Application (Original)

Christian Care Center of Boliver

CN1712-036

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CERTIFICATE OF NEED APPLICATION

FOR

CHRISTIAN CARE CENTER OF BOLIVAR

The Relocation and Replacement of a 67 Bed Skilled Nursing Facility

Hardeman County, Tennessee

December 12, 2017

Contact Person:

Jerry W. Taylor, Esq.
Burr & Forman, LLP
511 Union Street, Suite 2300
Nashville, Tennessee 37219
615-724-3247

State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

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CERTIFICATE OF NEED APPLICATION

SECTION A: APPLICANT PROFILE

1. *Name of Facility, Agency, or Institution*

Christian Care Center of Bolivar, f/k/a Pleasant View Health Care Center
Name

214 North Water Street — Hardeman
Street or Route — County

Bolivar — TN — 38008
City — State — Zip Code

Website address: N/A

*Note: The facility's name and address **must be** the name and address of the project and **must be** consistent with the Publication of Intent.*

2. *Contact Person Available for Responses to Questions*

Jerry W. Taylor — Attorney
Name — Title

Burr & Forman, LLP — jtaylor@burr.com
Company Name — Email address

511 Union Street, Suite 2300 — Nashville — TN — 37219
Street or Route — City — State — Zip Code

Attorney — 615-724-3247 — 615-724-3248
Association with Owner — Phone Number — Fax Number

NOTE: ***Section A*** is intended to give the applicant an opportunity to describe the project. ***Section B*** addresses how the project relates to the criteria for a Certificate of Need by addressing: Need, Economic Feasibility, Contribution to the Orderly Development of Health Care, and the Quality Measures.

Please answer all questions on ***8½" X 11" white paper, clearly typed and spaced, single or double-sided, in order and sequentially numbered. In answering, please type the question and the response.*** All questions must be answered. If an item does not apply, please indicate *"N/A" (not applicable)*. ***Attach appropriate documentation as an Appendix at the end of the application and reference the applicable Item Number on the attachment, i.e., Attachment***

A.1, A.2, etc. The last page of the application should be a completed signed and notarized affidavit.

3. SECTION A: EXECUTIVE SUMMARY

A. Overview

Please provide an overview not to exceed three pages in total explaining each numbered point.

1) Description – Address the establishment of a health care institution, initiation of health services, bed complement changes, and/or how this project relates to any other outstanding but unimplemented certificates of need held by the applicant;

Pleasant View Health Care Center is a 67 bed skilled nursing facility located in Bolivar, Hardeman County. Effective September 1, 2017 Pleasant View was acquired by Christian Care Center of Bolivar, LLC ("CCC of Bolivar"). At the time of the acquisition, Pleasant View was financially distressed, and the condition of the physical facility was extremely poor and believed to be unsafe for frail SNF patients. Upon the acquisition by CCC of Bolivar, operations at the facility were temporarily voluntarily suspended and the license was placed in Inactive Status by the Board for Licensing Health Care Facilities.

CCC of Bolivar seeks authorization to relocate the nursing home and construct a replacement facility at another site in Hardeman County. No new services will be initiated and no new beds are sought. The replacement facility will resume services as a 67 bed skilled nursing facility, with all beds being dually certified for TennCare and Medicare, as they were prior to the suspension of services.

The site for the proposed replacement facility is an undeveloped 6.8 acre undeveloped tract at the intersection of Highway 64 and Lucy Black Road, approximately 3.5 miles from downtown Bolivar and approximately 3.7 miles from the current Pleasant View facility.

The site and building currently housing Pleasant View will be donated to The Warriors Center, a not-for-profit organization that provides faith based substance abuse recovery services, transitional housing, and food to men, women and Veterans. For more information on The Warriors Center please go to www.warriorscenter.org.

2) Ownership structure;

Christian Care Center of Bolivar, LLC is a newly formed single member Tennessee limited liability company. Its sole member is J. R. "Randy" Lewis.

CCC of Bolivar will enter into a consulting agreement with Care Centers Management, Inc. The sole shareholder of Care Centers Management, Inc. is Diversified Ventures, Inc. The sole shareholder of Diversified Ventures, Inc. is J. R. "Randy" Lewis.

The facility will be built and owned by Hardeman County Real Estate Investors, LLC and leased to the applicant. The sole member of Hardeman County Real Estate Investors, LLC is J. R. Randy" Lewis.

3) **Service area;**

The service area is Hardeman County, Tennessee. According to the most recent Joint Annual Report (from the previous owner), 55 of 56 patients of Pleasant View in 2016 were residents of Hardeman County.

4) **Existing similar service providers;**

There is one nursing home in the service area in addition to Pleasant View. Pine Meadows Healthcare and Rehabilitation Center is a 134 bed skilled nursing facility. Its average annual occupancy rate in 2016 was 93.5%.

5) **Project cost;**

The total estimated project cost not including the filing fee is $9,646,802. The largest single cost component is land acquisition and construction costs totaling $8,007,700 (including contingency). The next largest costs are for furniture, fixtures and equipment ($974,102) and interim financing ($280,000).

6) **Funding;**

Funding for construction is available through a commercial mortgage loan. Working capital is available through a Line of Credit from a commercial lender.

