All items shall be prorated on the basis as of 11:59 p.m. (Eastern Time) on the day prior to the Closing Date (the “**Proration Time**”). The pro-rated items shall, without limitation, consist of:

- (a) real property taxes and assessments;
- (b) personal property taxes on the Purchased Assets;
- (c) utility charges, including, but not limited to, water, sewer and oil or gas charges, if any, unless Buyer is opening new accounts with the utility provider, in which event such utility charges shall not be prorated but shall be Disclaimed Liabilities,
- (d) any other item subject to proration or adjustment pursuant to the terms of this Agreement; and
- (e) any pre-paid insurance premiums on insurance policies assigned to Buyer.

3.6 Post Closing Receipts and Prorations. To the extent possible, the credits, prorations and apportionments shall be made on the basis of a written Closing statement approved and executed by Buyer and Sellers, and consented to by the Trustee (the “**Closing Statement**”).

3.7 Permitted Exceptions. As used herein, “**Permitted Exceptions**” means the following: (1) the lien of any real estate taxes and assessments not yet due and payable for the year in which the Closing occurs and subsequent periods, provided that the same are prorated in accordance with this Agreement; (2) applicable building and zoning ordinances and land use regulations and any and all present and future laws, rules, regulations, statutes, ordinances or other legal



requirements affecting the Real Estate; (3) any other exceptions listed on a standard title commitment that would if obtained by Buyer; (4) any and all Leases as may be updated for new occupants entered into after the Effective Date with the approval of Buyer; and (5) other encumbrances that are deemed accepted by Buyer.

3.8 Transfer Taxes. All personal property taxes and all Transfer Taxes incurred in connection with the sale of the Purchased Assets shall be paid by Buyer and paid as such at Closing or treated as Adjustments to the Purchase Price. The party that is required by applicable law to make the filings, reports or returns with respect to any applicable Transfer Taxes shall do so, and the other party shall cooperate with respect thereto as necessary. For purposes of this Agreement the term “**Transfer Taxes**” means all excise, sales, use, value added taxes. The Buyer shall pay all costs of recordation and any applicable stamp taxes.

ARTICLE IV **EFFECTIVENESS AND CLOSING**

4.1 Effectiveness. This Agreement shall become effective, and shall be binding upon and enforceable against the Parties, upon its execution and delivery by each of the Parties; *provided, however,* the parties acknowledge that the consummation of the transaction that is the subject of this Agreement is subject to the conditions to closing set forth in Article VII below for the benefit of Buyer and in Article VIII below for the benefit of Sellers, and the parties acknowledge that the Agreement shall not be binding on the Sellers until approved by an order of the Bankruptcy Court authorizing the Sellers to enter into the Agreement as required by the Bankruptcy Code. This Agreement shall not be subject to Buyer obtaining any applicable licenses or permits. Failure of the Buyer to obtain any desired licenses or permits shall not be condition to Closing or result in a reduction of the Purchase Price.

4.2 Closing. On the terms and subject to the conditions of this Agreement, the consummation of the transaction that is the subject of this Agreement providing for the transfer of the Purchased Assets to the Buyer (the “**Closing**”) shall be consummated through the mail (including electronic mail) with all deliveries required hereunder being made to Title Insurer, on that date (the “**Closing Date**”) agreed to by Buyer and Sellers which is no more than five (5) business days after all conditions set forth in Articles VII and VIII have been met, and no later than March 7, 2025 (the “**Target Closing Date**”). For purposes of proration, liabilities, and Adjustments, the Closing shall be deemed to be effective at the Proration Time.

4.3 Sellers’ Deliveries at Closing. At or prior to the Closing, the Sellers shall deliver, through escrow with the Title Insurer, to the Buyer each of the following items (in each case subject to the consent of the Trustee):

(a) Appropriate quit claim deed(s) executed by the Sellers in the form attached as **Exhibit A** hereto with respect to Real Estate included in the Purchased Assets;

(b) A general bill of sale and assignment executed by the Sellers in the form attached as **Exhibit B** hereto with respect to the Other Purchased Assets;

(c) A Sale Order entered by the Bankruptcy Court;

- (d) Physical possession and control of the Real Estate and Other Purchased Assets;
- (e) The Closing Statement, executed by Sellers; and
- (f) Any other documents and instruments of transfer reasonably requested by the Title Insurer necessary to consummate the transactions contemplated by this Agreement.

