



State of Tennessee
Health Facilities Commission
Andrew Jackson State Building
502 Deaderick Street, 9th Floor, Nashville, TN 37243
www.tn.gov/hfc Phone: 615-741-7221

May 6, 2026

Sent Via Email

The Capstone at Station Camp Assisted Care Living and Memory Care
c/o Kadeja Watts (kadeja.watts@aagc.com)
171 17th Street NW, Suite 2100
Atlanta, Georgia 30363-1031

Facility Type: Assisted Care Living Facility
License Number: 530

Dear Kadeja Watts:

It is my pleasure to inform you that your application for change of ownership of Gallatin SLP, LLC located at 108 Miss B. Boulevard, Gallatin, TN 37066 has been initially approved effective March 4, 2026. The license number shall be 530. For this initial approval to become final and permanent, your application must be ratified by the Commission pursuant to T.C.A. §68-11-206. The Commission will consider your application at its next meeting, scheduled for May 27, 2026. **You are hereby authorized to commence operation pending the final decision of the Commission.** No further action is necessary on your part currently.

If the Commission **does** ratify the approval of your application, the license number listed above will become your permanent license number and a letter will be forwarded to you, notifying you of the Commission's final decision.

If the Commission **does not** ratify the initial approval of your application, a letter will be forwarded to you providing an explanation and specific instructions as to any action(s) you may take to have the decision reviewed, at which time this authorization shall cease to be effective.

Please contact me if I can be of further assistance.

Sincerely,

Maddison Fauth

Maddison Fauth, ASA II
Health Facilities Commission
Phone: 615-741-7300
Email: Maddison.Fauth@tn.gov

cc: West Tennessee Regional Office

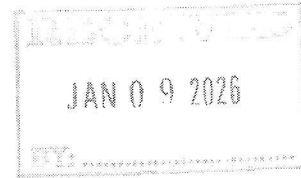


Lic #530

Appl #16679

WTRO/ITSD/PR

emailed 1/27/2026 (ejs)



**ASSISTED CARE LIVING FACILITY
APPLICATION FOR CHANGE OF OWNERSHIP**

All applicable laws, rules, policies, and guidelines affecting your practice are available for viewing at <https://www.tn.gov/hfc/division-of-licensure-and-regulation/hfc-licensure/licensure-applications.html> Please check this website periodically for updates.

Name of the Facility/Agency The Capstone at Station Camp Assisted Living & Memory Care

Location of the Facility

Street 108 Miss B Blvd. City Gallatin

County Sumner County State Tennessee Zip 37066

Telephone Number (615) 675-0400 Fax Number (615) 452-9128

Twenty-four (24) Hour Emergency Telephone Number () (615) 675-0400

E-Mail Address tmuffley@prestongreenssl.com

Total Bed Capacity 124

Does the facility have a secured unit? Yes No Number of Secured Beds 44

Administrator Information

Administrator Will Hendricks

Certificate number or Nursing Home Administrator Number 3176

Have you (Administrator) ever been convicted of a crime involving injury or harm to person(s), financial or business management (e.g., assault, battery, robbery, embezzlement or fraud)? Yes No

If yes, what charge(s)? _____

Location of Conviction _____ Date _____
(City) (County) (State)

Mailing address if different from the Facility location address

Name _____

Street _____

City _____ State _____ Zip _____

Ownership of Building

Name MCP Gallatin PropCo, LLC Telephone Number (214) 443-8300

Street 12377 Merit Drive, Suite 500

City Dallas State TX Zip 75251

FEE SCHEDULE (FEES ARE NON-REFUNDABLE)

<u>Bed Capacity</u>	<u>Fee</u>	<u>Bed Capacity</u>	<u>Fee</u>
Less than 25	\$1,040	100 thru 124	\$2,080
25 thru 49	\$1,300	125 thru 149	\$2,340
50 thru 74	\$1,560	150 thru 174	\$2,600
75 thru 99	\$1,820	175 thru 199	\$2,860

Facilities with 200 beds or more shall pay a flat rate of \$2,860 + \$200 for each additional 25 beds or fraction thereof (i.e., 200-224 pays \$3,060; 225-249 pays \$3,260).

OWNERSHIP OF BUSINESS

1. a. Check the type of Legal Entity:

Individual _____ Partnership _____ Corporation _____ Limited Liability Company _____
Church Related _____ Government/County _____ Other _____

b. Check One: For Profit Non-profit

c. Legal Entity checked in 1.a:

Name MCP Gallatin OpCo, LLC Phone Number (214) 443-8300
Address 12377 Merit Drive, Suite 500, Dallas, Texas 75251

d. List name(s) and address(es) of individual owners, partners, directors of the corporation, or head of the governmental entity:

<u>Brian Bollich</u>	<u>12377 Merit Drive, Suite 500, Dallas, TX 75251</u>
Name	Street City, State, Zip
<u>Michael Graham</u>	<u>12377 Merit Drive, Suite 500, Dallas, TX 75251</u>
Name	Street City, State, Zip

(If additional space is needed, please use a separate sheet.)

e. If a government/county owned facility, does the administrator have authority to act on behalf of the government/county as it relates to the operation of this facility? Yes _____ No

f. If no to e., who has said authority? _____

2. a. In accordance with Rule 0720-26-.03, is this CHOW a lease of operation? Yes _____ No

b. If yes, please provide the lessor's information below:

Name _____ Phone Number (_____) _____
Address _____

3. a. Is your facility/organization accredited by a **federally approved** accrediting body including but not limited to JCAHO, CARF, etc.? **Provide proof of accreditation.**

Yes _____ No Expiration Date _____

4. Is this facility chain affiliated? Yes _____ No

5. If you have a parent company, please provide the information:

Name See attached Ownership Disclosure Telephone Number (_____) _____
Address _____

6. a. If a corporation, is there a holding company? Yes _____ No _____ N/A. Licensee is a LLC.

b. If yes, list the name, address, and phone number of the holding company:

Name _____ Phone Number (_____) _____

Street _____

City _____ State _____ Zip _____

7. a. Are any owners of the disclosing entity also owners of other health care facilities in Tennessee and/or other states? Yes No _____

b. If yes, list names and addresses of all such facilities:

See Commonly Owned Facilities List

8. a. Do you have a contract with a management firm to operate this facility? Yes No _____

If yes, specify dates: From 1/30/2026 To 1/29/2031

b. If yes, please specify name of firm: TerraBella Senior Living LLC

Phone Number (239) 908-2921

3461 Bonita Bay Blvd #100 Bonita Springs FL 34134

Street City State Zip

9. For any item in (9) a-h below, please identify, explain and provide documentation of the item(s) noted if response is "Yes". Have either the licensed entity for any of the other health care facilities in Tennessee and/or other states on the list in question (5.b.) above, OR the management firm listed in question (6.) above; been subjected to any of the following within the last (5) years:

a. Licensure

i) Denied a license? Yes _____ No

ii) Had a license suspended or revoked by any state licensure agency? Yes _____ No

iii) Been subject to a final order or judgment in a state licensure action? Yes _____ No

b. Convictions

i) Convicted of a criminal offense related to that person's involvement in any program under any state or Federal health care program (including Medicare, Medicaid, and Tricare)? Yes _____ No

c. Exclusion

i) Excluded from participation in Federal health care programs (Medicare, Medicaid, CHIP, or Tricare) in the past? Yes _____ No

(Note: "Excluded" is defined as a provider or entity has been told by the Department of Health and Human Services, Office of the Inspector General (HHS-OIG) that they may no longer be a provider for any federally funded healthcare program).

d. Termination/Suspension

i) Suspended or terminated from participation in Medicare or Medicaid/TennCare programs? Yes _____ No

(Note: This would include involuntary termination of a nursing facility or skilled nursing facility by the Centers for Medicare and Medicaid Services (CMS) or state Medicaid agency).

c. Fraud and Abuse

i) Paid through settlement, or civil or criminal fines, any monies to the federal government or any state as a result of any administrative or judicial proceeding based on allegations of fraud or abuse involving claims related to the provision of health care items and services? Yes _____ No X

f. Corporate Integrity Agreement

i) Is presently an entity covered by and subject the terms of a corporate integrity agreement? Yes _____ No X

(Note: If yes, provide a copy of CIA)

g. Bankruptcy

i) Filed bankruptcy under any provision of the United States Bankruptcy Code? Yes _____ No X

h. Civil Monetary Penalty (CMP)

i) Paid to the Centers for Medicare and Medicaid Services or any state Medicaid agency a civil money penalty equal to or greater than \$250,000.00 as a result of an enforcement action during a survey? Yes _____ No X

Failure to provide true and correct copies of any documents related to the items list in 9(a-h) listed above may be grounds for referral of the application for special consideration, and/or may be grounds for disciplines.

If the applicant answered "Yes" to any of the questions (a)-(h) above, please provide copies of any documentation associated with the event and/or sanction. The documentation should provide the Health Facilities Commission with sufficient information regarding the nature of the event and/or sanction, the current status of the issue, as well as details regarding what corrective action have been implemented (as applicable).

VERIFICATION BY NOTARY PUBLIC

Signee for application certifies that he or she is of responsible character and able to comply with the minimum standards and regulations established by Tennessee pertaining to the type of facility or agency for which application for licensure is made and with the rules promulgated under Tennessee Code Annotated (TCA) §68-11-201.

Signee also certifies that a policy has been implemented to inform all employees of their obligation under TCA §71-6-103 to report incidents of abuse or neglect.

Signee acknowledges that the State of Tennessee may share information regarding the activities and compliance of the licensee, if the submitted CHOW application is a lessor and/or lessee transaction as described in the above Ownership of Business section of this application.

[Signature] _____ Title Manager Date 12/22/2025
Applicant Signature

STATE OF TEXAS

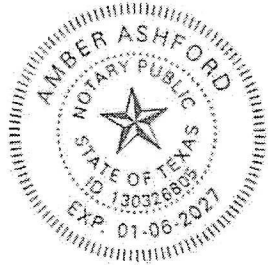
County of Dallas

The above named applicant (print name) Brian Bollich, being by me duly sworn on his/her oath, deposes and says that he/she has read the forgoing application and knows the contents thereof: that the statements concerning the above named facility or agency, therein contained, are correct and true to his/her own knowledge.

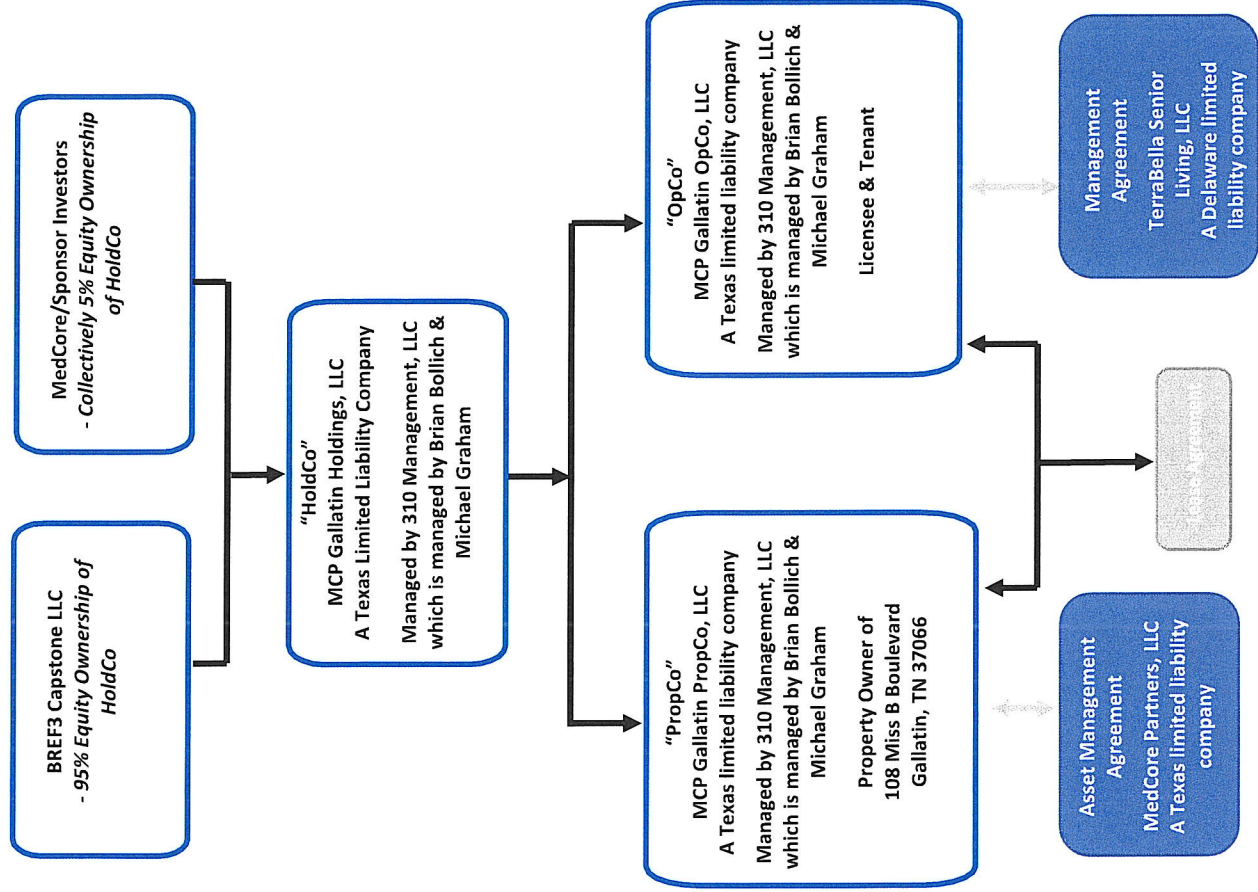
Subscribed to and sworn to on this 22 day of December 2025
Month Year

Notary Public: Amber Ashford

My commission expires: 01/06/2027



Capstone Station Organizational Chart As of 12/17/2025



LIST OF OFFICERS

Brian Bollich - Partner- 12377 Merit Drive, Suite 500, Dallas, TX 75251

Michael Graham - Partner- 12377 Merit Drive, Suite 500, Dallas, TX 75251

COMMONLY OWNED FACILITIES

Alto Johns Creek - 10595 Medlock Bridge Rd, Johns Creek, GA 30097

Wenatchee Memory Care - 817 Red Apple Rd, Wenatchee, WA 98801

Spokane Memory Care at South Hill - 4503 S Freya St, Spokane, WA 99223



State of Tennessee

Health Facilities Commission

665 Mainstream Drive, 2nd Floor, Nashville, TN 37243

www.tn.gov/hsda Phone: 615-741-7221

DIVISION OF LICENSURE AND REGULATION MEMORANDUM

DATE: April 30, 2026

TO: HEALTH FACILITIES COMMISSION

SUBJECT: CHOW OUT OF STATE VERIFICATION SUMMARY

To streamline the Change of Ownership Package(s) for The Capstone at Station Camp Assisted Living & Memory Care for the Commission's ratification, the following out of state verifications summary of results are listed below:

Georgia (In Compliance)

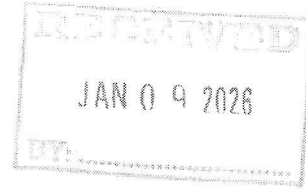
Washington (In Compliance)

02/12/2025

**Arnall
Golden
Gregory LLP**

Kadeja Watts
171 17th Street NW, Suite 2100
Atlanta, GA 30363-1031
Direct phone: 404.873.8774
E-mail: kadeja.watts@agg.com

December 30, 2025



VIA FEDEX AND EMAIL TO EDDIE.STEWART@TN.GOV

Mr. Eddie Stewart
Tennessee Department of Health
Division of Health Licensure and Regulation
Office of Health Care Facilities
665 Mainstream Drive, Second Floor
Nashville, TN 37243

**Re: Tennessee Assisted Care Living Facility / Change of Ownership
The Capstone at Station Camp Assisted Care Living and Memory Care
108 Miss B. Boulevard, Gallatin, Tennessee 37066
License No. ALC530 (the "Facility")**

Dear Mr. Stewart,

We are writing to inform you of a change of ownership of the Facility that is scheduled to occur on or about March 2, 2026. The current licensee of the Facility is Gallatin SLP, LLC. Upon the change of ownership, the new licensee of the Facility will be **MCP Gallatin OpCo, LLC**.