7) **Financial Feasibility including when the proposal will realize a positive financial margin; and**

The project is financially feasible. As reflected on the Projected Data Chart, Year 1 is expected to yield an operating loss, but the project will be profitable in Year 2 and thereafter.

8) **Staffing.**

The proposed staffing plan calls for approximately 41 FTE direct patient care positions and 15 non-direct patient care positions. The staffing pattern is set forth in more detail in the Contribution to Orderly Development section of this application.

B. Rationale for Approval

A certificate of need can only be granted when a project is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of adequate and effective health care in the service area. This section should provide rationale for each criterion using the data and information points provided in Section B. of this application. Please summarize in one page or less each of the criteria:

1) **Need;**

This project will result in no new licensed beds in the service area; it is a relocation of existing licensed beds and a replacement facility only.

Under the bed need formula there is a need for an additional 16 beds in Hardeman County in 2019. According to calculations by the Department of Heath, there will be a need for 217 Medicare certified nursing home beds in Hardeman County in 2019. There are currently 201 licensed Medicare certified beds, including the 67 licensed but inactive beds at Pleasant View which the applicant seeks to relocate within the county. This application will not add any new beds to the county. In 2016 Pleasant View had an average annual occupancy rate of 77.9%. In 2015 its average annual occupancy rate was 88.5%.

There is one nursing home in the service area in addition to Pleasant View. Pine Meadows Healthcare and Rehabilitation Center is a 134 bed skilled nursing facility. Its average annual occupancy rate in 2016 was 93.5%. 132 of Pine Meadow's 134 beds are semi-private. Due to gender separation issues this often makes the practical utilization even higher than the average occupancy rate.

No publicly available data exists for utilization of Pine Meadows since Pleasant View voluntarily suspended operations. Pine Meadows does not have the capacity to absorb all of Pleasant View's patient days, so some number of Hardeman County patients are presumably having to leave the county in order to get a nursing home bed. If this application is approved, Pleasant View (to be renamed Christian Care Center of Bolivar) will resume operations and give Hardeman County residents an additional option for nursing home care and improve access to beds.

The 67 beds at Pleasant View are needed in the service area, and can only be available if the relocation and replacement facility are authorized.

2) Economic Feasibility;

The project is economically feasible. As reflected on the Projected Data Chart, Year 1 is expected to yield an operating loss, but the project will be profitable in Year 2 and thereafter.

No more cost effective or efficient options were identified. The current building is significantly deficient in many areas, making the option of renovating the existing facility impractical and not feasible.

Continuing to operate the facility while the new replacement facility is being built was determined to be a potential hazard to frail SNF patients and as such was rejected as an option for that reason. In addition, the proposed replacement facility will be an up-to-date facility, and will provide significantly more private beds than is the case at the current facility. For this reason, the only viable option is to temporarily suspend operations while the new replacement facility is sought and built.

3) Appropriate Quality Standards; and

Cares Centers Management Consulting, Inc. and its affiliates are experienced owners and operators of long term care facilities, owning and/or operating seven skilled nursing facilities in Tennessee, and one in Kentucky. Care Centers' affiliated SNFs average 2.2 annual survey deficiencies.

All of Care Center's affiliated facilities submit themselves to Joint Commission scrutiny and are Joint Commission accredited, or are waiting on final accreditation. CCC of Bolivar will also submit to and be accredited by the Joint Commission. CCC of Bolivar will continue to be licensed by the Tennessee Board for Licensing Health Care Facilities, and will be TennCare and Medicare certified. Upon the voluntary suspension of operations, Pleasant View's Medicare provider number was voluntarily terminated, but certification and participation in Medicare will be resumed upon the opening of the replacement facility. CCC of Bolivar will maintain compliance with and remain in good standing with all licensing and accrediting authorities.

The applicant will maintain and comply with its Quality Assurance and Performance Improvement Program. In the interest of brevity a copy of the entire program manual is not attached, but the Table of Contents of the QAPI is attached as Attachment Section A, B (3).

4) Orderly Development to adequate and effective health care.

As addressed briefly above and in more detail elsewhere in this application, the 67 licensed beds are needed in the service area. The operation of these beds has been temporarily voluntarily suspended due to the need for a replacement facility. If this application is approved, the beds will be placed back into service in a new up-to-date facility with more private rooms and a much better patient care environment.

There is one nursing home in the service area in addition to Pleasant View. Pine Meadows Healthcare and Rehabilitation Center is a 134 bed skilled nursing facility. Its average annual occupancy rate in 2016 was 93.5%. 132 of Pine Meadow's 134 beds are semi-private. Due to gender separation issues this often makes the practical utilization even higher than the average occupancy rate.

The current site of Pleasant View will be donated to The Warriors Center, a not-for-profit organization that provides faith based substance abuse recovery services, transitional housing, and food to men, women and Veterans. For more information on The Warriors Center please visit www.warriorscenter.org.

C. Consent Calendar Justification

If Consent Calendar is requested, please provide the rationale for an expedited review.

N/A. Consent Calendar consideration is not requested.

A request for Consent Calendar must be in the form of a written communication to the Agency's Executive Director at the time the application is filed.