4.4 Buyer's Deliveries at Closing. At or prior to Closing, the Buyer shall deliver through escrow with the Title Insurer to the Sellers each of the following items:

- (a) An amount equal to the Purchase Price (plus or minus the amount of the Adjustments) less the Deposit by wire transfer of immediately available funds to an account designated by the Title Insurer;
- (b) Written directions to the Title Insurer to release the Deposit to the Sellers upon consummation of Closing;
- (c) The Closing Statement, executed by Buyer and in form satisfactory to the Sellers and Trustee; and
- (d) Any other documents and instruments reasonably requested by the Title Insurer necessary to consummate the transactions contemplated by this Agreement.

**ARTICLE V
INTENTIONALLY OMITTED**

**ARTICLE VI
CONDITION OF PURCHASED ASSETS**

6.1 Condition of Purchased Assets. Buyer acknowledges that Sellers are selling, and Buyer is buying and occupying, as applicable, the Real Estate and the Other Purchased Assets, **AS IS, WHERE IS, and WITH ALL FAULTS** and Buyer is acquiring the Real Estate and the Other Purchased Assets solely in reliance on Buyer's own inspection and examination. Buyer acknowledges that Sellers 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 Real Estate and Other Purchased Assets and the Project, the business conducted at the Project prior to the Proration Time, or the income, expenses, or operation, thereof, or the merchantability, fitness for a particular purpose, or any other matter affecting or relating to the Project or the Sellers, the Real Estate and the Other Purchased Assets, except for those representations and warranties of the Sellers set forth expressly, and not by implication, under Article IX hereof. Except for the Permitted Exceptions provided in Section 3.7, the Real Estate and Other Purchased Assets shall be delivered to Buyer free and clear of all liens and other Disclaimed Liabilities.

6.2 Alternative to Foreclosure. Each of the Parties acknowledge and agree that the Sellers are in default under the agreements with the Trustee, and that the Trustee would have the right to foreclose on all of the Sellers' assets, including the Real Estate and the Other Purchased Assets.



As an alternative to such foreclosure, the Trustee has consented to release its liens and mortgages on the Real Estate and Other Purchased Assets in connection with the sale evidenced by this Agreement, solely on the terms and conditions set forth in this Agreement and solely upon the Closing and receipt by the Trustee of the proceeds from the sale pursuant to Section 3.3 hereof.

ARTICLE VII

REQUIREMENTS SELLERS MUST MEET BEFORE BUYER REQUIRED TO CLOSE

The Buyer shall be obligated to consummate the transactions contemplated by this Agreement only upon the satisfaction, at or prior to the Closing, of all of the following conditions, any one or more of which may be waived in writing at the discretion of the Buyer:

7.1 Absence of Litigation. No action seeking a temporary restraining order, preliminary or permanent injunction or other order issued by any governmental entity of competent jurisdiction shall have been filed, or seeking any other legal restraint or prohibition preventing, delaying or voiding the consummation of the transaction.

7.2 Representations and Warranties of Sellers. Each of the representations and warranties of the Sellers in this Agreement shall be true and correct in all material respects, on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date except for changes to such representations or warranties arising or relating to any matter occurring during the period from the date hereof to the Closing Date that (i) is approved by Buyer or acceptable to Buyer in Buyer's sole discretion (or in Buyer's reasonable discretion if Buyer has agreed to not unreasonably withhold its consent with respect to the particular matter in question pursuant to the express terms of this Agreement), or (ii) is otherwise permitted pursuant to the express terms of this Agreement (it being understood, however, that for the purposes of this sentence the accuracy of any particular representation or warranty that expressly speaks as of a particular date shall be determined as of the date of this Agreement and the Closing Date solely with reference to such particular date).

7.3 Covenants of Sellers. Each of the covenants of the Sellers shall have been performed and complied with in all material respects prior to or as of the Closing Date.

7.4 Closing Deliveries. The Sellers shall have executed and delivered into escrow with Title Insurer the documents and instruments that the Sellers are required to deliver under Section 4.3 above, and taken all other actions required of the Sellers under this Agreement.