Please find enclosed the Tennessee Assisted Care Living Facility Application for Change of Ownership and licensure fee in the amount of \$2,080.00. Thank you very much for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

ARNALL GOLDEN GREGORY LLP

Kadeja A. Watts

Enclosures

cc: Gregory M. Gaylis, Esq.

CAPSTONE AT STATION CAMP
108 Miss B. Boulevard
Gallatin, TN 37066

December 19, 2025

Tennessee Department of Health
Division of Health Licensure and Regulation
Office of Health Care Facilities
Mr. Eddie Stewart
665 Mainstream Drive, Second Floor
Nashville, TN 37243

Re: Notification of Intent to Transfer Ownership of Assisted Care Living Facility
The Capstone at Station Camp Assisted Care Living and Memory Care
License No. 530

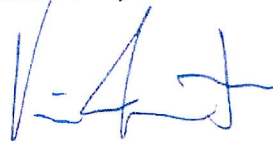
Dear Mr. Stewart:

I hope this message finds you well. The purpose of this letter is to notify you of a proposed change of ownership of The Capstone at Station Camp Assisted Care Living and Memory Care (the "Facility") located at 108 Miss B. Boulevard, Gallatin, Tennessee 37066. The change of ownership is anticipated to occur on or about January 30, 2026, or earlier if regulatory approval is received. Upon the change of ownership, the new licensee will be MCP Gallatin OpCo, LLC and the Facility's name will remain unchanged. Please accept this letter as confirmation of Gallatin SLP, LLC's intent to transfer ownership of the Facility to MCP Gallatin OpCo, LLC.

If you have any questions, please do not hesitate to contact me at 913-314-5585 or vjohnston@huntmidwest.com. Thank you.

Sincerely,

Gallatin SLP, LLC

A handwritten signature in blue ink, appearing to read "V. Johnston", is written over the printed name.

Vincent T. Johnston
Owner's Representative and Senior Vice
President of the Managing Member



CHANGE OF OWNERSHIP (CHOW) APPROVAL/DENIAL FORM
(For Health Facilities Commission USE ONLY)

Instructions: This form is to be completed upon receipt of a CHOW application for all facility types. The effective date of a change of ownership will be the date the closing documents are signed & dated by seller/buyer or lessee; or the date recommended by the Regional Office if occurring after the date of the signed closing documents.

Facility Type: ACLF County: Sumner

Facility Name (Current D/B/A): The Capstone at Station Camp Assisted Living & Memory Care

Facility Name (New D/B/A if applicable): _____

Street Address: 108 Miss B Blvd.

City/State/Zip Code: Gallatin, TN 37066

Health Licensure Last Survey Date: 2/10/2026 Annual or Complaint (**circle one**) Survey

****Review of three (3) year survey history including both annual and/or complaint surveys**

Outstanding Complaint(s): Y or N (**circle one; if yes, proceed to next question**)

Number of Outstanding Complaint(s): _____

Date(s) of Outstanding Complaint(s): _____

Life Safety Licensure Last Survey Date: 4/29/2025 Annual or Complaint (**circle one**) Survey

****Review of three (3) year survey history including both annual and/or complaint surveys**

Outstanding Complaint(s): Y or N (**circle one; if yes, proceed to next question**)

Number of Outstanding Complaint(s): _____

Date(s) of Outstanding Complaint(s): _____

Disciplinary Recommendation to Central Office, Disciplinary Coordinator, within the last thirty (30) days: Y or N (**circle one; if yes, proceed to next question**)

Type of Discipline Recommended: _____

Approved: X Denied: _____

Reason for denial: _____

Recommended CHOW Approval Date: 3/4/26

Regional Administrator Signature: Kathy Zeigler, RA/DPM Date: 3/4/2026



**State of Tennessee
Health Facilities Commission
Andrew Jackson State Building**

502 Deardrick Street, 9th Floor, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-7221

Attorney/Work Product - Privileged and Confidential

OFFICE OF LEGAL SERVICES MEMORANDUM

DATE: January 27, 2026

TO: Nathaniel Flinchbaugh
Lisa Williams

FROM: Eddie Stewart (for Maddison Fauth)

SUBJECT: CHOW

A change of ownership is to occur on or about March 2, 2026, for The Capstone at Station Camp Assisted Living and Memory Care located at 108 Miss B. Boulevard, Gallatin, Tennessee 37066 (**License 530**). This facility is currently owned by Gallatin SLP, LLC d/b/a The Capstone at Station Camp Assisted Living and Memory Care. The change of ownership applicant is MCP Gallatin OpCo, LLC.

Please review your files to determine if there have been any disciplinary action(s) rendered or open cases in the Office of Legal Services for the current licensed facility/owner.

To complete the recommendation for change of ownership, please indicate below approval or denial with rationale for denial.

Approval: X

Denial: _____

Denial Rationale: _____

OLS Representative Signature: Nathaniel E Flinchbaugh, Esq

Date: January 27, 2026

If you have any questions, please call me at 615-741-7188.

BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

FOR VALUABLE CONSIDERATION, receipt and adequacy of which is hereby acknowledged as of March 4, 2026 (the "Effective Date"), the undersigned, GALLATIN SLP, LLC, a Tennessee limited liability company ("Assignor") hereby sells, transfers, assigns and conveys to MCP GALLATIN OPCO, LLC, a Texas limited liability company ("Assignee"), all right, title and interest of Assignor in and to the "Personal Property," the "Occupancy Agreements," the "Contracts" and the "Intangible Property," each as defined in that certain Purchase Agreement, dated as of October 9, 2025, by and between Assignor, Assignee and MCP Gallatin PropCo, LLC, a Texas limited liability company, together with Assignee as successors-in-interest to 310 Investments, LLC, a Texas limited liability company (as amended, the "Purchase Agreement"), providing for, among other things, the conveyance of the Personal Property, the Occupancy Agreements, the Contracts, and the Intangible Property (collectively, and, other than the Excluded Property, the "Operating Assets"). Additionally, effective as of the Effective Date, each of Assignor and Assignee agree and acknowledge that all right, interest and title to the right and responsibility for the operation of the licensed assisted living and memory care facility known as "The Capstone at Station Camp", located at 108 Miss B Blvd, Gallatin TN 37066, have transferred to Assignee. Unless otherwise defined herein, all terms used in a capitalized manner herein shall have the meaning set forth in the Purchase Agreement.

The covenants, agreements, representations, warranties, indemnities and limitations provided in the Purchase Agreement with respect to the property conveyed hereunder (including the limitations provided in Sections 9 and 10 of the Purchase Agreement), are hereby incorporated herein by this reference as if herein set out in full and shall inure to the benefit of and shall be binding upon Assignee and Assignor and their respective successors and assigns; provided, however, that the incorporation of covenants, agreements, representations, warranties, indemnities and limitations provided in the Purchase Agreement refers only to the covenants, agreements, representations, warranties, indemnities and limitations as made on the date of the Purchase Agreement and (to the extent applicable) on the Closing Date, and Assignee acknowledges Assignor does not restate or reaffirm any such covenants, agreements, representations, warranties, indemnities and limitations, or make any additional covenants, agreements, representations, warranties, indemnities and limitations, with respect to the period from the Closing Date through the Effective Date.

Assignee hereby accepts the foregoing assignment as of the Effective Date and hereby agrees to assume and discharge, in accordance with the terms thereof, all of the burdens and obligations of Assignor under the Operating Assets to the extent the same arise or accrue on or after the Effective Date.

The provisions of this instrument shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

The Operating Assets are conveyed "as is" without warranty or representation, except as expressly provided in (and subject to the limitations of) the Purchase Agreement as of the respective dates any such warranty or representation were made and without reaffirmation or extension of any such representation or warranty with respect to the period between the Closing Date and the Effective Date.

This instrument may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement. In addition, this instrument may contain more than one counterpart of the signature page and this instrument may be executed by the affixing of the signatures of each of the parties to one or more of such counterpart signature pages; all of such signature pages shall be read as though one, and shall have the same force and effect as though all of the signers had signed a single signature page. The exchange of signature pages by facsimile or portable document format (PDF) transmission or electronic signature shall constitute effective delivery of such signature pages and may be used in lieu of the original signature pages for all purposes.

[Signatures on following page]


IN WITNESS WHEREOF, Assignor and Assignee have executed this Bill of Sale, Assignment and Assumption Agreement as of the Effective Date.

ASSIGNOR:

GALLATIN SLP, LLC
a Tennessee limited liability company

By: HPI, LLC, a Missouri limited liability company
Its sole member

By: Hunt Midwest Real Estate Development, Inc.
A Missouri corporation
Its Managing Member

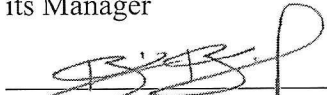
By:  _____
Name: Vincent T. Johnson
Title: Senior Vice President and Chief Financial Officer

[Signatures continue on following page]

ASSIGNEE:

MCP GALLATIN OPCO, LLC,
a Texas limited liability company

By: 310 Management, LLC,
a Texas limited liability company,
its Manager

By: 

Brian Bollich, Manager

MANAGEMENT AGREEMENT

BETWEEN

**TerraBella Senior Living LLC,
a Delaware Limited Liability Company**

AND

**MCP GALLATIN OPCO, LLC
a Texas Limited Liability Company**

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT (“Agreement”) is made as of February 6, 2026 (the “Effective Date”), by and between TerraBella Senior Living LLC, a Delaware limited liability company (“Manager”), and MCP Gallatin OpCo, a Texas limited liability company (“Owner”).

RECITALS

A. MCP Gallatin PropCo, a Texas limited liability company, is the owner of certain real property located at in Gallatin, Tennessee, described on Exhibit A (the “Community”).

B. Owner desires that Manager provide management services to the Community, which Manager is willing to do on the terms stated herein.

NOW, THEREFORE, in consideration of the covenants contained herein and for such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **DEFINITIONS.** When used in this Agreement, the following terms shall have the following meanings:

“Actual NOI” means for any period the NOI for the Community realized for such period.

“Affiliate” means with respect to any Person, any relative of the Person in question, if such Person is an individual, or any other Person directly or indirectly Controlled by, Controlling or under common Control with the Person in question. For the purposes of this Agreement, “Control” when used with respect to any specified Person means the power to direct the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities or other beneficial interest, by contract or otherwise; and the terms “Controlling” and “Controlled” have the meanings correlative to the foregoing. For the avoidance of doubt, a Person may Control a specified entity notwithstanding the possession by one or more other Persons of rights to participate in major decisions with respect to such entity which are customarily afforded to minority investors, and such other Persons shall not be deemed to Control such entity solely by virtue of their possession of such rights.

“Annual Business Plan” shall mean the business plan for the Community that is prepared by Manager and approved by Owner in accordance with Section 2.13 below. The business plan shall include, without limitation, the Proposed Operating Budget, the Proposed Capital Budget, forecasted reserves (including operating reserves), a leasing and Marketing Plan for the year in question and such other information as Owner shall reasonably require.

“Anti-Corruption Laws” means any laws or regulations relating to bribery, extortion, kickbacks, or other similar activities, including, without limitation, the U.S. Foreign Corrupt Practices Act, the United Kingdom Bribery Act, the Canada Corruption of Foreign Public Officials Act and any other applicable anti-bribery or anti-corruption laws.

“Anti-Terrorism Laws” means any laws or regulations relating to terrorism, money laundering or similar activities, including, without limitation, Executive Order 13224, the USA

Patriot Act, the laws comprising the Bank Secrecy Act, the Currency and Foreign Transactions Reporting Act of 1970, as amended, the laws administered by OFAC and any other applicable anti-terrorism or money laundering laws.

“Approved Budgets” shall have the meaning set forth in Section 2.7(B).

“Approved Capital Budget” shall have the meaning set forth in Section 2.7(B).

“Approved Operating Budget” shall have the meaning set forth in Section 2.7(B).

“Auditor” means any auditor retained by Owner.

“Bankruptcy Event” when used with reference to any Person, shall be deemed to occur (i) when the Person (A) makes an assignment for the benefit of creditors, (B) files a voluntary petition in bankruptcy, (C) is adjudged bankrupt or insolvent or has entered against it an order for relief in any bankruptcy or insolvency proceeding, (D) files a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, (E) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief or (F) seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of the Person or of all or any substantial part of its properties (other than a fiduciary of a deceased individual’s estate), (ii) one hundred twenty (120) days after the commencement of any proceeding against the Person seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, if the proceeding has not been dismissed, or (iii) ninety (90) days after the appointment without its consent or acquiescence of a trustee, receiver or liquidator of the Person or of all or any substantial part of its properties, if the appointment is not vacated or stayed, or within ninety (90) days after the expiration of any such stay, if the appointment is not vacated.

“Base Management Fee” has the meaning set forth in Section 4.1.

“Blocked Person” means a Person with whom Owner or any of its Affiliates is restricted from transacting business of the type contemplated by this Agreement by reason of the Anti-Terrorism Laws or because such person or entity is subject to sanctions or is included on the OFAC Lists.

“Budgeted NOI” means amounts shown as NOI on Approved Budgets established for the Community by the parties pursuant to the procedure set forth in Section 2.7.

“Business Day” means any day other than Saturday, Sunday, a federal or state legal holiday in the State of Tennessee or any other day on which banks or savings and loan associations in New York are generally not open for business.

“Business Optimization Group” shall have the meaning set forth in Section 2.5(E).

“Capital Expenditures” means capital expenditures with respect to the Community.

“Casualty” means any damage to, or destruction of the Community or improvements or any part thereof from fire, wind, flood or other casualty, or damage resulting from any interruption of utility services as a result of the foregoing which continues for more than twenty-four (24) hours.

“Change of Control Event” shall mean, with respect to any of Owner, their indirect owners, or ultimate parent of each (the “Parent”), whether pursuant to a single transaction or series of transactions, a change of Control the result of which is that the ability of the Parent or Persons directly or indirectly appointed by it to exercise the rights under this Agreement to grant approvals and consents of the Annual Business Plan and resulting Approved Budgets is different than exists on the Effective Date. Owner shall notify Manager in writing promptly upon Owner learning of any events that shall result in a Change of Control Event (a “Change of Control Notice”).