4. SECTION A: PROJECT DETAILS

A. ***Owner of the Facility, Agency or Institution***

Christian Care Center of Bolivar, LLC — Name
423-975-5455 — Phone Number
2020 Northpark Drive, Suite 2D — Street or Route
Washington — County
Johnson City — City
TN — State
37604 — Zip Code

B. ***Type of Ownership of Control (Check One)***

A.	Sole Proprietorship		F.	Government (State of TN or Political Subdivision)	
B.	Partnership		G.	Joint Venture	
C.	Limited Partnership		H.	Limited Liability Company	X
D.	Corporation (For Profit)		I.	Other (Specify)	
E.	Corporation (Not-for-Profit)				

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the Tennessee Secretary of State's web-site at https://tnbear.tn.gov/ECommerce/FilingSearch.aspx. **Attachment Section A-4A.**

Organizational documentation is attached as Attachment Section A-4 A, 1.

Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% ownership (direct or indirect) interest.

Christian Care Center of Bolivar, LLC is a newly formed single member Tennessee limited liability company. Its sole member is J. R. "Randy" Lewis.

The facility will be built and owned by Hardeman County Real Estate Investors, LLC and leased to the applicant. The sole member of Hardeman County Real Estate Investors, LLC is J. R. Randy" Lewis.

An ownership chart is attached as Attachment Section A-4 A, 2.

5. ***Name of Management/Operating Entity (If Applicable)***

Care Centers Management Consulting, Inc.
Name

2020 Northpark Drive, Suite 2D — Washington
Street or Route — County

Johnson City — TN — 37604
City — State — Zip Code

Website address: None

For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment methodology and schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract. **Attachment Section A-5.**

CCC of Bolivar will enter into a consulting agreement with Care Centers Management Consulting, Inc. The sole shareholder of Care Centers Management Consulting, Inc. is Diversified Ventures, Inc. The sole shareholder of Diversified Ventures, Inc. is J. R. "Randy" Lewis.

A copy of a draft consulting agreement is attached as Attachment Section A-5.

6A. ***Legal Interest in the Site of the Institution (Check One)***

A.	Ownership	____	D.	Option to Lease	____
B.	Option to Purchase	____	E.	Other (Specify) _____	____
C.	Lease of 10 Years	X			

Check appropriate line above: For applicants or applicant's parent company/owner that currently own the building/land for the project location, attach a copy of the title/deed. For applicants or applicant's parent company/owner that currently lease the building/land for the project location, attach a copy of the fully executed lease agreement. For projects where the location of the project has not been secured, attach a fully executed document including Option to Purchase Agreement, Option to Lease Agreement, or other appropriate documentation. Option to Purchase Agreements must include anticipated purchase price. Lease/Option to Lease Agreements must include the actual/anticipated term of the agreement and actual/anticipated lease expense. The legal interests described herein must be valid **on the date of the Agency's consideration of the certificate of need application.**

The facility will be built and owned by Hardeman County Real Estate Investors, LLC and leased to the applicant. The sole member of Hardeman County Real Estate Investors, LLC is J. R. Randy" Lewis.

A copy of the Real Estate Purchase Agreement with Hardeman County Real Estate Investors, LLC as the buyer and a copy of the lease between Hardeman County Real Estate Investors, LLC and Christian Care Center of Bolivar, LLC are attached as Attachment Section A-6 A.

6B. Attach a copy of the site's plot plan, floor plan, and if applicable, public transportation route to and from the site on an 8 1/2" x 11" sheet of white paper, single or double-sided. *DO NOT SUBMIT BLUEPRINTS*. Simple line drawings should be submitted and need not be drawn to scale.

1) **Plot Plan must include:**

a. **Size of site (*in acres*);**

b. **Location of structure on the site;**

c. **Location of the proposed construction/renovation; and**

d. **Names of streets, roads or highway that cross or border the site.**

A plot plan is attached as Attachment A-6 B, 1. The footprint of the proposed building is shown on the second page of the Attachment.

2) **Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. On an 8 ½ by 11 sheet of paper or as many as necessary to illustrate the floor plan.**

A floor plan is attached as Attachment A-6 B, 2.

3) **Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.**

The site for the proposed replacement facility is at the intersection of Highway 64 and Lucy Black Road, approximately 3.5 miles from downtown Bolivar. Highway 64 is a four lane divided highway, major thoroughfare in Bolivar and Hardeman County with excellent accessibility. There is no public transportation currently available in the area.

7. Type of Institution ***(Check as appropriate--more than one response may apply)***

A.	Hospital (Specify)_____	_____	H	Nursing Home	X
B.	Ambulatory Surgical Treatment Center (ASTC), Multi-Specialty	_____	I.	Outpatient Diagnostic Center	_____
C.	ASTC, Single Specialty	_____	J.	Rehabilitation Facility	_____
D.	Home Health Agency	_____	K.	Residential Hospice	_____
E.	Hospice	_____	L.	Nonresidential Substitution-Based Treatment Center for Opiate Addiction	_____
F.	Mental Health Hospital	_____			
G.	Intellectual Disability Institutional Habilitation Facility ICF/IID	_____	M.	Other (Specify)_____	_____

Check appropriate lines(s).