7.5 Bankruptcy Court Order or Consent. Entry by the Bankruptcy Court of the Sale Order.

ARTICLE VIII

REQUIREMENTS BUYER MUST MEET BEFORE SELLERS REQUIRED TO CLOSE

The Sellers shall be obligated to consummate the transactions contemplated by this Agreement only upon the satisfaction, at or prior to the Closing, of all of the following conditions, any one or more of which may be waived in writing at the discretion of the Sellers:

8.1 Absence of Litigation. No temporary restraining order, preliminary or permanent injunction or other order issued by any governmental entity of competent jurisdiction nor other legal restraint or prohibition preventing the consummation of the transaction shall be in effect.

8.2 Representations and Warranties of Buyer. Each of the representations and warranties of the Buyer in this Agreement shall be true and correct in all material respects, on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date except for changes to such representations or warranties arising or relating to any matter occurring during the period from the date hereof to the Closing Date that (i) is approved by Sellers or acceptable to Sellers in Sellers' sole discretion (or in Sellers' reasonable discretion if Sellers have agreed to not unreasonably withhold consent with respect to the particular matter in question pursuant to the express terms of this Agreement), or (ii) is otherwise permitted pursuant to the express terms of this Agreement (it being understood, however, that for the purposes of this sentence the accuracy of any particular representation or warranty that expressly speaks as of a particular date shall be determined as of the date of this Agreement and the Closing Date solely with reference to such particular date).

8.3 Buyer's Covenants. Each of the covenants of the Buyer shall have been performed and complied with in all material respects prior to or as of the Closing Date.

8.4 Closing Deliveries. The Buyer shall have executed and delivered into escrow with Title Insurer the documents and instruments that the Buyer is required to deliver under Section 4.4 above, and taken all other actions required of the Buyer under this Agreement, including delivery of the Purchase Price to the Title Insurer. In addition, the Sellers shall not be required to close until the Sale Order has been entered in form satisfactory to the Sellers and the Trustee.

ARTICLE IX **REPRESENTATIONS AND WARRANTIES OF THE SELLERS**

Sellers hereby makes the following representations and warranties to the Buyer, each of which shall be true and correct as of the date of this Agreement and as of the Closing Date.

9.1 Power, Authority, Binding Nature. Upon entry of the Sale Order by the Bankruptcy Court (a) Sellers have and will have the requisite power and authority to deliver this Agreement and the other agreements, forms, deeds and documents to be executed and delivered by the Sellers in conjunction herewith (the "**Sellers' Ancillary Agreements**") and to execute and to perform Sellers' obligations hereunder and under the Sellers' Ancillary Agreements; and (b) this Agreement has been duly and validly executed and delivered by the Sellers and constitutes, and each of the Sellers' Ancillary Agreements (when executed and delivered by the Sellers, with the consent of the Trustee) shall constitute, a valid and binding agreement of the Sellers enforceable in accordance with its (or their) terms (and assuming that this Agreement and each of the Sellers' Ancillary Agreements constitute the valid and binding agreements of the Buyer).

9.2 No Bar. Neither the execution nor delivery of this Agreement or the Sellers' Ancillary Agreements nor the consummation of the transactions contemplated hereby will: (i) violate or constitute a default in any material respects under any order, judgment, injunction, award or decree of any court, arbiter or governmental or regulatory body against or binding upon the

Sellers; or (ii) result in the creation of any lien or encumbrance on any of the Real Estate and the Other Purchased Assets; or (iii) violate, conflict with or cause a breach in any material respects of the terms of any agreement, lease or other binding contract or instrument to which Sellers are a party or by which Sellers are bound.

9.3 Brokers/Platform. No entity other than SVN Toomey Property Advisors (“SVN”) and Century 21 Prestige-Prattemville (“C21”) is entitled to any brokerage fee, finder’s fee, marketing fee, platform fee, or commission in connection with the transactions contemplated by this Agreement. Payment of any and all fees, commissions or other charges which may be due to SVN or C21 shall be paid at Closing solely to the extent authorized by the Sale Order, and in the aggregate shall not exceed six percent (6%) of the Purchase Price.

9.4 Absence of Changes. To the knowledge of Sellers, since the date of this Agreement, there has not been any transfer, encumbrance or disposition by the Sellers of any of the Real Estate or Other Purchased Assets, other than in the ordinary and usual course and not material, either individually or in the aggregate.