“Change of Control Notice” has the meaning set forth in the definition of “Change of Control Event.”

“Code” means the Internal Revenue Code, 26 U.S. Code Title 26, and any successor statutes and regulations.

“Community Employees” shall have the meaning set forth in Section 2.3.

“Condemnation” means any condemnation or other taking or temporary or permanent requisition of the Community, any part thereof, any interest therein or any right appurtenant thereto, or any change of grade affecting the Community as the result of the exercise of any right of condemnation or eminent domain. A conveyance in lieu or in anticipation of condemnation shall be deemed to be a Condemnation.

“Contracts” means the agreements, contracts and obligations (other than the Leases) now or hereafter in effect and relating to the Community, including third party payor agreements and any leases with physician service or home health care or wellness providers or beauticians occupying a portion of the Community other than Residents.

“Contract Year” means (i) the period beginning on the Effective Date and ending on December 31, 2025, and (ii) each twelve (12) month period thereafter.

“Control” has the meaning set forth in the definition of Affiliate.

“Corporate Allocation Fees” shall have the meaning set forth Section 4.6.

“Discovery Design” means Discovery Design Concepts LLC, a Florida limited liability company and an Affiliate of Manager.

“Discovery Development” shall mean Discovery Development Group LLC, a Delaware limited liability company and an Affiliate of Manager.

“Effective Date” shall have the meaning set forth in the Preamble.

“Emergency Disaster Management Fee” shall have the meaning set forth in Section 4.5.

“Employee Contract” shall have the meaning set forth in Section 2.4(A).

“Extraordinary Expenses” shall mean expenses that are unusual and infrequently occurring, as such terms are interpreted in accordance with GAAP.

“FFE” shall mean furnishings, fixtures and equipment necessary to the operation of the Community.

“Financing” means any financing arrangement with respect to the Community.

“GAAP” means United States generally accepted accounting principles in effect from time to time, consistently applied.

“Governmental Approvals” means all licenses, permits or approvals issued by any Governmental Authority necessary for the operation of the Community.

“Governmental Authority” means any federal, state or local governmental agency or any political subdivision thereof which has or may have jurisdiction over the Community, the operation of the Community, or the provision of services to the Residents.

“Incentive Fee” shall have the meaning set forth in Section 4.2.

“Initial Term” shall have the meaning set forth in Section 3.1.

“Insurance Requirements” means all terms of any insurance policy covering or applicable to the Community and all requirements, orders, rules or regulations of the National Board of Fire Underwriters (or similar agencies) applicable to the Community.

“Interest Expense” means all interest payments due under any Financing.

“Lease” means an agreement with a Resident by which the Resident occupies a portion of the Community.

“Management Fee” shall mean collectively, the Base Management Fee and Incentive Fee.

“Manager Intellectual Property” means any and all of Manager’s proprietary intellectual property, including but not limited to inventions, policies and procedures, designs, processes, trade secrets, trademarks, symbols, logos service marks, domain names, copyrights, and all related documentation, whether or not patentable or registrable, which are used in connection with the operation of the Community. The term “Manager Intellectual Property” shall include all past, present, and future Manager Intellectual Property, whether they are now or hereafter owned by Manager or any of its Affiliates and whether or not they are registered under the laws of the United State or any other country.

“Marketing Plan” shall have the meaning set forth in Section 2.6.

“NOI” shall mean for any period, Total Revenues actually received and collected, less Operating Expenses calculated for such period in accordance with GAAP, as reflected in the financial statements prepared by Manager in accordance with this Agreement.

“OFAC” means the Office of Foreign Assets Control, Department of the Treasury.

“OFAC Lists” means lists of known or suspected terrorists or terrorist organizations published by OFAC.

“Operating Expenses” has the meaning set forth on Exhibit B attached hereto.

“Owner” shall have the meaning set forth in the Recitals.

“Performance Termination Threshold” shall mean [REDACTED] of the NOI Proforma for the Community as set forth on Exhibit F attached hereto for each applicable Contract Year other than 2025 and 2026.

“Performance Termination Threshold Exceptions” shall mean costs which shall be excluded and/or “equitable adjustments” (as approved by Manager and Owner) to Actual NOI and Budgeted NOI to the extent appropriate to account for (i) a material Casualty (but only to the extent insurance proceeds are not sufficient to offset reductions in Total Revenues or to pay for all necessary restoration), (ii) any material Condemnation, (iii) any major renovation or expansion, (iv) unanticipated increases of more than [REDACTED] year over year in real estate taxes or insurance expenses; and (v) Extraordinary Expenses in the Approved Budget (but only to the extent identified in the Approved Budget as relevant to the Performance Termination Threshold Exception) from the calculation of the Community’s NOI in connection with the calculation of a Performance Termination Threshold as expressly set forth herein.

“Person” means any individual, partnership, corporation, limited liability company, trust or other form of business entity or venture.

“Pre-Existing Condition” shall mean any condition, fact, event, or circumstance relating to the Community first arising prior to the Effective Date, but only to the extent relating to the condition, operation or management of the Community prior to the Effective Date and any liability or claims arising therefrom, and not to the extent relating to the condition, operation or management of the Community on or after the Effective Date; provided, however, that notwithstanding the foregoing, the matters identified on the Pre-Existing Condition Exception Schedule shall not constitute Pre-Existing Conditions.

“Property Owner Covenants” shall have the meaning set forth in Section 8.12.

“Proposed Capital Budget” shall have the meaning set forth in Section 2.7(A).

“Proposed Operating Budget” shall have the meaning set forth in Section 2.7(A).

“Requirements” means any law, ordinance, rule or regulation promulgated by any Governmental Authority affecting the Community or the operation of the Community.

“Resident” means any occupant of a living unit within a Community.

“Sale Event” means the bona fide sale or other disposition to an unrelated independent third party pursuant to an arms-length written contract of (i) the Community or (ii) a majority of the membership interests in Owner. Owner shall notify Manager in writing promptly upon Owner learning of any events that shall result in a Sale Event.

“SASA” shall have the meaning set forth in Section 8.12.

“Shutdown Fee” shall have the meaning set forth in Section 4.7.

“STAT Marketing” shall mean Discovery Marketing Group LLC, a Florida limited liability company, an Affiliate of Manager.

“Term” shall have the meaning set forth in Section 3.1

“Total Revenues” means with respect to the Community, all revenues derived from operating the Community and all departments and parts thereof that are actually collected and deposited into the Community’s operating account, including, but not limited to: income (both cash and credit transactions, net of any fee therefor), monthly occupancy fees, service income, all other fees and payments whatsoever received from Residents of the Community; income from food and beverage and catering sales; income from vending machines; and proceeds, if any, from business interruption insurance (but only to the extent it reimburses Owner for lost income and not for additional or other expenses), all determined in accordance with GAAP; provided, however, that Total Revenues shall not include (i) federal, state or municipal excise, sales or use taxes or similar taxes at the point of sale and collected directly from Residents or guests of the Community or included as part of the sales price of any goods or services; (ii) proceeds from the sale of FFE or any other capital asset; (iii) proceeds of any Financing of the Community or any portion thereof; (iv) proceeds of any insurance policy (except loss of income, rental or business interruption insurance as provided above); (v) any Condemnation awards; (vi) proceeds from any sale of the Community or any other capital transaction; (vii) refundable last month’s rents and any cash refunds, rebates or discounts to Residents; (viii) Resident funds on deposit or security deposits until such time as the same are applied to current fees due for services rendered for the Community; (ix) awards of damages, settlement proceeds and other payments received by Owner in respect of any litigation other than litigation to collect fees due for services rendered from the Community; (x) payments under any policy of title insurance; (xi) interest received with respect to amounts deposited in any operating or reserve accounts of the Community, or investment income; (xii) gratuities to any Community Employee; (xiii) management fees or reimbursements paid by Owner to Manager pursuant to this Agreement; (xiv) any tax refunds received by the Community, Owner or Manager with respect to the Community; and (xv) revenue not received in the ordinary course of business consistent with Owner’s past operations.

“Transfer” shall mean, whether voluntarily or by operation of law, directly or indirectly, any sale, conveyance, disposition, assignment, pledge, mortgage, encumbrance, setting over, hypothecating or other transfer.

“Variance Threshold” means with respect to the Community and any Approved Budgets with respect to the Community, an increase in any individual line item of expense set forth in the

then current Approved Budgets of [REDACTED] in any Contract Year without the prior written consent of Owner.

Other terms are defined in the body of this Agreement.

2. MANAGEMENT SERVICES

2.1 *Appointment of Manager.*

(A) Owner hereby designates and appoints Manager as the manager of the Community and, subject to the limitations set forth in Section 2.8, Manager shall have the right and obligation to direct, supervise, and manage the operations of the Community from and after the Effective Date in accordance with the provisions of this Agreement. Manager accepts such appointment subject to and agrees to perform the duties of Manager in accordance with, the terms and conditions of this Agreement.

(B) By entering into this Agreement, Owner does not delegate to Manager any powers, duties or responsibilities that are prohibited by law from being delegated, and subject to this Agreement, Owner shall retain the ultimate legal responsibility for the operations of the Community. However, the parties recognize that the day-to-day management of the Community shall be under the exclusive supervision and control of Manager who shall be responsible for the proper and efficient management of the Community as provided in this Agreement.

2.2 *Duties of Manager.*

Manager shall perform the duties described in (A) through (X) below and Owner hereby grants Manager the authority to perform the indicated services:

(A) prepare the Annual Business Plan for the Community as required by the terms of this Agreement;

(B) prepare and maintain all required documents, records and filings necessary to maintain in effect all Governmental Approvals; implement procedures and programs necessary to maintain in effect Governmental Approvals and materially comply with all Requirements; make regular evaluations of the performance of all departments of the Community sufficient to ensure that the Community is in material compliance with all Requirements and Governmental Approvals; inform Owner immediately upon learning that that the Community is out of compliance with any such Requirement(s) or Approval(s) or that any person or entity has in good faith and reasonably claimed that the Community is out of compliance; and if necessary, implement such procedures as are necessary to keep and/or bring the Community into such compliance;

(C) coordinate the hiring and retention of Community Employees; develop and implement qualitative and quantitative performance objectives for Community Employees; adopt an employee handbook for Community Employees; and supervise, promote, direct, assign and discharge all such Community Employees;

(D) subject to Section 2.8(D), enter into all Contracts necessary for the operation and maintenance of the Community (including, for example, all food, beverage and other supply agreements for third party services to the Residents), in the manner required by this Agreement and consistent with the Approved Budgets for the Community;

(E) maintain accounting, billing, resident and collection systems and records; coordinate the timely issuance of appropriate bills for services and materials furnished by the Community and take such actions as may be reasonably necessary to collect accounts receivable and monies owed to the Community. With the consent of Owner, not to be unreasonably withheld, Manager shall have the right to enforce Owner's rights as creditor under any Contracts or Leases or in connection with rendering any services for purposes of collecting, on behalf of Owner, accounts receivable and monies owed to the Community;

(F) subject to the Approved Budgets develop, prioritize, supervise and conduct a program of regular maintenance and repair of the Community, replacement of FFE, and re-furbishing of and improvements to the Community, and make recommendations to Owner with respect to reserves therefor;

(G) develop and implement a program of recreational activities for the Residents and administer, supervise and schedule all Resident and other services of the Community, including the operation of food, barber, beautician and other ancillary services as applicable;

(H) develop a form of Lease to be approved by Owner, such approval not to be unreasonably denied, and execute all Leases on behalf of Owner, provided that the Leases shall not have a term longer than one year without the prior consent of Owner (unless such longer term is reflected in the Approved Budgets);

(I) develop Resident manuals and satisfaction surveys;

(J) coordinate the orderly payment of the obligations of Owner hereunder, including without limitation, accounts payable, employee payroll, amounts due on indebtedness, taxes and insurance premiums;

(K) institute procedures for charging Residents for services, and for collecting the charges from the Residents or third parties;

(L) develop policy and procedure manuals relating to the operation of the Community, which shall include (i) policies and procedures regarding risk management, documentation and reporting of incidents at the Community as outlined in Exhibit E as may be modified from time to time to provide improvements and enhancements in the procedures and (ii) the creation of "safety committees" to evaluate and monitor any unsafe conditions at the Community;

(M) use reasonable efforts to ensure that the Community is operated in a manner consistent with the best industry standards; acquire or develop, and implement, educational programs, training and workshops for Community Employees which stress the responsibilities of the business conducted at the Community, and develop and maintain programs which encourage and provide incentives for participation in such programs, training and workshops;

(N) obtain and maintain the insurance coverage required under this Agreement and the Owner Lease or by any lender of Financing relating to the Community;

(O) coordinate the payment of any federal, state or local taxes, assessments or other governmental charges imposed on the Community;

(P) subject to Section 2.16, contest by appropriate legal proceedings, diligently conducted in good faith in the name of Owner, the validity or application of any law, ordinance, rule, regulation, order or requirement of any Governmental Authority (including without limitation the validity or amount of any tax or the imposition of any assessment, penalty or charge on the Community);

(Q) subject to the Approved Budgets, coordinate the analysis of the technological needs of the Community and acquisition of hardware, software, accounting, communication and other systems to be located at the Community;

(R) monitor the real estate tax assessments of the Community and the reasonableness thereof in comparison with the assessments of similar properties; advise Owner of any material increase in real estate taxes; consult with, and make recommendations to, Owner concerning the real estate tax assessments of the Community and, as an Operating Expense, take such action with respect thereto as Owner may direct;

(S) promptly, and in no event later than two (2) Business Days from the time Manager learns of any Casualty or Condemnation (or threatened, in writing, Condemnation) provide Owner with information as is then available to Manager; promptly investigate and consult with, and make recommendations to, Owner with respect thereto; make and file (subject to prior review and approval by Owner) a timely written report to the appropriate insurance company as to all occurrences of Casualty as required under the terms of the applicable insurance policy or to any Governmental Authority if required by any Requirements and furnish a final copy of such reports to Owner; obtain estimates for the cost of repairs occasioned by any Casualty;

(T) take such actions as Manager in good faith believes are necessary or appropriate in light of an emergency threatening imminent and immediate personal injury or imminent material physical damage and report such actions to Owner immediately following the taking of same;

(U) Upon reasonable prior written notice to Owner, provide for on-site visits to the Community by senior representatives of Manager as often as Manager deems necessary to ensure that the Community is maintaining the quality of services required hereunder. In such event, Owner may attend such visits at Owner's discretion;

(V) at Owner's request provide all reasonably required information, reports and compliance certificates to the holders of any Financing to the Community;

(W) maintain and administer in the name of Owner all accounts (with Owner have full access rights and signature authority with respect to same) and cause to be maintained all books and records required under this Agreement; and

(X) meet monthly, via teleconference or phone, with Owner's representatives to review the operations of the Community and the implementation of the Marketing Plan (as hereinafter defined) and any proposed significant or material changes thereto.