8. Purpose of Review ***(Check appropriate lines(s) – more than one response may apply)***

A.	New Institution	_____	F.	Change in Bed Complement [*Please note the type of change by underlining the appropriate response: Increase, Decrease, Designation, Distribution, Conversion, Relocation*]	_____
B.	Modifying an ASTC with limitation still required per CON	_____			
C.	Addition of MRI Unit	_____			
D.	Pediatric MRI	_____			
E.	Initiation of Health Care Service as defined in T.C.A. §68-11-1607(4) (Specify)_____	_____	G.	Satellite Emergency Dept.	_____
			H.	Change of Location	X
			I.	Other (Specify)_____	_____

9. Medicaid/TennCare, Medicare Participation

MCO Contracts [Check all that apply]

X AmeriGroup X United Healthcare Community Plan X BlueCare ___TennCare Select

Medicare Provider Number To be applied for*

Medicaid Provider Number To be applied for*

Certification Type Skilled Nursing Facility

* Pursuant to CMS policy, the Pleasant View Medicare number was voluntarily terminated when the license was placed in Inactive Status.

If a new facility, will certification be sought for Medicare and/or Medicaid/TennCare?

Medicare X Yes __No __N/A Medicaid/TennCare X Yes __No __N/A

10. Bed Complement Data

A. **Please indicate current and proposed distribution and certification of facility beds.**

	Current Licensed	Beds Staffed	Beds Proposed	*Beds Approved	**Beds Exempted	TOTAL Beds at Completion
1) Medical						
2) Surgical						
3) ICU/CCU						
4) Obstetrical						
5) NICU						
6) Pediatric						
7) Adult Psychiatric						
8) Geriatric Psychiatric						
9) Child/Adolescent Psychiatric						
10) Rehabilitation						
11) Adult Chemical Dependency						
12) Child/Adolescent Chemical Dependency						
13) Long-Term Care Hospital						
14) Swing Beds						
15) Nursing Home – SNF (Medicare only)						
16) Nursing Home – NF (Medicaid only)						
17) Nursing Home – SNF/NF (dually certified Medicare/Medicaid)	67	0	0	0	0	67
18) Nursing Home – Licensed (non-certified)						
19) ICF/IID						
20) Residential Hospice						
TOTAL	67	0	0	0	0	67

**Beds approved but not yet in service* ***Beds exempted under 10% per 3 year provision*

B. **Describe the reasons for change in bed allocations and describe the impact the bed change will have on the applicant facility's existing services. Attachment Section A-10.**

N/A. No new beds are involved in this project.

Please identify all the applicant's outstanding Certificate of Need projects that have a licensed bed change component. If applicable, complete chart below.

N/A.

11. Home Health Care Organizations – Home Health Agency, Hospice Agency (excluding Residential Hospice), identify the following by checking all that apply:
N/A.

	Existing Licensed County	Parent Office County	Proposed Licensed County		Existing Licensed County	Parent Office County	Proposed Licensed County
Anderson	☐	☐	☐	Lauderdale	☐	☐	☐
Bedford	☐	☐	☐	Lawrence	☐	☐	☐
Benton	☐	☐	☐	Lewis	☐	☐	☐
Bledsoe	☐	☐	☐	Lincoln	☐	☐	☐
Blount	☐	☐	☐	Loudon	☐	☐	☐
Bradley	☐	☐	☐	McMinn	☐	☐	☐
Campbell	☐	☐	☐	McNairy	☐	☐	☐
Cannon	☐	☐	☐	Macon	☐	☐	☐
Carroll	☐	☐	☐	Madison	☐	☐	☐
Carter	☐	☐	☐	Marion	☐	☐	☐
Cheatham	☐	☐	☐	Marshall	☐	☐	☐
Chester	☐	☐	☐	Maury	☐	☐	☐
Claiborne	☐	☐	☐	Meigs	☐	☐	☐
Clay	☐	☐	☐	Monroe	☐	☐	☐
Cocke	☐	☐	☐	Montgomery	☐	☐	☐
Coffee	☐	☐	☐	Moore	☐	☐	☐
Crockett	☐	☐	☐	Morgan	☐	☐	☐
Cumberland	☐	☐	☐	Obion	☐	☐	☐
Davidson	☐	☐	☐	Overton	☐	☐	☐
Decatur	☐	☐	☐	Perry	☐	☐	☐
DeKalb	☐	☐	☐	Pickett	☐	☐	☐
Dickson	☐	☐	☐	Polk	☐	☐	☐
Dyer	☐	☐	☐	Putnam	☐	☐	☐
Fayette	☐	☐	☐	Rhea	☐	☐	☐
Fentress	☐	☐	☐	Roane	☐	☐	☐
Franklin	☐	☐	☐	Robertson	☐	☐	☐
Gibson	☐	☐	☐	Rutherford	☐	☐	☐
Giles	☐	☐	☐	Scott	☐	☐	☐
Grainger	☐	☐	☐	Sequatchie	☐	☐	☐
Greene	☐	☐	☐	Sevier	☐	☐	☐
Grundy	☐	☐	☐	Shelby	☐	☐	☐
Hamblen	☐	☐	☐	Smith	☐	☐	☐
Hamilton	☐	☐	☐	Stewart	☐	☐	☐
Hancock	☐	☐	☐	Sullivan	☐	☐	☐
Hardeman	☐	☐	☐	Sumner	☐	☐	☐
Hardin	☐	☐	☐	Tipton	☐	☐	☐
Hawkins	☐	☐	☐	Trousdale	☐	☐	☐
Haywood	☐	☐	☐	Unicoi	☐	☐	☐
Henderson	☐	☐	☐	Union	☐	☐	☐
Henry	☐	☐	☐	Van Buren	☐	☐	☐
Hickman	☐	☐	☐	Warren	☐	☐	☐
Houston	☐	☐	☐	Washington	☐	☐	☐
Humphreys	☐	☐	☐	Wayne	☐	☐	☐
Jackson	☐	☐	☐	Weakley	☐	☐	☐
Jefferson	☐	☐	☐	White	☐	☐	☐
Johnson	☐	☐	☐	Williamson	☐	☐	☐
Knox	☐	☐	☐	Wilson	☐	☐	☐
Lake	☐	☐	☐				