9.5 Absence of Litigation. As of the date hereof, other than the bankruptcy case, there are no actions, suits, claims, investigations, hearings or proceedings of any type (or, to the knowledge of Sellers, threatened), at law or in equity, that might affect Sellers’ ability to close the transaction contemplated herein.

9.6 Existing Agreements. To the knowledge of Sellers, there are no agreements or understandings (whether written or oral) relating to the Project, and no party has any right to occupy any portion of the Project. No material amendments or waivers pertaining to the foregoing will be made prior to the Closing Date.

9.7 OFAC. To the knowledge of Sellers, the Sellers have not engaged in any dealings or transactions, directly or indirectly, (i) with any person appearing on the U.S. Treasury Department’s OFAC list of prohibited countries, territories, “specifically designated nationals (“SDNs”) or “blocked person” (each a “**Prohibited Person**”) (which lists can be accessed at the following web address: <http://www.ustreas.gov/offices/enforcement/ofac/>), including the making or receiving of any contribution of funds, goods or services to or for the benefit of any such Prohibited Person, (ii) in contravention of any U.S., international or other money laundering regulations or conventions, including, without limitation, the United States Bank Secrecy Act, the United States Money Laundering Control Act of 1986, the United States International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, Trading with the Enemy Act (50 U.S.C. §1 et seq., as amended), or any foreign asset control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto, (iii) in contravention of Executive Order No. 13224 dated September 24, 2001 issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as may be amended or supplemented from time to time (“**Anti-Terrorism Order**”) or on behalf of terrorists or terrorist organizations, including those persons or entities that are included on any relevant lists maintained by the United Nations, North Atlantic Treaty Organization, Organization of Economic Cooperation and Development, Financial Action Task Force, U.S. Office of Foreign Assets Control, U.S. Securities & Exchange Commission, U.S.

Federal Bureau of Investigation, U.S. Central Intelligence Agency, U.S. Internal Revenue Service, or any country or organization, all as may be amended from time to time, or (iv) any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempting to violate, any of the prohibitions set forth in (i) the Foreign Corrupt Practices Act, (ii) the U.S. mail and wire fraud statutes, (iii) the Travel Act, (iv) any similar or successor statutes or (v) any regulations promulgated under the foregoing statutes. Neither Sellers nor any of their affiliates or constituents, (x) are or will be conducting any business or engaging in any transaction with any person appearing on the U.S. Treasury Department's Office of Foreign Assets Control list of restrictions and prohibited persons, or (y) are a person described in section 1 of the Anti-Terrorism Order, and neither Sellers nor any of their affiliates have engaged in any dealings or transactions, or otherwise been associated with any such person.

As used in these representations and warranties the term "knowledge" with respect to any specific representation and/or warranty means the actual knowledge of Katie Goodman of GGG Partners LLC, solely in her capacity as CRO of the Sellers, at the time the representation and/or warranty is made, without any requirement that the Sellers conduct any investigation, audit or review as to or concerning the specific subject matter of the representation or warranty. Except as expressly set forth in this Agreement, the representations and warranties of the Sellers set forth in this Article IX and elsewhere in this Agreement shall not survive the Closing.

ARTICLE X

REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer hereby makes the following representations and warranties to the Sellers, each of which shall be true and correct as of the date of this Agreement and as of the Closing Date in accordance with this Agreement (except as noted below).

10.1 **Corporate Organization.** The Buyer shall be a company duly organized by not later than the Effective Date, validly existing and in good standing under the laws of the state of Alabama and shall have the requisite limited liability company power and authority to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted. The Buyer is qualified or licensed to do business as a foreign limited liability company and is in good standing in every jurisdiction where the nature of the business conducted by it or the properties owned or leased by it requires such qualification, except where the failure to be so qualified, licensed or in good standing would not reasonably be expected to have a material adverse effect on the Buyer's business or operations.

10.2 **Authorization and Effect of Agreement and Buyer Ancillary Agreements.** (a) The Buyer has the requisite power and authority to deliver this Agreement and the other agreements, forms, deeds and documents to be executed and/or delivered by the Buyer in conjunction herewith (the "**Buyer Ancillary Agreements**"; the Sellers' Ancillary Agreements and the Buyer Ancillary Agreements, collectively, the "**Ancillary Agreements**") and to execute and to perform Buyer's obligations hereunder and under the Buyer Ancillary Agreements; and (b) this Agreement has been duly and validly executed and delivered by the Buyer and constitutes, and each of the Buyer Ancillary Agreements (when executed and delivered by the Buyer) shall constitute, a valid

and binding agreement of the Buyer enforceable against the Buyer in accordance with its and their terms.