2.3 *Community Employees.* Manager shall provide all of the personnel needed for the day-to-day on-site management of the Community ("Community Employees"). All Community Employees will at all times be employees of Manager or its Affiliates (not employees of Owner) except as provided in Section 2.4. All Community Employees shall be qualified for their positions by education, training and experience and professional personnel shall at all times be duly licensed as required by all Requirements. Manager shall be solely responsible for screening, training, hiring managing, supervising and discharging all Community Employees and for all compensation, expense reimbursement and other amounts payable to the Community Employees. All costs related to the employment of the Community Employees set forth in the Approved Operating Budget (or if not in the Approved Operating Budget, otherwise approved by Owner in advance in writing) shall be Operating Expenses of the Community, and shall be reflected in the Proposed Operating Budget submitted to Owner; provided, however, that any such costs incurred due to actions or omissions of Manager, which are not in compliance with this Agreement or which are not in the Approved Operating Budget shall not be Operating Expenses of the Community and shall be borne by Manager. If requested by Owner or if required by applicable Requirements, Manager shall consult with Owner in advance with respect to the recruitment, hiring, replacement, promotion or discharge of the Executive Director (other than a "for cause" discharge). Without limiting the foregoing, all compensation, bonuses and commissions structures compensating Community Employees shall be subject to the prior written approval of Owner and only Owner-approved compensation, bonuses and commissions shall be Operating Expenses of the Community.

2.4 *Outsourcing.*

(A) Owner acknowledges that Manager may recommend to Owner, subject to Owner's approval (which approval shall not be unreasonably withheld) and the Approved Budget, that Community Employees be provided to the Community at Owner's expense by a third-party service provider pursuant to a written agreement (the "Employee Contract") with Manager, or Manager's Affiliates. Owner acknowledges that Manager's Affiliates have and may in the future enter into an Employee Contract with a professional employer organization. Notwithstanding any such Employee Contract, as between Manager and Owner, Manager shall be fully responsible for the acts or omissions of such contracted Community Employees to the same extent as Manager is responsible for the acts or omissions of Community Employees employed by Manager directly. Manager shall request Owner's approval to fill a vacancy of a director or manager's position at the Community by utilizing another qualified employee of Manager or Manager's Affiliate. The use, duration of use and costs of using such operational specialist billed to the Community as an Operating Expense shall be subject to Owner's prior written approval.

(B) Manager shall use all appropriate care in the selection of the service provider to the Community under the Employee Contract so that the services provided are consistent with industry standards and the requirements of this Agreement. In selecting the service provider under the Employee Contract, Manager shall use commercially reasonable efforts to competitively bid such services and determine the business reputation of potential service providers and their internal practices in relation to the nature and scope of the services being sought. Manager shall negotiate

the terms of the Employee Contract, consistent with the terms of the Approved Budgets, to ensure that the terms are appropriate relative to the nature of the services, industry standards, and the costs of the services provided. Manager or one of its Affiliates shall enter into the Employee Contract and Manager shall supervise the provision of services under the Employee Contract.

(C) Owner acknowledges that the Employee Contract may require payment of a termination or cancellation fee if the Employee Contract is terminated without cause prior to the expiration thereof. If the Employee Contract is terminated in connection with a termination of this Agreement by Manager under Section 3.2(A) as a result of an Event of Default by Owner, then Owner shall be liable for payment of all termination fees under the Employee Contract. If the Employee Contract is terminated for any other reason, then any termination fees payable under the Employee Contract shall be paid by Manager.

2.5 *Contracts Generally.*

(A) Except as may otherwise be provided herein, Manager shall, as an Operating Expense, in accordance with the Approved Budgets, pay and perform in all material respects on behalf of Owner all of Owner's obligations under the Contracts and use its commercially reasonable efforts to enforce, preserve and keep unimpaired the rights of Owner and the obligations of other parties under the Contracts subject to the limitations set forth herein. Manager shall execute Contracts only in the name of Owner (other than multi-facility contracts in the name of Manager) provided, however, Manager shall obtain Owner's prior written approval (not to be unreasonably withheld) for any Contract or amendment to any Contract that is (i) for a term in excess of one (1) year and requires greater than thirty (30) days' notice to terminate after the first term year, (ii) which involves an expenditure in excess of the amount budgeted therefor or which is otherwise required under Section 2.8(D); (iii) which requires greater than thirty (30) days' prior notice to terminate; or (iv) which would obligate Owner to pay a termination fee, premium or penalty to terminate.

(B) Owner and Manager acknowledge that there may be benefits and efficiencies in entering into Contracts with respect to the Community and other communities managed by Manager, rather than a separate Contract for the Community. Manager shall include in the Proposed Operating Budget and the Proposed Capital Budget submitted to Owner the methodology for equitably allocating the costs under any such Contracts to the Community and such other communities and such allocation shall be subject to Owner's approval. Manager shall develop such methodology using sound management and accounting principles and shall apply it consistently and equitably. Only the allocated cost of such multi-facility Contracts included in the Approved Operating Budget or otherwise approved by Owner in writing in advance shall be an Operating Expense.

(C) Manager shall promptly notify Owner upon learning of any material default or event of default by Manager, Owner or the Contract counterparty under any material Contract. Manager shall consult with Owner concerning the action to be taken with respect to any such default and, as an Operating Expense (except as provided in the following sentence), take such action as Owner shall direct with respect to such default or event of default. Any action taken by Manager pursuant to this subsection as a result of any material default or event of default by Manager under any Contract shall be at the expense of Manager.

(D) Without the consent of Owner which shall not be unreasonably withheld or delayed, Manager shall not with respect to any material Contract (i) take any action, or omit to take any action or give any notice, the taking, omission or giving of which might (1) result in the reduction, release or discharge of any other party's obligations thereunder upon the occasion of any material default by such party under the Contract, or (2) except as permitted in Sections 2.8(B) or (D), result in an expenditure in excess of the budgeted amount set forth in the Approved Budgets, or (ii) to the extent Manager or Owner has such rights, consent to any assignment or other Transfer of rights or obligations thereunder by the counterparty.

(E) Manager shall use commercially reasonable efforts to include in all Contracts, subject to the nature and scope of the goods or services provided under a Contract, (i) a provision requiring such contractors, suppliers and service providers to indemnify and hold harmless Owner and Manager from and against any loss, cost or expense arising out of the negligence, willful misconduct or fraud of such third party or its employees, agents or contractors in connection with the performance of its obligations under such Contracts, (ii) a provision entitling Owner to terminate such Contract without a termination fee, premium or penalty, and (iii) a provision limiting the liability of Owner thereunder to Owner's interest in the Community affected by such Contract and (iv) provide evidence of liability, auto liability and workmen's compensation insurance coverage.

Manager shall not enter into a Contract with an Affiliate of Manager relating to the operation of the Community without the prior written consent or approval of Owner. If Manager proposes to Owner that an Affiliate of Manager provide any services to the Community, such Affiliate must be qualified, licensed where applicable, and experienced in providing the services, the scope of services and the compensation payable to the Affiliate must be consistent with then current market standards and Manager must provide to Owner a description of the services to be provided and the compensation to be paid. Without limiting the generality of the foregoing, Manager shall obtain Owner's prior written consent in accordance with this paragraph to engage STAT Marketing to provide advertising, publicity, social media, web-site and related content and materials for use in the operation and marketing of the Community, the costs for which are charged on a time and material basis. STAT Marketing also utilizes an "informational call center" for communities managed by Manager. Furthermore, upon the prior written consent or approval by Owner, Manager shall engage Discovery Design or Discovery Development to provide ancillary support services to the Community in connection with any renovations, refurbishing and any other improvements to the Community. Additionally, Owner may request that Manager's internal consulting group, an Affiliate of Manager (the "Business Optimization Group"), provide business consulting services pursuant to a business consulting agreement approved in advance by Owner pursuant to this Section. Following receipt of Owner's written request, the Business Optimization Group and Owner shall meet and confer in good faith for the purpose of negotiating a separate business consulting agreement. The business consulting agreement will describe in detail the services, project scope, term, price, and payment terms to be charged for the consulting services. Notwithstanding any provision of this Agreement to the contrary, no amount shall be payable or paid to STAT Marketing, Discovery Design or Discovery Development, an Affiliate of Manager or to any member of the Business Optimization Group, and no amount paid to such parties shall be included in Operating Expenses, unless such amount is expressly stated in the Approved Operating Budget or otherwise approved in writing in advance by Owner.

(F) In making any Contract or purchase hereunder, Manager shall use commercially reasonable efforts to obtain favorable rebates for Owner. All such rebates under any Contract or purchase shall inure [REDACTED] to the benefit of Owner and [REDACTED] to the benefit of Manager. Consistent with the Approved Budgets, and as an Operating Expense, Manager shall make payments under any such Contract or purchase order at such date or otherwise in compliance with such Contract or purchase order to enable Owner to take advantage of any such rebates.

2.6 *Marketing Services.*

Manager shall plan and arrange with STAT Marketing and others as necessary for the creative services, production, type, mix, copy, placement and purchase of the material and media required to implement any marketing plan adopted by Owner (the “Marketing Plan”), which shall include content able to be accessed from the internet. Owner agrees that the Community shall provide space dedicated to the leasing of units within the Community and at Manager’s recommendation, one or more model units, to be furnished as Manager deems reasonably appropriate, subject to availability of model units. All costs related to the Marketing Plan and reflected in the Proposed Operating Budget submitted to Owner and, if specifically delineated in the Approved Operating Budget, shall be Operating Expenses of the Community.

2.7 *Budgets.*

(A) Manager shall prepare and submit to Owner a proposed operating budget (the “Proposed Operating Budget”) and a proposed capital budget (the “Proposed Capital Budget”) (collectively, the “Proposed Budgets”) for the promotion, operation, repair, improvement and maintenance of the Community for each forthcoming Contract Year. The Proposed Budgets shall be in a form reasonably approved by Owner and shall set forth on a monthly basis, in reasonable detail, and include Manager’s good faith estimates of: (i) Total Revenues, Operating Expenses, Interest Expense and cash flow and include comparisons to actual amounts for the preceding twelve months; (ii) the recommended Capital Expenditures and Extraordinary Expenses for such year described in reasonable detail (including, without limitation, a description of proposed construction, including projected dates for commencement and completion); (iii) the recommended expenditures for such year to implement the Marketing Plan; (iv) the cost to complete any significant improvements or refurbishing at the Community; (v) costs relating to pending or threatened suits concerning the Community of which Manager has knowledge; and (vi) such other costs, revenues and information as Owner may reasonably require. Information as to rental and service revenues shall be detailed as to the various categories of services rendered to the Residents. The Proposed Operating Budget shall also include a narrative explanation of anticipated changes to Resident charges, payroll rates and positions, non-wage cost increases, and all other variances from the current Contract Year. In addition, Manager shall provide supporting documentation, which shall be reasonably satisfactory to Owner, for projections regarding expenditures for real property taxes, utility costs, repairs and maintenance, operation of on-site management and/or leasing offices, and anticipated Capital Expenditures, including, wherever reasonably practicable, bids supporting the budgeted cost for Capital Expenditures. The Proposed Budgets for the forthcoming Contract Year shall be delivered to Owner no later than November 1st of each Contract Year for the succeeding Contract Year.

(B) Owner will consider the Proposed Budgets in good faith and then will consult with Manager in order to mutually agree on an operating budget (the “Approved Operating Budget”) and on a capital budget (the “Approved Capital Budget,” and collectively with the Approved Operating Budget, the “Approved Budgets”). Owner will review and accept or reject the Proposed Budgets prepared by the Manager within thirty (30) days after submission to Owner (and if Owner does not accept either of the Proposed Budgets, Owner will specify in detail its objections at the time of its rejection). If Owner fails to accept or reject the Proposed Budgets within the specified time period, such Proposed Budgets shall be deemed rejected. If Proposed Budgets are rejected, then, until Owner and Manager shall agree to the Approved Budgets for such Contract Year, the Approved Budgets in effect for the immediately preceding Contract Year shall constitute the Approved Budgets for such Contract Year, except that (i) any items or portions of the Approved Budgets that have been approved by Owner and Manager shall be substituted for the corresponding items in the preceding year’s Approved Budgets, (ii) with respect to all items of cost and expense that are not within the discretion of the Owner (including, for example, debt service, real property taxes, utilities, costs of compliance with governmental requirements, contractually required increases and all expenditures required under any Lease or Financing documents), the actual amount of each such item shall be substituted for the amount of such item set forth in the preceding year’s Approved Budgets, (iii) with respect to items of Operating Expenses that are within the discretion of the Owner and which have not been authorized in accordance with the terms of the Agreement, each such item of Operating Expenses shall not exceed [REDACTED] of the amount of such items set forth in the preceding year’s Approved Budgets; and (iv) the Approved Budgets shall not include non-recurring Capital Expenditures from the prior year’s Approved Budgets, unless required under the terms of any of the Financing documents or mandated by Requirements or necessary to complete such improvements giving rise to the Capital Expenditures.

(C) As used in this paragraph, “Ordinary Course CapX Project” means any proposed Capital Expenditure the cost of which is estimated not to exceed [REDACTED]; provided that any [REDACTED] 25,000 individually but which are estimated to exceed [REDACTED] in the aggregate shall not be considered an “Ordinary Course CapX Project”. Manager shall be responsible for soliciting bids and providing design services with respect to Capital Expenditures as reasonably appropriate for the scope of each particular project and otherwise in accordance with the standards of practice within this industry. For any Ordinary Course CapX Project or other Capital Expenditure project which is estimated not to exceed [REDACTED] (and which is undertaken with Owner’s approval), at Owner’s written direction, Manager shall provide construction management services as reasonably appropriate for the scope of each such particular project and otherwise in accordance with the standards of practice within this industry and Manager shall not be entitled to any additional fee for such construction management services in connection with any Ordinary Course CapX Project or other Capital Expenditure project which is estimated not to exceed [REDACTED]. If, and to the extent, Manager desires to conduct any Capital Expenditure project that is not an Ordinary Course CapX Project or other Capital Expenditure project which is estimated to exceed [REDACTED] (a “Major CapX Project”), at Owners written direction, Manager will review the feasibility of such project, determine projected costs and potential returns for such project and develop preliminary plans and a corresponding budget. Manager will then provide Owner with a summary package and present such Major CapX Project for formal approval by Owner, and Manager shall not undertake any Major CapX Project without the prior written approval of

Owner. Prior to, or concurrent with, Manager's development of the summary package for any Major CapX Project, Manager and Owner will establish a budgeted amount for Manager's predevelopment period costs, including, but not limited to: wages, travel, third-party architects, zoning, legal and other consultant activities necessary to determine feasibility and to finalize planning required to bring such Major CapX Project to the point of final approval and start of construction. If, and to the extent, the predevelopment planning for a proposed Major CapX Project requires additional funding or continues for a period in excess of the initial expected timeline (which may span a calendar year), Manager will be required to obtain approval of Owner for additional predevelopment work. If approved in writing by Owner, Manager will be entitled to receive reimbursement for predevelopment period project costs that are incurred by Manager or its Affiliates and consistent and in compliance with the approved budget for such predevelopment period project costs in addition to the Management Fees payable to Manager hereunder, and shall be paid within thirty (30) days after submission of written invoice therefor, together with paid invoices and such other documentation as Owner may reasonably require. In addition, if Owner elects in writing for Manager or Manager's Affiliate (rather than a third-party construction manager) to perform construction management services for Major CapX Projects, then Owner shall pay to Manager an additional construction management fee for its construction management services for the costs of Major CapX Projects equal to ■■■ of such actual hard costs incurred in the completion of such Major CapX Project. Manager shall perform all construction management in a manner consistent with best practices for the performance of such services.