12. Square Footage and Cost Per Square Footage Chart

Unit/Department	Existing Location	Existing SF	Temporary Location	Proposed Final Location	Proposed Final Square Footage		
					Renovated	New	Total
Administrative						1908	1908
Nursing						3101	3101
Dayroom/Activities						2350	2350
Therapy						2102	2102
Kitchen/Dining						3473	3473
Laundry						842	842
Storage						2255	2255
Patient Rooms & Toilets						14,925	14,925
Mechanical/Elec						900	900
Unit/Department GSF Sub-Total						31,856	31,856
Circulation/Structure						9344	9344
Total GSF						41,200	41,200
*Total Cost						$7,210,000	$7,210,000
**Cost Per Square Foot						$175	$175
Cost per Square Foot Is Within Which Range *(For quartile ranges, please refer to the Applicant's Toolbox on www.tn.gov/hsda)*					☐ Below 1st Quartile ☐ Between 1st and 2nd Quartile ☐ Between 2nd and 3rd Quartile ☐ Above 3rd Quartile	☐ Below 1st Quartile x Between 1st and 2nd Quartile ☐ Between 2nd and 3rd Quartile ☐ Above 3rd Quartile	☐ Below 1st Quartile x Between 1st and 2nd Quartile ☐ Between 2nd and 3rd Quartile ☐ Above 3rd Quartile

* The Total Construction Cost should equal the Construction Cost reported on line A5 of the Project Cost Chart.

** Cost per Square Foot is the construction cost divided by the square feet. Please do not include contingency costs.

13. MRI, PET, and/or Linear Accelerator

N/A. No imaging or CON-covered medical equipment is involved in this project.

1. **Describe the acquisition of any Magnetic Resonance Imaging (MRI) scanner that is adding a MRI scanner in counties with population less than 250,000 or initiation of pediatric MRI in counties with population greater than 250,000 and/or**
2. **Describe the acquisition of any Positron Emission Tomographer (PET) or Linear Accelerator if initiating the service by responding to the following:**

A. Complete the chart below for acquired equipment.

☐ Linear Accelerator	Mev _____ Types: ☐ SRS ☐ IMRT ☐ IGRT ☐ Other _____ Total Cost*: _____ ☐ New ☐ Refurbished	☐ By Purchase ☐ By Lease Expected Useful Life (yrs) ___ ☐ If not new, how old? (yrs) _____
☐ MRI	Tesla: ____ Magnet: ☐ Breast ☐ Extremity ☐ Open ☐ Short Bore ☐ Other _____ Total Cost*: _____ ☐ New ☐ Refurbished	☐ By Purchase ☐ By Lease Expected Useful Life (yrs) ___ ☐ If not new, how old? (yrs) _____
☐ PET	☐ PET only ☐ PET/CT ☐ PET/MRI Total Cost*: _____ ☐ New ☐ Refurbished	☐ By Purchase ☐ By Lease Expected Useful Life (yrs) ___ ☐ If not new, how old? (yrs) _____

* As defined by Agency Rule 0720-9-.01(13)

B. **In the case of equipment purchase, include a quote and/or proposal from an equipment vendor. In the case of equipment lease, provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments along with the fair market value of the equipment.**

C. Compare lease cost of the equipment to its fair market value. Note: Per Agency Rule, the higher cost must be identified in the project cost chart.

D. Schedule of Operations:

Location	Days of Operation (*Sunday through Saturday*)	Hours of Operation (*example: 8 am – 3 pm*)
Fixed Site *(Applicant)*	_____	_____
Mobile Locations *(Applicant)*		

E. Identify the clinical applications to be provided that apply to the project.

F. If the equipment has been approved by the FDA within the last five years provide documentation of the same.

SECTION B: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with T.C.A. § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of health care." Further standards for guidance are provided in the State Health Plan developed pursuant to T.C.A. § 68-11-1625.

The following questions are listed according to the four criteria: (1) Need, (2) Economic Feasibility, (3) Applicable Quality Standards, and (4) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. *Please type each question and its response on an 8 1/2" x 11" white paper, single-sided or double sided*. All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer, unless specified otherwise. *If a question does not apply to your project, indicate "Not Applicable (NA)."*

QUESTIONS

NEED

1. Provide a response to each criterion and standard in Certificate of Need Categories in the State Health Plan that are applicable to the proposed project. Criteria and standards can be obtained from the Tennessee Health Services and Development Agency or found on the Agency's website at http://www.tn.gov/hsda/article/hsda-criteria-and-standards.

[RESPONSES TO STANDARDS AND CRITERIA IN STATE HEALTH PLAN FOLLOW:]

CONSTRUCTION, RENOVATION, EXPANSION, AND REPLACEMENT OF HEALTH CARE INSTITUTIONS

I. Any project that includes the addition of beds, services, or medical equipment will be reviewed under the standards for those specific activities.