10.3 Due Authorization by Buyer. The execution and delivery by the Buyer of this Agreement and the Buyer Ancillary Agreements and the performance by it of the transactions contemplated hereunder and thereunder have been duly authorized by all necessary action on the part of the Buyer.

10.4 No Conflicts; Consents and Approvals. The execution and delivery by the Buyer of this Agreement and the Buyer Ancillary Agreements do not and will not, and the performance by the Buyer of the transactions contemplated by this Agreement and the Buyer Ancillary Agreements will not, conflict with, or result in any violation of, or constitute a default under (a) any provision of the articles of organization or operating agreement of the Buyer, (b) any of the terms, conditions or provisions or any material agreement or other material document by which the Buyer is bound, or (c) any state, federal or local law or order applicable to or binding on the Buyer. The execution and delivery by the Buyer of this Agreement and the Buyer Ancillary Agreements do not and will not require any consent of any person or government or governmental agency.

10.5 Brokers. No entity other than SVN and C21, who each shall be paid as provided in Section 9.3 above, is entitled to any brokerage fee, finder's fee, marketing fee, platform fee, or commission in connection with the transaction contemplated in this Agreement as a result of any action taken by or on behalf of the Buyer.

10.6 Absence of Litigation. As of the date hereof, there are no actions, suits, claims, investigations, hearings or proceedings of any type (or, to the knowledge of Buyer, threatened), at law or in equity, that might affect Buyer's ability to close the transaction contemplated herein.

10.7 Licensure. The purchase by Buyer of the Real Estate and Other Purchased Assets is not conditioned upon obtaining any applicable licenses or permits.

10.8 Compliance with Legal Requirements. As of the date hereof, to the best of its knowledge, neither Buyer nor any of its affiliates is or has been the subject of any investigation by any federal or state enforcement or regulatory agency, and has not received any complaints from employees, independent contractors or vendors that would indicate Buyer or any of its affiliates has violated any material legal requirements. As of the date hereof, there are no material citations or deficiencies currently outstanding with respect to any assisted living facilities or memory care facilities owned or operated by Buyer or any of its affiliates.

10.9 No Financing/Due Diligence Contingencies. The purchase by Buyer of the Real Estate and Other Purchased Assets is not conditioned upon obtaining financing or any due diligence.

With respect to Sections 10.6 through 10.8, Buyer has the affirmative obligation to update such representations immediately (the "**Updated Representations**") to the extent Buyer discovers that due to actions or inactions of Buyer or its affiliates after the Effective Date, such representatives are no longer true or accurate.

As used in these representations and warranties the term “knowledge” with respect to any specific representation and/or warranty means the actual knowledge of those employees or agents of the Buyer who had devoted a substantial amount of time to this transaction prior to and at the time the representation and/or warranty is made, without any requirement that such individuals conduct any investigation, audit or review as to or concerning the specific subject matter of the representation or warranty.

ARTICLE XI

COVENANTS OF THE PARTIES

11.1 Efforts to Consummate; Certain Actions. Subject to the terms and conditions herein, each of the Parties agrees to use commercially reasonable efforts to cause to be taken all action, and to do, or cause to be done as promptly as practicable, all things reasonably necessary under applicable laws and regulations to consummate and make effective as promptly as practicable the transaction contemplated by this Agreement; and to cooperate with the other Party in obtaining all authorizations, consents, orders, licenses and approvals of any governmental authority that may be or become necessary in connection with the consummation of the transaction and to take all reasonable actions to avoid the entry of any order or decree by any governmental authority prohibiting the consummation of the transaction; and shall furnish to the other all such information in its possession as may be necessary for the completion of the notifications to be filed by the others.