2.8 Limitation of Authority of Manager.

Notwithstanding the foregoing provisions, the authority of Manager shall be limited in accordance with the following provisions:

(A) Manager shall not institute nor amend general salary scales, or institute employee benefits other than typical pension and profit sharing plans for key employees and holiday, vacation, personal leave, sick leave and other usual and customary benefits for similarly sized organizations, unless such changes or benefits are (i) approved in advance by Owner, or (ii) reflected in the Approved Budgets.

(B) Manager shall not without the prior approval of Owner, expend any monies not reflected in the Approved Budgets except to with respect to an Approved Budget line item to the extent within the Variance Threshold for said line item.

(C) Manager shall not Transfer the Community, any interest therein, or any asset of ,Owner or borrow money or execute any promissory note or other obligation or mortgage, security agreement or other encumbrance in the name of or on behalf of Owner or the Community.

(D) Manager shall not, without the prior consent of Owner, enter into any contract, agreement or order in the name of and/or on behalf of Owner which, is not reflected in the Approved Budgets, or which is for an amount in excess of the Approved Budget, or which has a term greater than one year inclusive of renewals (unless terminable upon no more than thirty (30) days prior notice without payment of a fee); exceeds the Term of this Agreement unless such extension is addressed in the Approved Budget; requires expenditures by the Community in excess

of [REDACTED] on an annual basis; or provides for a security interest in any personal property or real estate.

(E) Manager shall not, without the prior consent of Owner, purchase, lease or replace any equipment unless such expense is reflected in the Approved Budgets or is within the Variance Threshold, or such replacement is necessary to avoid immediate threat to life or property or cessation of operations at the Community if not purchase or replaced.

(F) Manager may make operating expenditures with respect to cost categories not specifically delineated in the Approved Operating Budget of up to [REDACTED] per expense without the prior approval of Owner. The foregoing is not intended to serve as an exception to the limitation imposed in this Agreement by the Approved Budget and the Variance.

2.9 *Licenses.*

(A) Manager shall manage the Community in a manner necessary to maintain all licenses, permits, consents, and approvals from all Governmental Authorities required for operation of the Community and in substantial compliance with all Requirements. Manager, immediately upon receipt, will provide Owner with a copy of all inspection reports and surveys which pertain to the Community. If deficiencies are noted, Manager shall prepare and submit to Owner a plan of correction for such items.

(B) Except to the extent required by Requirements, neither Owner nor Manager shall knowingly take any action, or fail to take any action, which may cause any Governmental Authority to institute any proceeding for the rescission or revocation of any necessary license, permit, consent or approval required for operation of the Community.

2.10 *Performance of Services by Manager.*

In the performance of its services hereunder, Manager shall discharge its duties reasonably and in good faith, exercising a standard of care, skill, prudence and diligence under the circumstances then prevailing as would be expected of a prudent manager who has a high level of experience and expertise with respect to such matters and in a manner consistent with typical standards for adult residential care facilities, personal care homes or community residential care facilities of like kind and standing in the same market as the Community, and in accordance with all Requirements and Insurance Requirements. Manager shall not be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder for any reason beyond its reasonable control, including, without limitation, when so prevented by reason of any Pre-Existing Condition (but only to the extent Manager has not had a commercially reasonable period of time (not to exceed nine months) following the Effective Date to address such Pre-Existing Condition), strikes, walkouts or other employee disturbances, acts of God, any breach by Owner of its obligations hereunder or Owner's limitation of Manager's ability to expend funds in respect of the Community or any delay in receipt of Owner required approvals beyond the time period set forth herein, but not including Manager's own financial condition. Further, to the extent reasonable, Owner and Manager will each be relying in connection with the operation of the Community on the skill, professional competence and diligence of all consultants and specialists and the quality of the

services provided by them; provided, however that Manager shall be responsible for the oversight and supervision of all such consultants and specialists

2.11 *Compliance with Legal Requirements.*

(A) The parties understand and agree that certain deficiencies or situations of non-compliance with various Requirements (such as building codes, the Occupational Safety and Health Act, the Americans with Disabilities Act, health care regulations and the like) are likely to occur from time to time in the normal course of business operations. Such occurrences will not constitute an independent breach or default by Manager hereunder, provided that, (i) they are not materially beyond the general experience of similar first-class communities located in the same geographic area as the Community in terms of scope, seriousness, or frequency, (ii) Manager takes all reasonable actions in a timely manner (and specifically in the time period, if any, required by Requirements) to cure such deficiencies or situations of noncompliance and (iii) they do not adversely impact the day-to-day operation of the Community. The costs (including any fines for non-compliance) of curing such deficiencies or circumstances of noncompliance shall constitute part of the Operating Expenses. In addition, if any such material costs arise as a result of an action or omission of Manager which is not in compliance with this Agreement, such costs shall not constitute Operating Expenses and shall instead be paid by Manager.

(B) Manager agrees to abide by any and all applicable Requirements, including without limitation, equal employment opportunity statutes, rules and regulations, the Americans with Disabilities Act, and the Occupational Safety and Health Act of 1970, all as may be from time to time modified or amended.

(C) Owner and Manager expressly agree to abide by any and all applicable equal housing opportunity statutes, rules and regulations imposed by all Governmental Authorities, all as may be from time to time modified or amended.

2.12 *Inspections.*

Owner and its representatives shall have the right to enter into and inspect the Community, provided, however, that such inspection shall not unreasonably interfere with the Residents or the business operations of the Community.

2.13 *Annual Business Plan.*

(A) The Manager shall prepare for Owner's approval, no later than November 1 of each Contract Year, the Annual Business Plan for the next Contract Year which shall include the following:

- (i) a narrative description of any activity proposed to be undertaken;
- (ii) the Proposed Operating Budget and the Proposed Capital Budget;
- (iii) a leasing/licensing plan indicating, among other things, recommendations for achieving or maintaining market rentals for Leases and minimum acceptable terms for Leases at the Community; and

(iv) such other information as may be necessary or reasonable in order to inform Owner of all matters relevant to the development, operation and management of the Community or any portion thereof.

(B) The Annual Business Plan will be reviewed, objected to, approved and/or implemented in the same timeframes and subject to and in accordance with the terms of Section 2.7 as if fully set forth in this Section 2.13.

2.14 *Services with Respect to Financing, Community Sales.*

In connection with any potential sale or Financing of the Community, Manager shall cooperate with Owner during the due diligence process, including, but not limited to, performing the following duties and obligations during and after the process:

(A) prepare current rent rolls, copies of Leases, historic income and expense data and such other schedules and materials necessary to offer the Community for sale and respond to due diligence requests of potential lenders and/or buyers;

(B) prepare and provide schedules and support for closing adjustments including revenue and expense prorations and, if necessary, reconciliations of estimated billed recoverable expenses versus actual; and

(C) prepare a final accounting for the sale of the Community and, as necessary, participate in the fieldwork and preparation of the financial statements or audited financial statements necessary in connection therewith.

2.15 *Notices of Licensure and Litigation.*

(A) Promptly upon receipt, Manager will provide Owner with copies of all final surveys, plans of correction and substantiated complaint investigations. Manager shall provide notice to Owner as soon as possible but no later than five (5) Business Days following the commencement of any investigation, inquiry or other governmental review that could interfere with the day-to-day operations of the Community or which may result in nonpayment of Community charges or non-renewal or suspension of any License.

(B) Promptly upon receipt, Manager will provide Owner with copies of any written notice from any Governmental Authority that (i) any material license, permit or approval or authorization to operate the Community has been downgraded or suspended in any material respect, or has been terminated or revoked; (ii) any material noncompliance with any Requirement has occurred with respect to the Community; (iii) any material fine or deficiency has been assessed with respect to the Community; or (iv) any material corrective action has been initiated by any Governmental Authority with respect to the Community.

(C) Promptly upon receipt, Manager will provide Owner with notice of any litigation, fatality, serious injury, property damage valued at [REDACTED] or more, or any proceeding by any Governmental Authority, with respect to the Community, or any claim that may materially damage the reputation of Owner or their Affiliates.

(D) Without limiting the foregoing provisions of this Section 2.15, Manager hereby agrees to make all material written communications with any Governmental Authority or any claimant concerning the Community available for inspection by Owner at any time upon reasonable prior notice.

2.16 *Legal Actions.* With the prior approval of Owner, not to be unreasonably withheld, Manager shall institute or defend, as the case may be, in the name of the Community, Owner and their Affiliates and/or Manager, all actions arising out of the operations of the Community, including but not limited to actions or proceedings to collect charges, third party payments, rents, or other income, or to cancel, modify, or terminate any Lease, license, or concession agreement in the event of breach or default thereof, or to defend any action brought against Owner, and the cost of the foregoing shall be an Operating Expense. With such approval of Owner, Manager shall take actions reasonably necessary to protest or litigate to a final decision in any appropriate court or forum any violation of Requirements affecting the Community. Notwithstanding anything to the contrary contained in this Agreement, after consultation with Manager, Owner shall (i) select counsel and direct the conduct of any litigation, arbitration or other proceeding involving a claim (not being defended by an insurance carrier or in excess of coverage) in excess of [REDACTED] and (ii) have the right to approve the settlement of any claim in excess of such amount, provided any applicable insurance policy allows such approval, and provided, further, that if Owner determines, in its reasonable discretion, that the claim may materially damage the reputation of Owner or their Affiliates, or at any time that legal fees actually incurred in connection with any such litigation, arbitration, or other proceeding are likely to exceed or have exceeded [REDACTED], Owner shall have the right to select counsel and direct the conduct of any litigation, arbitration, or other proceeding (regardless of the amount of the claim) and upon request of Owner. Manager shall cooperate and assist Owner in such proceeding.

2.17 *Cooperation with Community Financing.* Manager shall manage and operate the Community in compliance with all covenants and other terms and conditions of, any Financing to which the Community is subject provided Owner shall have provided copies of applicable documents to Manager. Without the consent of Manager, Owner shall have the right from time to time, directly or indirectly, to create or grant a mortgage or any other type of lien or encumbrance on the Community (the "Mortgage") to secure any borrowing or other financing or refinancing. Manager shall reasonably cooperate in connection with Owner's efforts to obtain any such financing. If required by Owner, Manager shall execute such other commercially reasonable and customary documentation required by the Mortgagee in connection with the financing, including, without limitation, account control agreements, deposit account instructions service agreements, regulatory agreements and subordination agreements, so long as Manager has received written notice of such requirements.

2.18 *Proprietary Materials.*

(A) The systems, methods, procedures, documents, forms, marketing material, marketing ideas and development material and records of Manager or any of its Affiliates, whether or not developed specifically for the Community, shall be and remain the property of Manager or its Affiliates and Owner shall not, at any time during or after the term of this Agreement, use, distribute, disclose, or copy any of such except as authorized by Manager. All operational forms and documents, including, but not limited to, policy and procedure manuals, operational forms, level of care determination systems, management policy books, inspection control manuals, and resident care systems, shall be and remain the property of Manager or its Affiliates. All financial management forms (other than financial report forms delivered to Owner), documents and specific software systems, including, but not limited to, bookkeeping manuals, financial forms, financial spreadsheets, financial accounting packages and outcome information systems, shall be and remain the property of Manager or its Affiliates (but not the financial information contained therein).

(B) Manager shall use the Manager Intellectual Property in the marketing and operation of the Community and shall identify the Community as a “Discovery Senior Living” or “TerraBella Senior Living” managed community with such additional identification approved by Manager and Owner as may be necessary to provide local identification. The name “Discovery Senior Living” or “TerraBella Senior Living” when used alone or in connection with another word or words, like the rest of Manager Intellectual Property shall in all events remain the exclusive property of Manager or its Affiliates (as applicable) and nothing contained in this Agreement shall confer on Owner the right to use any of the Manager Intellectual Property otherwise than in connection with the operation of the Community by Manager. Notwithstanding the above, the Community shall be identified as “The Capstone at Station Camp”. Upon the termination of this Agreement, any use of or right to use any of the Manager Intellectual Property or identification of Manager with respect to the Community shall cease and Manager (at Manager’s expense) shall promptly (and in any event no later than thirty (30) days after such termination) remove from the Community any signs, marketing materials or other items which contain any of Manager Intellectual Property or references to the Manager. If Manager has not removed such signs, marketing materials or similar items within thirty (30) days of the termination date, Owner shall have the right to do so at Manager’s expense.

(C) Notwithstanding the foregoing, if requested by Owner, Manager and/or its Affiliates, as applicable, grant Owner a period of up to thirty (30) days after the termination of this Agreement to “re-brand” the Community. In that regard Owner may use the Manager Intellectual Property (or any portion thereof) during such period solely to the extent necessary to operate the Community in substantially the same manner that Manager operated the Community immediately prior to the termination of this Agreement.

2.19 *Community Data.*

Manager shall own and retain all rights, title and interest to any data or information that is collected, provided by or otherwise received in aggregate form or otherwise, including but not limited to from or on behalf of, directly or indirectly, a Manager Affiliate relating to any employee or contractor thereof) of the Community. In connection with any termination of this Agreement, Manager shall, and Manager shall cause its Affiliates to, transfer employee data, but only to the

extent that such employee data is necessary or customary (in accordance with industry standards) to effectuate the onboarding of those hired employees to the successor operator or manager of the Community, subject only to limitations and restrictions imposed by existing laws and regulations. Owner shall own and retain all rights, title and interest to any data or information that is collected, provided by or otherwise received in aggregate form or otherwise, including but not limited to from or on behalf of, directly or indirectly, Manager or a Manager Affiliate relating the operation of the Community (including any resident thereof), and otherwise in connection with the services provided by Manager.

3. TERM AND TERMINATION

3.1 *Term.*

The term of this Agreement shall be for an initial term of five (5) years (the “Initial Term”) and shall automatically be renewed for a period of one (1) year, unless either Owner or Manager elects not to renew upon at least 60 days prior written notice to the other (the “Term”).

3.2 *Termination.*

This Agreement may be terminated by delivery of written notice of termination (the “Termination Notice”) upon the occurrence of any of the following:

(A) Following an Event of Default (as defined below), by the party not in default which termination shall be effective on the date set forth in the Termination Notice, but not less ten (10) days after the date of the Termination Notice provided, however, such ten (10) day notice shall not constitute a cure period and shall not be required for any Event of Default under Sections 3.3(A), (C), (E), (F) or (H);

(B) By either party

(i) upon the consummation of a Sale Event;

(ii) in the event of a Casualty where the damage is such that Owner is unable to conduct normal operation of the Community for a period of one year or more;

(iii) in the event of a Condemnation which, in the opinion of an independent architect or engineer accepted by both parties, prevents or is likely to prevent the conduct of normal operation at the Community for a period of one year or more, or where substitute property or facilities are unavailable;

(iv) the consummation of a sale of the Community through a foreclosure by the holder of any Financing.