The applicant seeks to relocate and replace a facility, the license for which is in Inactive Status. Although the approval of this application will not result in any additional licensed beds, the applicant will respond to the standards and criteria which are applicable to newly licensed facilities and/or beds. Please see the section following the relocation and replacement criteria responses.

2. For relocation or replacement of an existing licensed health care institution:

a. The applicant should provide plans which include costs for both renovation and relocation, demonstrating the strengths and weaknesses of each alternative.

The applicant acquired Pleasant View effective September 1, 2017. The condition of the physical plant was in such a deficient, deteriorated and unsafe for frail SNF patients condition, there was never a plan to attempt to renovate. The applicant wants to build a new up-to-date facility at a new site conveniently located on a major US/State Highway in Bolivar that will better serve the community.

Areas of major deficiencies with the physical plant of the current facility include, without limitation:

- The existing structure would not comply with many building codes in areas such as room and hall sizes, number and size of bathrooms, and the like. This would lead to non-compliance with standards for skilled nursing facilities, needed to maintain Medicare and Medicaid certification.
- A major renovation with additions would be required for the building to be brought up to current codes. This is impractical.
- Inadequate square footage necessary to provide high quality SNF services and meet SNF standards, and patients' growing demand for more private rooms and ancillary spaces
- All major systems of all types would require upgrading and/or replacement.

b. The applicant should demonstrate that there is an acceptable existing or projected future demand for the proposed project.

Under the bed need formula there is a need for an additional 16 beds in Hardeman County in 2019. According to calculations by the Department of Health, there will be a need for 217 Medicare certified nursing home beds in Hardeman County in 2019. There are currently 201 licensed Medicare beds, including the 67 licensed but inactive beds at Pleasant View which the applicant seeks to relocate within the county. This application will not add any new beds to the county. A copy of the bed need calculation from the Department of Health is attached as Attachment Section B, Need, 1, (1).

There is one nursing home in the service area in addition to Pleasant View. Pine Meadows Healthcare and Rehabilitation Center is a 134 bed skilled nursing facility. Its average annual occupancy rate in 2016 was 93.5%. 132 of Pine Meadow's 134 beds are semi-private. Due to gender separation issues this often makes the practical utilization even higher than the average occupancy rate.

No publicly available data exists for utilization of Pine Meadows since Pleasant voluntarily suspended operations. Pine Meadows does not have the capacity to absorb all of Pleasant View's patient days, so some number of Hardeman County patents are presumably having to leave the county in order to get a nursing home bed. If this application is approved, Pleasant View (to be renamed Christian Care Center of Bolivar) will resume operations and give Hardeman County residents an additional option for nursing home care and improve access to beds.

In 2016 Pleasant View had an average annual occupancy rate of 77.9%. While this is very healthy utilization, it is believed the utilization could have been greater had the physical plant been nicer and more up-to-date. In addition, only 12 of the 67 beds at Pleasant view were private. Having mostly semi-private beds results in a higher practical utilization rate than the average occupancy rate would indicate, due to the need for gender separation in rooms.

The new replacement facility will have 42 of the 67 beds as private beds, which will make the new facility even more attractive and increase utilization, allowing more Hardeman County residents to access a bed in Hardeman County. It is reasonable to project the new replacement facility will be well-utilized, and to conclude there is a sufficient existing and future demand for the proposed project.

3. For renovation or expansions of an existing licensed health care institution:

N/A.

a. **The applicant should demonstrate that there is an acceptable existing demand for the proposed project.**

b. **The applicant should demonstrate that the existing physical plant's condition warrants major renovation or expansion.**

NURSING HOME STANDARDS AND CRITERIA

The applicant seeks to relocate and replace a facility the license for which is in Inactive Status. Although the approval of this application will not result in any additional licensed beds, the applicant will nevertheless respond to the standards and criteria which are applicable to newly licensed facilities and/or beds, as follows:.

1. **Determination of Need.**

The need for nursing home beds for each county in the state should be determined by applying the following population-based statistical methodology:

Need =
.0005 x population 65 and under, plus
.012 x population 65-74, plus
.060 x population 75-84, plus
.150 x population 85 +

According to the calculations of the Department of Health the following is the projected bed need in the service area for 2019, along with the number of currently licensed beds, and the resulting net bed need. All of the reflected beds are Medicare certified.

County	Beds Needed 2019	Licensed Beds 2017	Net Need 2019	New Beds Proposed
Hardeman	217	201	16	0

2. **Planning horizon: The need for nursing home beds shall be projected two years into the future from the current year.**

A two year planning horizon from the date of filing was utilized.

3. **Establishment of Service Area: A majority of the population of the proposed Service Area for any nursing home should reside within 30 minutes travel time from that facility. Applicants may supplement their applications with sub-county level data that are available to the general public to better inform the HSDA of granular details and trends; however, the need formula established by these Standards will use the latest available final JAR data from the Department of Health. The HSDA additionally may consider geographic, cultural, social, and other aspects that may impact the establishment of a Service Area.**

The primary service area is Hardeman County. According to the most recent Joint Annual Report (from the previous owner), 55 of 56 patients of Pleasant View in 2016 were residents of Hardeman County. It is believed a majority of the residents of Hardeman County can travel to Bolivar within 30 minutes.