ARTICLE XII

TERMINATION OF THIS AGREEMENT

12.1 Termination. This Agreement may be terminated at any time prior to the Closing by:

(a) The mutual written consent of Sellers (with the consent of the Trustee) and Buyer, in which case the Deposit shall be returned to Buyer as its full and complete remedy;

(b) Buyer, if there has been a material breach by Sellers of any representation, warranty, covenant or agreement set forth in this Agreement which is not cured by Sellers within ten (10) business days after written notice thereof, or if any of the conditions set forth in Article VII shall not have been satisfied or waived subject to a ten (10) business day cure period, in which case the Deposit shall be returned to Buyer as its full and complete remedy; provided, however, the Deposit shall not be returned to Buyer if Sellers are entitled to terminate this Agreement pursuant to Section 12.1(c) or 12.1(d), in which case the Title Insurer shall pay the Deposit to Sellers; or

(c) Sellers, if Buyer fails to close by the Target Closing Date, in which case the Title Insurer shall pay the Deposit to Sellers; or

(d) Sellers, if there has been a material breach by Buyer of any representation, warranty, covenant or agreement set forth in this Agreement (other than as set forth in Section 12.1(c)) which is not cured by Buyer within ten (10) business days after receipt of written notice thereof, or if the conditions set forth in Article VIII shall not have been satisfied or waived, in which case the Title Insurer shall pay the Deposit to Sellers.

12.2 Effect of Termination. In the event of the termination of this Agreement, this Agreement shall be of no further force or effect, except for those provisions of this Agreement that expressly survive the termination hereof, the obligations regarding the Deposit and other matters set forth in Section 12.1 and the obligations set forth in this Section 12.2, which shall survive the termination of this Agreement. Upon request therefor, each Party shall destroy or redeliver all documents, work papers and other material of another Party relating to the transactions contemplated hereby, whether obtained before or after the execution hereof, to the Party furnishing the same.

ARTICLE XIII **MISCELLANEOUS PROVISIONS**

13.1 Publicity. Except as required by law, in connection with approval of this transaction by the Bankruptcy Court, or in connection with any notice provided by the Trustee to the holders of the Bonds, any public announcements or statements made prior to the Closing by Buyer or Sellers concerning the contemplated transaction shall require the prior written consent of Sellers or Buyer, as applicable, which consent shall not be unreasonably withheld.

13.2 Risk of Loss. The Sellers assume all risk of destruction, loss, or damage to the Real Estate and the Other Purchased Assets due to fire, storm, or other casualty up to the Closing. In case of any destruction, loss, or damage to the Real Estate and the Other Purchased Assets in excess of twenty percent (20%) of the Purchase Price (the "Loss Threshold Amount"), the Buyer shall have the right to: (a) terminate this Agreement in accordance with Section 12.1(a), and Sellers shall be deemed to have mutually consented to such termination; or (b) proceed to the Closing and accept from Sellers an assignment of all insurance proceeds payable in connection with such destruction, loss or damage, without a credit against the Purchase Price. In the case of any destruction, loss, or damage to the Real Estate and the Other Purchased Assets in an amount less than the Loss Threshold Amount, Buyer shall proceed to the Closing and accept from Sellers an assignment of all insurance proceeds payable in connection with such destruction, loss or damage, without a credit against the Purchase Price.

13.3 Further Assurances. From time to time following the Closing, Sellers and the Buyer shall, at the other party's reasonable request, execute, acknowledge and deliver such additional documents, instruments of conveyance, transfer, assignment, assumption or assurances and take such other action as Buyer or Sellers, as the case may be, may reasonably request to more effectively assign, convey and transfer the Real Estate and Other Purchased Assets to Buyer and fully vest title to Buyer in the Real Estate and Other Purchased Assets, or for Buyer to more effectively assume the Assumed Liabilities, as the case may be, provided that in no event shall the liabilities of a party be increased thereby. All such reasonable costs and expenses incurred by the non-requesting party shall be reimbursed by the requesting party. The obligations contained in this Section 13.3 shall survive the Closing.