(C) Beginning January 1, 2027, if NOI does not equal or exceed the Performance Termination Threshold (adjusted in accordance with the Performance Termination Threshold Exceptions) for the previous calendar year (a “Performance Failure”), then, except as provided below, Owner shall have the option to terminate this Agreement by providing thirty (30) calendar days prior written notice thereof to Manager, and Owner shall not be obligated to pay any fee or

penalty as a result of such termination. Notwithstanding the foregoing, in the event of a Performance Failure, Manager shall have the right to cure such Performance Failure (and, if cured as provided herein, Owner shall have no right to terminate this Agreement pursuant to this Section with respect to such Performance Failure) by either (i) remitting to Owner in immediately available funds and within fifteen (15) calendar days after the occurrence of a Performance Failure an amount equal to the difference between the Performance Termination Threshold and the Actual NOI with respect to such calendar year (the “Deficiency”); or (ii) agreeing in writing to a reduction in one or more subsequent Base Management Fee payments payable to Manager hereunder in an amount equal to the Deficiency.

(D) Beginning June 1, 2027, by Owner at its convenience, with or without cause, at any time upon sixty (60) days written notice, provided that Owner pays any termination fee payable pursuant to Section 3.4 below.

3.3 *Events of Default.*

The occurrence of any one or more of the following shall be an event of default (“Event of Default”) under this Agreement by the party indicated in each subsection of Section 3.3:

(A) the breach by Manager of any non-monetary covenants or obligations to be performed by Manager under this Agreement and the continuance of such breach without cure for a period of thirty (30) days after receipt by Manager of written notice thereof from Owner specifying such breach; or, if such breach is of a nature that it cannot, with due diligence and in good faith, be cured within thirty (30) days, and provided Manager has commenced such cure within said thirty (30) day period and at all times is diligently pursuing such cure, then Manager shall not be in default hereunder so long as it cures such default within thirty (30) days after the expiration of the original thirty (30) day period, provided that such notice and cure periods shall be provided to the Manager no more than two (2) times in any twelve (12) month period;

(B) Subject to the terms, conditions and procedures set forth in Section 6.6, Owner or Manager fails to pay when due any undisputed amounts owing to the other, which continues for ten (10) business days after written notice thereof is given to the party owing such amount(s), provided that such notice and cure period shall be provided to Owner or Manager no more than two (2) times in any twelve (12) month period;

(C) the occurrence of a Bankruptcy Event as to either Owner or Manager that is not dismissed within thirty (30) calendar days after the commencement thereof;

(D) any act constituting criminal activity, misappropriation or conversion of funds, fraud, theft, willful misconduct, gross negligence, intentional misconduct, or breach or violation of any legal requirement or court order on the part of Manager’s senior officers, and the Community executive director; provided Owner may not terminate this Agreement in the event of the foregoing so long as Manager (i) if applicable, promptly makes a claim against any insurance coverage potentially available for the loss which promptly (within one hundred twenty (120) days after presentation of the claim) insures the entire loss, (ii) promptly pays for any loss (to the extent not covered by available insurance), and (iii) terminates the employment of the offender, or otherwise takes appropriate disciplinary action against such person approved by Owner in its sole

discretion within ten (10) business days after Manager becomes aware of such loss and the identity of the offender;

(E) any act constituting theft, fraud, misappropriation or conversion of funds, willful misconduct or gross negligence on the part of an Community Employee other than the executive director, but only to the extent the same would have been reasonably avoidable by the performance of Manager's obligations under this Agreement and has not committed gross negligence, willful misconduct or fraud in the hiring, training or supervising of such Community Employee (a "Manager Responsible Claim"); provided that Owner may not terminate this Agreement for a Manager Responsible Claim, so long as Manager (i) if applicable, promptly makes a claim against any insurance coverage potentially available for the loss, (ii) intentionally deleted, and (iii) terminates the employment of the offender, or otherwise takes appropriate disciplinary action against such person approved by Owner in its sole discretion within ten (10) business days after Manager becomes aware of such loss and the identity of the offender;

(F) Manager either fails to correct, within the time permitted by any applicable regulatory body, after Manager's receipt of notice thereof, any material conditions which prevent the admission of residents or which disqualify the Community for Medicare, Medicaid and any other government, public or private third-party payment or reimbursement programs for which it has received such payment that is capable of such correction by Manager within such period (or obtain waivers for such conditions to admit residents), or to diligently prepare and promptly implement a plan of correction for any conditions of participation (or ability to admit residents) for which the Community is cited pursuant to any licensure and/or certification survey;

(G) Any regulatory permits or licenses necessary for the continued operation of the Community as a memory care or assisted living facility or necessary to admit new residents or to continuously qualify the Community for Medicare, Medicaid and any other government, public or private third-party payment or reimbursement programs for which it has received such payment, shall have been suspended, permanently revoked or shall have expired without renewal as a result of an act or omission of Manager (unless caused by Owner's breach of its obligations thereunder or for matters outside the control of Manager);

(H) Manager ceases management of the Community for any period, except with Owner's prior written approval; or

(I) Any representation or warranty made by Manager in this Agreement or knowingly made in any certificate delivered in connection with this Agreement proves to be untrue when made in any material respect.

(J) Owner fails to set up Operating Account no later than the Effective Date and such failure continues for two (2) Business Days after receipt of written notice from Manager, except where such failure is due to the action or inaction by Manager.

3.4 *Fees Due on Termination.*

(A) Upon termination during the Initial Term by Owner pursuant to Section 3.2(D), Owner shall pay to Manager a termination fee in an amount equal to the greater of (i) [REDACTED] or (ii) the product obtained by multiplying (a) the average of the Base Management Fee for the three (3) full calendar months preceding the month in which the termination is effective, by (b) three (3) months.

(B) For the avoidance of doubt, no fee shall be due or payable to Manager upon the termination of this Agreement in connection with a Sale Event.

3.5 *Post Termination/Transition.*

Following a termination of this Agreement, Manager shall deliver to Owner (i) all accounting and other records maintained by Manager with respect to the Community, in electronic format where appropriate, (ii) all documents, agreements, Leases and Contracts in Manager's possession or control relating to the Community or the management and operation thereof; (iii) monies owed to Owner and/or held or received by Manager for Owner's account; (iv) the unused inventory of all supplies, materials, tools and equipment used in connection with the management and/or operation of the Community; and (v) all keys to any locks on the Community then in the possession of Manager. Manager shall surrender any space at the Community occupied by Manager. If any permits, licenses or approvals necessary to the operation of the Community have been issued in the name of, or held by, Manager, then Manager shall take all necessary steps to cause such permits, licenses or approvals to be re-issued or assigned to Owner or as directed by Owner or to continuously qualify the Community for Medicare, Medicaid and any other government, public or private third-party payment or reimbursement programs for which it has received such payment. Upon a termination or the expiration of this Agreement, Manager shall have the right to remove or delete from any and all hardware owned by Owner any and all software owned or licensed by Manager and Owner shall return to Manager any and all copies of any and all such owned or licensed software and all Manager's proprietary materials in Owner's possession, but with respect to the foregoing, only after Manager or Owner has transferred any data and files pertaining to the Community or Owner to another program or electronic storage device (as directed by Owner). For a period not exceeding sixty (60) days following the termination of this Agreement, Manager shall timely and in good faith cooperate with Owner and the incoming manager to provide for an efficient and orderly transition of the management of the Community and, if requested, Manager shall enter into a commercially reasonable operations transfer agreement with the incoming manager. Without regard to Section 8.15, at the termination or expiration of this Agreement, Manager shall permit Owner to hire or cause its replacement manager to hire all Community Employees, but only if such hiring is effective as of the first day following the termination or expiration hereof; provided that if any Community Employees do not desire to be employed by Owner or its replacement manager, Manager may hire such employees, but shall not contact such employees until Manager confirms with Owner that such employees do not desire to be employed by Owner or its replacement manager. At all other times, the provisions of Section 8.15 shall be applicable.

4. MANAGEMENT FEES

4.1 *Base Management Fee.* Manager shall receive as compensation for its services as Manager a monthly management fee (the “Base Management Fee”) equal to the greater of (A) [REDACTED] of Total Revenue actually received and collected for such month and (B) [REDACTED]. The Base Management Fee is due and payable in arrears on the tenth (10th) day of each month for the prior month. For any partial month, Manager shall be entitled to the Base Management Fee prorated for the period of days for which Manager’s services have been provided.

4.2 *Incentive Fee.* In addition to the Base Management Fee, and provided that Manager is not in default of an obligation under this Agreement beyond the expiration of any notice and cure period expressly stated in this Agreement, Owner shall pay Manager an amount with respect to each Contract Year after 2025 equal to [REDACTED] ([REDACTED]) of any positive difference between Actual NOI, calculated on an annual basis, and Budgeted NOI (the “Incentive Fee”). The Incentive Fee shall be payable on or before March 31 first following the end of the applicable Contract Year based upon the Owner approved financial statements for the Community. The Actual NOI and Budgeted NOI shall be equitably adjusted in accordance with the Performance Termination Threshold Exceptions.

4.3 *Intentionally omitted.*

4.4 *Intentionally omitted.*

4.5 Emergency Disaster Management Fee

Emergency Disasters include such events such as wildfires, floods, winter storms, hailstorms, earthquakes, tornados, hurricanes and/or other Community related fires or flooding. Disaster Management comprises: (i) on-site corporate support during the disaster as well as disaster preparation and post-disaster support to include but not be limited to management coverage, securing the asset, staffing coordination and coverage, resident communication, resident and team member safety protocol management, service delivery coordination, internal and external communication, remediation/reconstruction coordination, vendor management, insurance claim coordination, restocking of supplies and spend tracking and reporting; and (ii) resident evacuation and return support including but not limited to general evacuation management, transportation and chaperone coordination, packing of supplies (loading and unloading), transportation of residents to and from locations, coordination of receiving community/hotel, internal and external communication, vendor readiness management, evacuation supply readiness and delivery, securing of evacuated community, resident care execution in host community, food and medication coordination and leadership bonuses and/or hardship pay (the foregoing being referred to as “Emergency Relief Services”). Owner shall pay Manager a fee for Emergency Relief Services performed by Manager (the “Emergency Disaster Management Fee”) equal to only the following amounts: (i) [REDACTED] an hour per corporate team member for time spent performing Emergency Relief Services; (ii) [REDACTED] an hour per corporate team member for time spent performing Emergency Relief Services during off business hours (i.e., between 5:00 p.m. and 9:00 a.m., excluding sleeping time); (iii) travel cost reimbursement; and (iv) evacuation and return single flat fee (i.e., the fee is for the Facility and not per Resident) as follows:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

4.6 *Corporate Allocation Fees.*

If and to the extent expressly included within the Approved Budget, as a separate line item:

Centralized Billing: If included in the Approved Budget, Manager shall be entitled to [REDACTED] for each monthly resident billing attributed to the Community to be paid in the aggregate no less than on a monthly basis.

Human Resources: If and only if included in the Approved Budget, Manager shall be entitled to a fee of [REDACTED] attributed to the Community to be paid in the aggregate no less than on a monthly basis.

Call Center: Manager shall be entitled to receive compensation commensurate with the approved budget for the use of Manager's call center attributed to the Community to be paid no less than on a monthly basis.

Legal/regulatory: Manager shall be entitled to receive a fee in the amount of [REDACTED] a month for services including but not limited to: managing and/or supervising discharges and evictions; providing regulatory support such as reviewing plans of corrections and appeals; monitoring licensing renewals; negotiating 3rd party contracts; managing claims whether property, professional or general liability such as negotiating with residents or their responsible parties and drafting releases; litigation management such as responding to subpoenas, drafting litigation holds, reviewing formal answers, motions and discovery, time spent attending mediations, monitoring outside counsel and engaging with insurance adjusters; providing risk management oversight and general operation field support. Nothing contained within this provision and associated fee prohibits Manager from utilizing local counsel when deemed necessary and prudent and any such expense shall be in addition to the monthly [REDACTED] fee referenced above and shall be an Operating Expense. Owner shall have the right to reasonably approve each local counsel retained for such purposes, including with respect to legal/ethical conflicts.

Notwithstanding any provision of this Agreement to the contrary, Owner shall have no obligation to pay or reimburse Manager for, a Corporate Allocation Fee, and no Corporate Allocation Fees paid shall be included in Operating Expenses, unless such specific Corporate Allocation Fee is expressly stated in the Approved Budget or otherwise approved in writing in advance by Owner.

4.7 *Shutdown Fee.* Manager shall be entitled to a fee (the “Shutdown Fee”), in the amount of [REDACTED] per month for up to four (4) months, beginning on the earlier of (a) the date on which Owner or Manager (at Owner’s written direction) sends written notice of voluntary license forfeiture to the licensing authority governing the operations of the Owner’s license to operate the Community, or (b) the date in which Manager, at the written direction of Owner (and solely upon receipt of such direction from Owner), formally notifies the residents, employees, and/or vendors in writing that Owner intends to close the Community. Manager will assist with any shutdown activities up to a maximum of four (4) months. The Shutdown Fee shall be paid in the same manner as other fees payable to Manager under this Agreement. Notwithstanding any provision of this Agreement to the contrary, Owner shall have no obligation or liability to pay the Shutdown Fee if the events referenced in subclauses (a) or (b) of this Section are caused by Manager or occur as a result of a material breach by Manager of an obligation of Manager arising under this Agreement.

5. INSURANCE/INDEMNIFICATION

5.1 *Insurance to be Maintained.*

(A) Manager and Owner shall discuss the nature, scope and availability of various insurance coverages for the Community from time to time and in particular whether certain coverages are available at commercially reasonable costs. As of the Effective Date, Manager shall procure and maintain in effect insurance with respect to the Community against such risks as are customarily insured against with respect to businesses of like size and type as the Community and as detailed on Exhibit D attached hereto, which shall comply with all Insurance Requirements or any more stringent requirements of the Owner. All insurance placed by Owner shall name Manager, and its parents as additional insureds; and all insurance placed by Manager shall name Owner, its affiliates and such other parties identified by Owner as additional insureds. Except as expressly set forth in this Agreement, the cost of all insurance shall be part of the Operating Expenses. Manager shall secure certification of such insurance for the Community and shall deliver copies of such certificates to Owner at their request and shall maintain the original of all such policies.

(B) *Vendor and Contractor Insurance.* Prior to commencement of any work or service Manager shall request and obtain using commercially reasonable efforts to require that other parties (such as but not limited to vendors, contractors, sub contractors, etc.) performing work or service on premises to evidence General liability, auto liability, Excess/Umbrella Liability ([REDACTED] workers’ compensation, and professional liability (if applicable) insurance coverage (in amounts consistent with industry standards), if appropriate in relation to the nature and scope of the goods and services provided under a Contract, which insurance shall name the Manager and Owner as additional insureds on general liability and auto liability policies on a primary and non-contributory basis General Liability, Auto Liability and workers’ compensation policies shall include a waiver of subrogation in favor of Owner. Manager shall require any service

provider under a Contract to maintain such insurance if employees or contractors of the service provider will be on site at the Community in performing the services.