4. **Existing Nursing Home Capacity: In general, the Occupancy Rate for each nursing home currently and actively providing services within the applicant's proposed Service Area should be at or above 90% to support the need for any project seeking to add new nursing home beds within the Service Area and to ensure that the financial viability of existing facilities is not negatively impacted.**

N/A. No new beds are proposed. There is one nursing home in the service area in addition to Pleasant View. Pine Meadows Healthcare and Rehabilitation Center is a 134 bed skilled nursing facility. Its average annual occupancy rate in 2016 was 93.5%. 132 of Pine Meadow's 134 beds are semi-private. Due to gender separation issues, this often makes the practical utilization even higher than the average occupancy rate.

Hardeman County is particularly underserved with private SNF beds. Of the 201 currently licensed beds in Hardeman County, only 14 are private beds -- 2 at Pine Meadows and 12 licensed at Pleasant View. Private beds represent only 7% of the licensed bed total in Hardeman County.

When considering replacement facility or renovation applications that do not alter the bed component within the Service Area, the HSDA should consider as the primary factor whether a replacement facility's own occupancy rate could support its economic feasibility, instead of the occupancy rates of other facilities in the Service Area.

In 2016 Pleasant View's average annual occupancy rate was 77.9%. Its 2015 its occupancy rate was 88.5%. Although these are healthy occupancy rates, it is believed occupancy is lower than would otherwise be the case due to the seriously deficient condition of the facility and the small number of private beds. Especially in light of the fact the proposed replacement facility will be an up-to-date facility with a spacious, patient friendly and aesthetically pleasing environment, and with 43 of the 67 beds being private beds, there will be sufficient demand to adequately utilize the replacement facility.

5. **Outstanding Certificates of Need: Outstanding CONs should be factored into the decision whether to grant an additional CON in a given Service Area or county until an outstanding CON's beds are licensed.**

There are no outstanding CONs for nursing home beds or to relocate and replace a SNF in Hardeman County.

6. **Data: The Department of Health data on the current supply and utilization of licensed and CON-approved nursing home beds should be the data source employed hereunder, unless otherwise noted.**

The sources relied upon for supply of beds and utilization are the Division of Health Care Facilities website, data from the Division of Health Statistics, and Joint Annual Reports.

7. **Minimum Number of Beds: A newly established free-standing nursing home should have a sufficient number of beds to provide revenues to make the project economically feasible and thus is encouraged to have a capacity of least 30 beds. However, the HSDA should consider exceptions to this standard if a proposed applicant can demonstrate that economic feasibility can be achieved with a smaller facility in a particular situation.**

N/A. The facility has 67 currently licensed beds, and no new beds are being sought.

8. **Encouraging Facility Modernization: The HSDA may give preference to an application that:**

a. Proposes a replacement facility to modernize an existing facility.

A new modernized replacement facility is sought by this application.

b. Seeks a certificate of need for a replacement facility on or near its existing facility operating location. The HSDA should evaluate whether the replacement facility is being located as closely as possible to the location of the existing facility and, if not, whether the need for a new, modernized facility is being impacted by any shift in the applicant's market due to its new location within the Service Area.

The site for the replacement facility is at the intersection of Highway 64 and Lucy Black Road in Hardeman County, approximately 3.7 miles from the current site.

c. Does not increase its number of operating beds.

This application does not seek to increase the number of licensed beds.

9. **Adequate Staffing: An applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise, and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area. However, when considering applications for replacement facilities or renovations of existing facilities, the HSDA may determine the existing facility's staff would continue without significant change and thus would be sufficient to meet this Standard without a demonstration of efforts to recruit new staff.**

The proposed staffing plan calls for approximately 41 FTE direct patient care positions and 15 non-direct patient care positions. The staffing pattern is set forth in more detail in the Contribution to Orderly Development section of this application.

Care Centers Management Consulting and its affiliates own and/or operate 7 SNFs in Tennessee and is very experienced in recruiting, hiring and retaining the required staffing.

10. **Community Linkage Plan: The applicant should describe its participation, if any, in a community linkage plan, including its relationships with appropriate health care system providers/services and working agreements with other related community services to assure continuity of care. If they are provided, letters from providers (including, e.g., hospitals, hospice services agencies, physicians) in support of an application should detail specific instances of unmet need for nursing home services.**

Christian Care Center of Bolivar will have an extensive network of care providers and service vendors. A list of the anticipated contractors and vendors attached as Attachment Section B, Orderly Development, 1.

11. **Access: The applicant should demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification. In addition to the factors set forth in HSDA Rule 0720-11-.01(1) (listing the factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area. However, an applicant should address why Service Area residents cannot be served in a less restrictive and less costly environment and whether the applicant provides or will provide other services to residents that will enable them to remain in their homes.**

Christian Care Center of Bolivar will serve all patients, regardless of race, age, gender, nationality, socio-economic status or payor source.

There is one nursing home in the service area in addition to Pleasant View. Pine Meadows Healthcare and Rehabilitation Center is a 134 bed skilled nursing facility. Its average annual occupancy rate in 2016 was 93.5%. 132 of Pine Meadow's 134 beds are semi-private. Due to gender separation issues this often makes the practical utilization even higher than the average occupancy rate.