13.4 Notices. All notices and other communications required or permitted hereunder shall be in writing and, unless otherwise provided in this Agreement, shall be deemed to have been duly given when delivered in person or when dispatched by email notification (confirmed in writing by mail promptly dispatched) or one (1) business day after having been dispatched by a

nationally recognized overnight courier service to the appropriate party at the address specified below:

(a) If to the Sellers, to:

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

with copy to:

Ashley R. Ray
Scroggins, Williamson, and Ray P.C.
4401 Northside Parkway
Suite 230
Atlanta, GA 30327
aray@swlawfirm.com

(b) If to the Buyer, to:

Medal Of Honor, LLC
Curtis Miles
467 Hunter Ln.
Alexander City, AL 35010
Medalofhonor1958@outlook.com

(c) If to the Trustee, to:

Mark Heer
Senior Vice President
UMB Bank, National Association
928 Grand Blvd.
Kansas City, MO 64106
Mark.heer@umb.com

With copy to:

Charles W. Azano
Greenberg Traurig, LLP
One International Place
Suite 2000
Boston, MA 02110
azano@gtlaw.com

or to such other address or addresses or email address as any such noticed party may from time to time designate as to itself by like notice. Any notice to be given by a party hereto may be given by such parties counsel.

13.5 Expenses. Each party hereto shall pay and be responsible for its respective expenses (including legal fees) incurred by it incident to this Agreement and in preparing to consummate and consummating the contemplated transaction.

13.6 Waiver. Either the Sellers (with the consent of the Trustee), on the one hand, or the Buyer, on the other hand, may by written notice to the other (a) extend the time for performance of any of the obligations of the other party under this Agreement, (b) waive any inaccuracies in the representations or warranties of the other party contained in this Agreement, (c) waive compliance with any of the conditions or covenants of the other party contained in this Agreement, or (d) waive or modify performance of any of the obligations of the other party under this Agreement; provided, however, that no such party may, without the prior written consent of the other party, make or grant such extension of time, waiver of inaccuracies or compliance or waiver or modification of performance with respect to its representations, warranties, conditions or covenants hereunder. Except as provided in the immediately preceding sentence, no action taken pursuant to this Agreement shall be deemed to constitute a waiver of compliance with any representations, warranties, conditions or covenants contained in this Agreement or shall operate or be construed as a waiver of any subsequent breach, whether of a similar or dissimilar nature.

13.7 Entire Agreement. This Agreement, which includes the Schedules and the Exhibits hereto, supersedes any other agreement, whether written or oral, that may have been made or entered into by any party relating to the matters contemplated hereby.

13.8 Amendments, Supplements, Etc. This Agreement may be amended or supplemented at any time by additional written agreements as may mutually be determined by the Parties (with the consent of the Trustee) to be necessary, desirable or expedient to further the purposes of this Agreement or to clarify the intention of the parties.

13.9 Rights of the Parties. This Agreement is solely for the benefit of the Buyer (and the Buyer's permitted successors and/or assigns), the Sellers, the Trustee and the holders of the Bonds. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person other than the parties hereto and their permitted successors and assigns any rights or remedies under or by reason of this Agreement or any transaction contemplated hereby, nor shall any other person be entitled to rely upon the terms, covenants and provisions of this Agreement.

13.10 Inconsistencies. In the event of any inconsistency between the terms and provisions of this Agreement and the terms and provisions of any of the Ancillary Agreements, the terms and provisions of this Agreement shall prevail.

13.11 Governing Law and Choice of Forum. The validity and interpretation of this Agreement shall be construed in accordance with, and governed by the laws of the State of Alabama without regard to the choice-of-law principles of this or any other jurisdiction. Any suit, action, claim or

proceeding seeking to enforce any provision of or based on any matter arising out of or in connection with this Agreement or the Ancillary Documents shall be brought in the Bankruptcy Court, and the Parties hereby irrevocably submit and consent to the exclusive jurisdiction of such court (and of the appropriate appellate courts therefrom) in any such suit or proceeding and irrevocably waive, to the fullest extent permitted by law, any objection and defenses which he, she or it may now have or hereafter may have based on forum, venue, or personal or subject matter jurisdiction as they may relate to any suit, action or proceeding in any such court. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without jurisdiction of said court. The Parties agree that the relief sought from the court as a result of any dispute brought in connection with this Agreement or the Ancillary Agreements may include, but is not necessarily limited to, injunctive relief, specific performance or monetary damages. Notwithstanding the foregoing, the Bankruptcy Court shall have exclusive jurisdiction to resolve all disputes between the Parties until such time as the Bankruptcy Cases are closed.

13.12 Waiver of Jury Trial. EACH OF THE PARTIES WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE ANCILLARY AGREEMENTS, OR THE TRANSACTION IN ANY COURT IN WHICH SUCH ACTION OR PROCEEDING MAY BE BROUGHT.