5.2 *Indemnification.*

(A) Manager shall defend, indemnify and hold Owner and its respective members and all entities having an indirect ownership interest in , Owner and their respective managers, officers, directors, agents and employees, successors and assigns (the “Manager Indemnified Parties”), harmless from and against any and all actions, suits, claims, penalties, losses, liabilities, damages and expenses (collectively “Manager Indemnified Claims”) to the extent arising from or in connection with any (i) failure of Manager to observe and/or perform its duties and obligations hereunder which continues beyond any cure or grace period or (ii) willful misconduct, malfeasance, gross negligence or fraud of the Manager, or any of its Affiliates and their respective employees, officers or members in managing or operating the Community, except in each instance to the extent caused by the negligence or willful misconduct of any indemnified party or any action of such indemnified party that bars Manager from enforcing any applicable coverage under policies of insurance held by Manager, but only if such indemnified party was aware of such bar prior to taking such action. The scope of the foregoing indemnities includes any and all costs and expenses incurred in connection with any proceedings to defend any indemnified claim, or to enforce the indemnity, or both. For the avoidance of doubt, for purposes of this Section 5.2(A), the willful misconduct, malfeasance, gross negligence or fraud of any individual Community Employee shall be considered the willful misconduct, malfeasance, gross negligence or fraud of Manager if Manager or its Affiliates (i) has actual knowledge that the same event is committed by the same Community Employee two or more times or by multiple Community Employees three or more times or (ii) such willful misconduct, malfeasance, gross negligence or fraud is the result of Manager’s grossly negligent screening, hiring, training, or supervision of the applicable Community Employee to the extent the losses resulting therefrom are covered by policies of insurance maintained by Owner or Manager.

(B) Owner shall defend, indemnify and hold Manager and its members, managers, officers, agents and employees, successors and assigns, harmless from and against any and all actions, suits, claims, penalties, losses, liabilities, damages and expenses (collectively “Owner Indemnified Claims”) arising from or in connection with any (i) failure of Owner to observe and/or perform its duties and obligations hereunder; or (ii) claim asserted against or sustained or incurred by Manager in the proper and timely performance (subject to any and all cure rights and grace periods) of Manager’s obligations expressly stated in this Agreement, except in each instance to the extent caused by the gross negligence, malfeasance, fraud or willful misconduct of any indemnified party, any failure of Manager to observe and/or perform its duties and obligations hereunder or any action of such indemnified party that bars Owner from enforcing any applicable coverage under policies of insurance held by Owner, but only if such indemnified party was aware of such bar prior to taking such action.

(C) The indemnification contained in this Section shall be in addition to, and not in limitation of, any other rights and remedies available to either party under this Agreement, or otherwise, and shall survive any termination of this Agreement. Recovery upon an indemnity contained in this Agreement shall be reduced dollar for dollar by any applicable insurance collected by or paid on behalf of Owner or Manager.

(D) Owner and Manager (each as to the other, the “Indemnitor”) shall reimburse the other (each as to the other, the “Indemnitee”) for any legal fees and costs, including, without limitation, reasonable attorney’s fees and other litigation expenses, reasonably incurred by Indemnitee in connection with investigating or defending against Claims (as defined below) with respect to which indemnity is provided hereunder. If Claims are asserted or threatened, or if any action or suit is commenced or threatened with respect thereto, for which indemnity may be sought against Indemnitor hereunder, Indemnitee shall notify Indemnitor in writing within 24 hours after Indemnitee obtains actual knowledge thereof, which notice shall specify in reasonable detail the matter for which indemnity may be sought. Indemnitor shall have the right, upon written notice to Indemnitee, to take primary responsibility for the prosecution, defense or settlement of such matter, including the employment of counsel chosen by Indemnitor with the approval of Indemnitee (unless the applicable insurance provisions do not allow selection of counsel), which approval shall not be unreasonably withheld. Indemnitee shall reasonably cooperate with Indemnitor and its insurers. Indemnitee shall have the right to employ its own counsel in any such matter with respect to which Indemnitor has elected to take primary responsibility for prosecution, defense or settlement, but the fees and expenses of such counsel shall be the expense of Indemnitee; provided, however that if Indemnitor does not promptly undertake the defense of the matter, Indemnitee may do so with counsel of its choosing and the fees and expenses of its counsel shall be the expense of the Indemnitor. As used in this paragraph, “Claims” shall refer generally to Manager Indemnified Claims or Owner Indemnified Claims, as appropriate.

6. BOOKS, RECORDS AND ACCOUNTS

6.1 *Reports.*

(A) Weekly and Monthly Reports. Manager shall deliver to Owner (x) a weekly sales report in a form reasonably requested by Owner by the second (2nd) business day following the end of each week, and (y) the following statements and reports for the Community prepared in accordance with GAAP applied consistently from period to period by the tenth (10th) calendar day of the month:

(i) Balance sheet and month-to-date and year-to-date income statement (i.e., profit and loss statement) in Microsoft Excel format or YARDI, to the extent compatible with Excel, with year-to-date figures reported on a per-month and aggregate basis; including profit and loss budget variance detail, profit and loss variance summary, profit and loss current prior detail and profit and loss current prior summary;

(ii) Revenues, Operating Expenses, and NOI;

(iii) Trial balance with 3 columns (balance forward, net debits/credit, and ending balance in Microsoft Excel format), including year-to-date;

(iv) General ledger daily activity detail in excel leasing report detailing leasing activity and vacancy report.

(v) All balance sheet reconciliations, preferably in Microsoft Excel;

(vi) Fixed asset additions;

(vii) Commercial tenant rent roll;

(viii) A report of daily census for the month by acuity type, beds and units, and payor source (both CSV and excel format); and a trailing twelve month rolling report of same;

(ix) An operational and capital expenditures variance report (i) indicating revenue shortages or expense overages of greater than (A) [REDACTED] relative to the Approved Budgets, and (B) [REDACTED] per department category; each as reported on a total department category basis; and (ii) including an explanation(s) of such variances in operational and capital expenditures;

(x) Marketing report setting forth (A) statistics and trends related to sales and marketing, and by way of example, leads, tours and conversions, including, without limitation, marketing statistics and trends, number of new leads generated for the month, number of initial tours conducted during the month, number of new move-ins for the month, new leads/initial tours by percentage, initial tours/new move-ins by percentage, and new leads/new move-ins by percentage, and (B) a list of sales concessions and rent modifications, including, without limitation, the number and amount of short-term incentives (one-time concessions) and the number and amount of rent discounts (rent modifications);

(xi) Rolling cash flow projection through the end of the then-current fiscal year;

(xii) Capital expenditure reconciliation to the Approved Capital Budget;

(xiii) Disclosure of any material communications with regulatory agencies and state surveys;

(xiv) Equity intercompany reconciliation;

(xv) Most-recent sales tax and personal property tax filings, if and as applicable, with the monthly reporting submittals;

(xvi) Monthly manager's report consisting of a verbal update as to major variances to budget, changes in trial balances, and commentary on occupancy, revenue and expense, and capital expenditures;

(xvii) To the extent not included in the above:

Aging Report

State Aging Report

Deposits Report

Resident Ledgers

Monthly Move In/Move Out Report (by reason)

Delinquency Report (showing action items/steps toward collections from private resident and state Medicaid)

Revenue Journal

Statement of Operations Detail

Statement of Operations Summary
Aged Receivable Report
Aged Payable Report
Bank Reconciliation Report
Management Fee Reconciliation, if requested by Owner
Detailed backup for any reimbursable payment to Manager;
Level of Care (LOC) Audit with Loss to Care Report
Litigation and insurance claims report
Average Daily Occupancy & Census Report
Trailing Twelve Month (TTM) Rolling Census Report
Occupancy Report (ownership provided template); and

(xviii) Any other information or report relating to the Community reasonably requested by Owner, the cost of which shall be treated as an Operating Expense.

(B) Quarterly Reports. In addition to the monthly reports noted in Section 6.1(A), Manager shall prepare and deliver to Owner the following reports consistent with GAAP to be submitted to Owner by the twentieth (20th) calendar day after the end of each March, June, September and December, except for the check register noted in (i) below which should be submitted as noted:

(i) Invoice or payables register from the first calendar day of the subsequent month to search for unrecorded liabilities to be submitted by the thirtieth (30th) calendar day after the end of each March, June and September and to be submitted by the thirtieth (30th) and sixtieth (60th) calendar day after the end of December;

(ii) Management status reports of the Community;

(iii) An operational and capital expenditures variance report indicating revenue shortages or expense overages of greater than [REDACTED] relative to the Approved Budgets, which shall be reported on a total department category basis;

(iv) Certification of the quarterly reports by an officer of the Manager as being true and accurate in all material respects; and

(v) A matrix setting forth for all Community employees their position and salary/hourly data;

(vi) Balance sheet reconciliations for other assets and liabilities (i.e., other A/R, prepaid expenses, accrued liabilities, etc.);

(vii) Operating statements reflecting any variance in operations between the then-current fiscal quarter and the immediately preceding fiscal quarter and any variance in operations between the then-current fiscal quarter and the same fiscal quarter in the immediately preceding fiscal year; and

(viii) Competitive Market analysis (CMA) with Loss to Lease.

If due to extraordinary circumstances, Manager identifies expenditures after the last day of the month which are in fact properly chargeable to that month, but which are not reflected on statements submitted pursuant to this Section 6.1, Manager shall promptly notify Owner of said expenditures if deemed material by Manager. All statements required by this Section 6.1 shall be prepared in accordance with GAAP.

(C) Annual Reports. In addition to the monthly and quarterly reports noted in Section 6.1(A) and (B), Manager shall prepare and deliver to Owner the following reports consistent with GAAP to be submitted to Owner by January 31 of year:

- (i) GL Detail Activity Report – year-to-date;
- (ii) Asset Living – Annual (listing that would be utilized on Personal Property Tax Rendition);
- (iii) Fixed asset additions and Depreciation Schedule; and
- (iv) Proof of payment for ad valorem taxes, other property taxes and sales and use taxes.

6.2 *Tax Matters Reporting.*

Manager shall work with Owner’s accountants and cooperate in the preparation of Owner’s tax returns including, but not limited to, supplying necessary information for preparation of such tax returns. The tax returns will be prepared by Owner or its accountants and any costs of preparation and filing of the tax returns will be borne by Owner. Upon request by Owner, Manager shall complete all tax related surveys and questionnaires which Owner may require.

6.3 *Accounting Policies and Procedures.*

Manager shall maintain a reasonable system of office records, books, and accounts for the Community in accordance with GAAP and all accounting records shall be kept and maintained by Manager under this Agreement on a recognized database/accounting application program, as approved by Owner and in accordance with Owner’s requirements for documenting and testing accounting records and processes. Manager shall prepare all reports in accordance with GAAP and otherwise comply with Owner’s accounting policies and procedures as reasonably adopted from time to time and as to which Manager has been advised in writing.

6.4 *Certificates.*

The financial performance information set forth in the quarterly, monthly and annual reports shall be certified by the Chief Financial Officer or any Senior Vice President of Manager or any entity which directly or indirectly owns Manager.

6.5 *Operating Accounts/Disbursements.*

(A) All money received by Manager in the operation of a Community shall be deposited in a bank account in the name of Owner that includes the name of the Community (the “Operating

Account”). The Operating Account shall, in addition, be maintained in accordance with any other requirements of the holders of any Financing of which Manager has been advised in writing, and if required, Manager shall establish a lock box arrangement for receipts due the Community. The funds deposited in the Operating Account shall be the property of Owner and shall not be commingled with other funds of Manager.

(B) Manager shall make disbursements out of the Operating Account first, to pay all obligations accruing with respect to any Financing, and then to pay all Operating Expenses and other expenses expressly permitted under the terms of this Agreement for the Community, including without limitation the Management Fee payable under Section 4.1.

(C) Manager shall distribute to Owner excess cash flow from operations of the Community, taking into account the Approved Budgets, anticipated expenditures and reasonable cash reserves, on a monthly basis, no later than the 20th day of each calendar month.

(D) Manager shall not be obligated under this Agreement to advance any of Manager’s own funds for the account of Owner, nor to incur any liability unless Owner shall have furnished Manager with funds necessary for the discharge thereof. Owner shall create an Operating Account no later than the Effective Date. In the event that funds in the Operating Account are not sufficient to pay the Operating Expenses and any other obligations of Owner hereunder, Manager shall provide Owner with written notice of the shortfall. Unless the requested amount is disputed (as described below), Owner shall deposit sufficient funds in the Operating Account not less than ten (10) days thereafter. If Owner shall fail to create said Operating Account or timely make any deposit, Manager may advance funds on behalf of Owner and such advance shall be repayable with interest at the rate specified in Section 8.10 from the revenues to the Community in parity with Operating Expenses, at Manager’s option.

6.6 *Audits.* Owner shall have the right to audit, examine, and make copies of books of account maintained by Manager hereunder which audit or examination may cover any time period, at Owner’s discretion, as an Operating Expense. Such rights may be exercised through any agent or employee designated by Owner or by an independent public accountant or auditor designated by Owner. At Owner’s request, Manager shall promptly locate any and all books of account and other records maintained by Manager at Manager’s corporate office. Manager shall be entitled to [REDACTED] per audit as compensation for its assistance, provided such requests are more than de minimis and related solely to the Community. In the event of any such audit, the final accounting shall be controlling over any interim accountings and the parties agree to cooperate with auditors and promptly make any necessary corrective financial adjustments determined by any such audit. Manager shall not be compensated for its time in correcting any accounting method deficiencies and/or errors disclosed by Owner’s audits.

6.7 *Additional Reports.*

(A) Upon Owner’s reasonable suspicion or concern, Owner shall have the right to periodically, but not more often than bi-annually (unless the Community has been cited during the preceding nine (9) months with repeat alleged deficiencies of Requirements relating to the Community which Owner believes could have a negative impact on the licensure of, or reimbursement to, the Community) cause a consultant engaged by Owner to perform a “mock

survey” or similar review and assessment of the Community for purposes of assuring that Manager is in compliance with applicable Requirements relating to the Community. In the event such review and assessment reveals conditions which such consultant reasonably believes will lead to a ban on admissions, suspension, termination, cancellation, or revocation of any operating license, a material fine or other monetary penalty, or exclusion from any payment or reimbursement program, Manager shall reimburse Owner for all costs incurred by Owner in the engagement of such consultant, subject to the Manager’s right to challenge such findings of the consultant.

(B) Upon Owner’s prior written request not more than one (1) time per calendar year, Manager shall complete annual employee and resident satisfaction surveys using an independent third-party provider recommended by Owner, the cost of which shall be an Operating Expense. Manager shall share the results of such surveys with Owner.

(D) Notwithstanding the foregoing, time and reasonable expenses related to Manager’s work and cooperation under this Section 6.7 shall be classified as Performance Termination Threshold Exceptions and shall be excluded from the calculation of the Community’s NOI in connection with the calculation of a Performance Termination Threshold.

(D) Manager shall prepare any other reports reasonably requested by Owner and customarily prepared in the industry or that are necessary to comply with the terms of any Financing or the Owner Lease, within the time frames specifically set forth in such documents or such other reasonable request.

6.7 *Owner Assistance.* Owner will reasonably assist Manager with Manager’s development of those systems necessary to adhere to the reporting requirements of this Agreement. Any costs and expenses incurred in connection with the preparation of any statements or reports not specifically required hereunder shall be borne by the Owner; provided however, Owner may contract with Manager to perform additional reporting and analysis at then current and reasonable hourly rates, which are subject to change from time to time. The initial rate for the additional reporting and analysis shall be [REDACTED]

7. REPRESENTATIONS AND WARRANTIES

7.1 *Representations and Warranties of Manager.*

Manager hereby represents and warrants to Owner as follows:

(A) Organization/Authority. Manager is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and duly authorized to conduct business in the State where the Community is located. Manager has full power and authority to enter into this Agreement and to perform its obligations hereunder. The execution, delivery and performance of this Agreement by Manager have been duly authorized by all necessary action on the part of Manager. This Agreement is the legal, valid and binding agreement of Manager.

(B) Non-Contravention. Neither the execution and delivery of this Agreement by Manager nor the performance of its obligations hereunder will constitute a default under the organizational documents of Manager, any material agreement or other restriction to which

Manager is a party, or any law, statute, rule, judgment, order or decree to which Manager is subject, other than, any such default that would not result, or reasonably be expected to result, individually or in the aggregate, in a material adverse effect on Manager. Consummation by Manager of the transactions contemplated by this Agreement does not require any authorization, consent or approval which has not been obtained as of the Effective Date.

(C) Litigation. There are no actions, suits or proceedings or court orders or decrees pending or, to the knowledge of Manager, threatened in writing against Manager, which would reasonably be expected to prevent or hinder Manager's performance of its obligations hereunder.

(D) Licenses. To the extent required by any Governmental Authority, Manager holds in its name those licenses and permits required to be issued to a Person acting in the capacity of a manager of the Community (as opposed to in the name of an Owner, owner or the Community) necessary for the performance of its obligations hereunder.

(E) No Exclusion. Neither Manager nor, to its knowledge, any of its or employees or owners are excluded, or have been debarred or suspended, from participation in any federal health care programs, as defined under 42 U.S.C. 1320a-7b(f), or any form of state Medicaid program (each, an "Exclusion").

7.2 *Representations and Warranties of Owner.*

Owner represents and warrants to Manager as follows:

(A) Organization/Authority. Owner is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and duly authorized to conduct business in the State where the Community is located. Owner has full power and authority to enter into this Agreement and to perform its obligations hereunder. The execution, delivery and performance of this Agreement by Owner have been duly authorized by all necessary action on the part of Owner. This Agreement is the legal, valid and binding agreement of Owner.

(B) Non-Contravention. Neither the execution and delivery of this Agreement by Owner nor the performance of its obligations hereunder will constitute a default under the organizational documents of Owner or any material agreement or other restriction to which Owner is a party.

(C) Litigation. There are no actions, suits or proceedings or court orders or decrees pending or, to the knowledge of Owner, threatened in writing against Owner, which would reasonably be expected to prevent or hinder Owner's performance of its obligations hereunder.

8. MISCELLANEOUS

8.1 *Confidentiality.*

Manager acknowledges that, in the course of performing the services hereunder, Manager will be privy to Confidential Information of Owner. Manager shall not use or disclose such Confidential Information to any third party other than as required to perform its obligations hereunder. Similarly, Owner may learn certain Confidential Information of Manager and Owner

shall not use or disclose such Confidential Information to any third party other than as required to perform its obligations hereunder. "Confidential Information" shall include information not generally known in the business community, including, but not limited to, client names, customer lists, means and methodologies, business plans, costs and income, accounting and billing procedures, other records, trade secrets, reports, budgets and other financial information, the acquisition, installation and utilization of equipment and procedures and the like, and, with respect to Manager, Manager's methodology, processes, operational and training manuals, programs and know how. Confidential Information shall not include any information that (a) is or becomes publicly known through no wrongful act of either party; (b) is obtained from a third party lawfully in possession of such information and having the legal right to transmit the same or (c) is lawfully required to be disclosed to any governmental agency or is otherwise required to be disclosed by law, provided that before making such disclosure each party shall give the other party an adequate opportunity to object or take action to assure confidential handling of such information. In addition, Confidential Information may be disclosed (A) to any financial advisors, other professional advisors, current or prospective investors, prospective purchasers, replacement managers/Owners, permitted assignees and current or prospective lenders of a party or any of its Affiliates who agree to hold confidential such information substantially in accordance with this Section 8.1 or who are otherwise bound by a duty of confidentiality to such disclosing party, except that Manager Confidential Information may not be shared with any prospective purchaser of the Community or any prospective manager of the Community without the express written consent of Manager; (B) in any public announcement generally describing the matters contemplated herein in connection with regular public filings (e.g., a quarterly earnings report or a press release in conjunction therewith); (C) in any public announcement approved by both parties hereto; (D) as necessary or appropriate in connection with the resolution of any disputes between the parties hereunder; and (E) as expressly consented to in writing by the other party. Owner hereby consents to Manager's disclosure of the revenue and occupancy rates of the Community to Manager's current lender pursuant to the existing loan documents with respect to any financing maintained by Manager; provided that such lender agrees in writing to maintain the confidentiality of such information.

8.2 *Binding Agreement.*

The terms, covenants, conditions, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

8.3 *Relationship of Parties.*

Nothing contained in this Agreement shall constitute or be construed to be or to create a partnership, joint venture or lease between Owner and Manager with respect to the Community. The relationship of Manager to Owner under this Agreement is that of an independent contractor, not that of an agent and nothing contained herein shall be construed to create a relationship of agency between Manager and Owner.

8.4 *Notices.*

All notices to be given hereunder shall be given in writing and shall be deemed given (i) when delivered by personal delivery, (ii) on the next business day following delivery to a nationally

recognized overnight courier for delivery on the next business day or (iii) when delivered after mailing by U.S. certified mail with postage/cost prepaid, and delivered or addressed:

To Owner: c/o MedCore Partners, LLC
12377 Merit Drive, Suite 500
Dallas, Texas 75251
Attn: Jordan Sibley
Email: jsibley@medcorepartners.com

To Manager: TerraBella Senior Living LLC
3461 Bonita Bay Blvd. #100
Bonita Springs, FL 34134
Attention: Kellee Falin
Email: kfalin@terrabellaseniorliving.com

Copy to: 3461 Bonita Bay Blvd. #100
Bonita Springs, FL 34134
Attention: Tim Cesar, General Counsel
Richard Hutchinson, CEO
Email: tcesar@discoverymgt.com
rhutchinson@discoverymgt.com

Either party hereto may change the address for notices hereunder by giving notice of such change to the other party in the manner set forth herein.

8.5 *Designated Representative.*

Whenever any consent, approval or other action of Owner is required or permitted hereunder, such consent, approval or other action shall be effective if given or taken by Brian Bollich on behalf of Owner. Whenever any consent, approval or other action of Manager is required or permitted hereunder, such consent, approval or other action shall be effective if given or taken by Kellee Falin, Richard Hutchinson or Thomas Costello. Owner and Manager may designate other persons to act on their behalf by written notice to the other party as provided herein.

8.6 *Entire Agreement.*

This Agreement contains the entire agreement between the parties hereto, and no prior oral or written agreements between the parties with respect to the subject matter of this Agreement shall be of any force and effect. Any additions, amendments or modifications to this Agreement shall be of no force or effect unless in writing and signed by both Owner and Manager.

8.7 *Governing Law/Venue; Waiver of Jury Trial.*

This Agreement shall be construed and enforced in accordance with the laws of the State of Delaware. Each party hereto consents to the jurisdiction and venue of any state or federal court sitting in the Nashville, Tennessee. Each of the Owner and Manager waives the right to commence an action in connection with this Agreement in any other court. Each party hereto hereby waives

trial by jury in any action arising out of matters related to this Agreement which waiver is informed and voluntary.

8.8 *Captions and Headings.*

The captions and headings throughout this Agreement are for convenience and reference only, and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provisions of or the scope or intent of this Agreement nor in any way affect this Agreement.

8.9 *Payment of Amount Due to Manager.*

The obligations of either party hereunder to pay the other any amounts due hereunder and the obligations of indemnification shall survive termination of this Agreement and shall continue until all such amounts have been paid. Any amounts payable hereunder excluding those amounts that pursuant to this Agreement, Manager may pay itself from Operating Expenses, which are not paid when due and which remain unpaid after a party has provided the other party with thirty (30) days' notice and the opportunity to cure, shall bear interest from and after the date due until paid at the rate of interest announced from time to time by JP Morgan Chase, N.A. as its "prime rate," or base rate or reference rate, plus ■■■ per annum, but not to exceed the maximum rate permitted by law. If JP Morgan Chase, N.A. ceases to announce its prime rate, the rate specified in the Wall Street Journal, as the "prime rate" shall be used.

8.10 *Survival and Continuation.*

Notwithstanding the expiration of the Term or the termination of this Agreement, all terms, provisions and obligations of either party contained herein which, in order to give them effect and accomplish their intent and purpose, need to survive such expiration or termination shall survive and continue until they have been duly satisfied or performed.

8.11 *Publicity.*

The parties agree that no public release or announcement concerning the transactions contemplated hereby shall be issued by any party without the prior written consent of the other party, except as required by law, court order or regulation.

8.12 *Financing Matters.*

Owner may request that Manager execute and deliver a subordination, assignment, and security agreement (the "SASA"). Manager shall agree to do so subject to Owner's acknowledgment and agreement that the SASA imposes several joint covenants and obligations (the "Property Owner Covenants") on Owner and Manager that are within the direct control of Owner for which Manager cannot control or perform on its own. Manager agrees to undertake commercially reasonable efforts to perform the obligations imposed by the Property Owner Covenants and to cooperate as reasonably necessary with and assist Owner in complying with the Property Owner Covenants. Provided that Manager is in compliance with its obligations under this section, Owner agrees to indemnify, defend and hold Manager (and any Affiliate, respective directors, officers, shareholders, members, employees, and agents) harmless from and against any

and all actions, suits, claims, penalties, losses, liabilities, damages and expenses incurred by Manager and the aforementioned arising from or in connection with a breach or default by Owner of the Property Owner Covenants under the SASA. Notwithstanding the foregoing, all subordinated Management Fees not paid in accordance with the terms of such Financing shall accrue interest at the rate provided in Section 8.9 until such fees are paid. All outstanding Management Fees shall be paid *pari passu* with other Operating Expenses once Owner is permitted to make such payments.

8.13 *Estoppel Certificates.*

At the request of either party from time to time in writing, the other party shall execute a written instrument acknowledging whether this Agreement is in full force and effect, whether the same has been amended (and if so, identifying the amendments thereto), and stating whether, to the knowledge of the party executing the same, any default or event which, with notice or the lapse of time or both, would become a default hereunder, exists with respect to either party (and if so, identifying specifically the nature of the default).

8.14 *Assignment.*

This Agreement and all rights and obligations hereunder shall not be assignable by Manager without the written consent of Owner.

8.15 *Non-Solicitation; Non-Compete.*

A. Non-solicitation. During the Term and for a period of twelve (12) months after the expiration or termination of this Agreement, (a) Owner and Manager each agrees that neither will, directly or indirectly, or through an Affiliate, solicit for employment any employee of the Community (except for public want ads, blind recruitment or internal posting by Manager as to which employee may have had notice), (b) Owner agrees that it will not, directly or indirectly, or through an Affiliate, solicit for employment any employee of Manager or its Affiliates, and (c) Manager agrees that it will not, directly or indirectly, or through an Affiliate, solicit for employment any employee of Owner or its Affiliates. Notwithstanding the foregoing, reasonably in advance of the expiration or termination of this Agreement, and thereafter, Owner may offer employment to individuals who are or were Community Employees at any time during the Term.

B. Non-Competition. In addition, Manager agrees that, after the Effective Date and continuing until twelve (12) months after the expiration or termination of this Agreement, neither Manager nor any of its Affiliates will directly or indirectly, acquire an ownership interest in, develop, manage, lease, finance, or operate an independent living, assisted living or memory care facility, that is located within a five (5) mile radius around the Community; provided, however, that the restriction in this sentence shall not apply to the facilities now owned, managed or under development by Manager or its Affiliates referenced on Schedule 8.15(B) attached to this Agreement.

8.16 *Reserved.*

8.17 *Anti-Terrorism and Anti-Corruption Laws.*

(A) Manager represents that neither it nor any of its Affiliates is now, or at any time hereafter will be, a Blocked Person, whether such restriction arises under United States law, regulation, executive orders and OFAC Lists, and that neither it nor any of its Affiliates is engaging, or will engage at any time, in any dealings or transactions with, or shall otherwise be associated with, any Blocked Person. Manager represents that it is not currently nor shall it at any time be in violation of any laws or regulations relating to terrorism, money laundering or similar activities, including, without limitation, Anti-Terrorism Laws.

(B) Manager covenants and agrees that neither it nor any of its Affiliates have, and covenants and agrees that it will not, and will not allow its Affiliates to, in connection with the transactions contemplated by this Agreement or in connection with any other business transactions involving Owner, any of its Affiliates, authorize, make, offer, promise to make, request, agree to accept, or accept, any payment or transfer anything of value, directly or indirectly, (i) to secure an improper advantage or illegitimate or unjust benefit, or to influence a person to misuse his or her position or (ii) that is otherwise illegal under any applicable Anti-Corruption Laws. It is the intent of the parties hereto that no payment or transfer of value shall be made which has the purpose or effect of public or commercial bribery; acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining or retaining business; securing an improper advantage or illegitimate or unjust benefit; or influencing a person to misuse his or her position.

8.18 *Governmental Support.*

In the event that any Government Authorities make available economic assistance to businesses (each, an “Assistance Program” and, collectively, “Assistance Program”) as part of its duties, Manager shall with respect to Assistance Program Benefits (a) if such Assistance Program Benefits are applicable to facilities other than the Community, allocate such Assistance Program Benefits equitably, using a methodology reasonably approved by Owner, and in any event in such a manner as not to advantage any other community or third party relationship, on the one hand, over the Community or group of communities managed on behalf of Owner, on the other, and (B) apply such Assistance Program Benefits to categories of expenses for which Owner is responsible under this Agreement before applying any such Assistance Program Benefits to the expenses of Manager or its Affiliates.

[SIGNATURE PAGES FOLLOW]

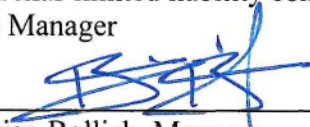
IN WITNESS WHEREOF, the parties have executed this Management Agreement as of the date first above written.

OWNER:

MCP GALLATIN OPCO, LLC,
a Texas limited liability company

By: 310 Management, LLC,
a Texas limited liability company,
its Manager

By:



Brian Bollich, Manager

[Signatures Continue on the Following Page]