13.13 Execution in Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Any counterpart may be executed by either hand signature, facsimile signature, or by electronic signature using DocuSign or similar technology and such execution shall be deemed an original.

13.14 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations under this Agreement of Sellers, on the one hand, and Buyer, on the other hand, shall not be adversely affected thereby: (a) such provision shall be fully severable; (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement; and (d) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

13.15 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other parties hereto.

13.16 Time/Non Business Days. Whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time (or by a particular date) that ends (or occurs) on a non-business day, then such period (or date) shall be extended until the immediately following business day. As used herein, “**business day**” means any day other than a Saturday, Sunday or federal or Georgia holiday.

13.17 Time of the Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

13.18 Headings. The headings as contained in this Agreement are inserted for convenience reference only and shall not constitute a part hereof.

13.19 Interpretation. This Agreement shall be construed in a neutral manner without regard to any presumption or rule requiring construction against the party who drafted or caused the drafting of this Agreement.

13.1 Agency Disclosure:

The listing company, SVN, is:

An agent of the sellers.

An agent of the buyer.

An agent of both the sellers and buyer and is acting as a limited consensual dual agent.

Assisting the buyer seller as a transaction broker.

[For Buyer's agent, if applicable] Century 21 Prestige, is:

An agent of the seller.

An agent of the buyer.

An agent of both the seller and buyer and is acting as a limited consensual dual agent.

Assisting the buyer sellers as a transaction broker.

[NOTE: Buyer shall be solely responsible for any fee paid to a Buyer's agent]

[Signature Page Follows]



IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement as of the day and year first above written.

BUYER:

By: Medal of Honor LLC ^{AuthenticSign} Medal Of Honor LLC 02/20/25
Name: Curtis Miles
Title: CEO/Founder

SELLERS:

By: ^{DocuSigned by:} Katie Goodman
Name: Katie Goodman
Title: Chief Restructuring officer

ACKNOWLEDGED BY THE TRUSTEE:

UMB Bank, N.A., as Trustee
By: ^{Signed by:} Mark Heer
Name: Mark Heer
Title: _____



Exhibit A

Quit Claim Deed(s)



**Exhibit B
Bill of Sale and Assignment**

BILL OF SALE

FOR VALUE RECEIVED, RHCSC Montgomery I AL Holdings LLC and RHCSC Montgomery I Health Holdings LLC, Debtors and Debtors in Possession (collectively, the "Assignor") do hereby sell, assign, transfer, and convey unto _____, a Georgia limited liability company (the "Assignee"), free and clear of all security interests, liens, or other encumbrances, all of their right, title and interest in and to the personal property related to the Project, as such term is defined in that certain Asset Purchase Agreement between Assignor and Assignee dated [___], 2025 (collectively, the "Purchased Assets").

Said Purchased Assets are transferred "AS IS, WHERE IS," with no representation or warranty except as expressly set forth herein. This Bill of Sale, and the terms of sale, are expressly subject to the terms and conditions contained in the "Order Approving Asset Purchase Agreement and Authorizing Sale" entered by the U.S. Bankruptcy Court for the Northern District of Georgia in Assignor's pending jointly administered Bankruptcy Case, Case No. 21-41034-pwb, on _____, 2025.

IN WITNESS WHEREOF, Assignor has caused this Bill of Sale to be executed by its respective duly authorized officer as of the ___ day of _____, 2025.

"ASSIGNOR"

RHCSC MONTGOMERY I AL HOLDINGS, LLC
RHCSC MONTGOMERY I HEALTH HOLDINGS LLC

By:
Title:

Sworn to and subscribed before me this
the ___ day of _____, 2025.

Notary Public

Acceptance

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

By:

Sworn to and subscribed before me this
the ___ day of _____, 2025.

Notary Public



Schedule 1.1(a)

Real Estate



Schedule 1.1(c)

Causes of Action

none



Schedule 1.1(d)

Excluded Assets

none



Schedule 2.1

Assumed Liabilities

none



ACTIVE 707211535v2



CERTIFICATE OF SERVICE

This is to certify that on this date a true and correct copy of the within and foregoing **Notice of Filing Asset Purchase Agreement (The Gardens of Waterford)** 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 February, 2025.

Respectfully submitted,

SCROGGINS, WILLIAMSON & RAY, P.C.

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Counsel for the Debtors