No publicly available data exists for utilization of Pine Meadows since Pleasant View voluntarily suspended operations in September of 2017. Pine Meadows does not have the capacity to absorb all of Pleasant View's patient days, so some number of Hardeman County patents are presumably having to leave the county in order to get a nursing home placement. If this application is approved, Pleasant View (to be renamed Christian Care Center of Bolivar) will resume operations and give Hardeman County residents an additional option for nursing home care and improve access to beds.

12. **Quality Control and Monitoring: The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring systems, including in particular details on its Quality Assurance and Performance Improvement program as required by the Affordable Care Act. As an alternative to the provision of third party accreditation information, applicants may provide information on any other state, federal, or national quality improvement initiatives. An applicant that owns or administers other nursing homes should provide detailed information on their surveys and their quality control programs at those facilities, regardless of whether they are located in Tennessee.**

Cares Centers Management Consulting, Inc., the consulting company for the facility, is an experienced operator of long term care facilities. It currently operates seven skilled nursing facilities in Tennessee, and one in Kentucky, which are owned by affiliated companies. Care Centers' affiliated facilities average 2.2 annual survey deficiencies.

All of Care Center's affiliated facilities submit themselves to Joint Commission scrutiny and are Joint Commission accredited, or are waiting on final accreditation. CCC of Bolivar will also submit to and be accredited by the Joint Commission. CCC of Bolivar will continue to be licensed by the Tennessee Board for Licensing Health Care Facilities, and will be TennCare and Medicare certified. Upon the voluntary suspension of operations, Pleasant View's Medicare provider number was voluntarily terminated, but certification and participation in Medicare will be

resumed upon the opening of the replacement facility. CCC of Bolivar will maintain compliance with and remain in good standing with all licensing and accrediting authorities.

The applicant will maintain and comply with its Quality Assurance and Performance Improvement Program. In the interest of brevity a copy of the entire program manual is not attached, but the Table of Contents of the QAPI is attached as Attachment Section A, B (3).

13. **Data Requirements: Applicants should agree to provide the TDH and/or the HSDA with all reasonably requested information and statistical data related to the operation and provision of services at the applicant's facility and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.**

The applicant will provide such data as requested.

14. **Additional Occupancy Rate Standards:**

a. An applicant that is seeking to add or change bed component within a Service Area should show how it projects to maintain an average occupancy rate for all licensed beds of at least 90 percent after two years of operation.

The applicant is not adding any new beds; it is seeking to relocate 67 licensed beds to a new location in a replacement facility.

The projected utilization rate for CCC of Bolivar is as follows:

Year 1:	11,476 patient days	47% occupancy
Year 2:	21,900 patient days	90% occupancy

b. There should be no additional nursing home beds approved for a Service Area unless each existing facility with 50 beds or more has achieved an average annual occupancy rate of 90 percent. In determining the Service Area's occupancy rate, the HSDA may choose not to consider the occupancy rate of any nursing home in the proposed Service Area that has been identified by the TDH Regional Administrator as consistently noncomplying with quality assurance regulations, based on factors such as deficiency numbers outside of an average range or standards of the Medicare 5 Star program.

There is one nursing home in the service area in addition to Pleasant View. Pine Meadows Healthcare and Rehabilitation Center is a 134 bed skilled nursing facility. Its average annual occupancy rate in 2016 was 93.5%. 132 of Pine Meadow's 134 beds are semi-private. Due to gender separation issues this often makes the practical utilization even higher than the average occupancy rate.

c. A nursing home seeking approval to expand its bed capacity should have maintained an occupancy rate of 90 percent for the previous year.

The applicant is not adding any new beds; it is seeking to relocate 67 licensed beds to a new location in a replacement facility.

In 2016 Pleasant View had an average annual occupancy rate of 77.9%. While this is a very healthy utilization, it is believed the utilization would have been greater had the physical plant not been in such a deficient and poor condition. The strong occupancy of Pleasant view even in light of the facility's poor condition speaks well to the demand in the community for nursing home services.

In addition, only 12 of the 67 beds at Pleasant View were private. Having mostly semi-private beds results in a higher practical utilization rate than the average occupancy rate would indicate, due to the need for gender separation in rooms.

Most of the beds in the proposed new replacement facility (43 of 67) will be private beds, which will make the new facility even more attractive and increase utilization, allowing more Hardeman County residents to access a bed in Hardeman County.

[END OF RESPONSES TO NURSING HOME CRITERIA IN THE STATE HEALTH PLAN]

2. **Describe the relationship of this project to the applicant facility's long-range development plans, if any, and how it relates to related previously approved projects of the applicant.**

   The applicant has no long range development plans beyond this project, and this project is not related to any previously-approved CON project. .

3. **Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map for the Tennessee portion of the service area using the map on the following page, clearly marked to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the border states, if applicable. Attachment Section B - Need-3.**

   Please complete the following tables, if applicable:

Service Area Counties	Historical Utilization-County Residents (2016)	% of total admissions
Hardeman County	55	98%
All Other	1	2%
Total	56	100%

Service Area Counties	Projected Utilization-County Residents	% of total procedures
Hardeman County	118	98%
All Other	2	2%
Total	120	100%

A map of the service area is attached as Attachment Section B, Need, 3.

4. A. 1) **Describe the demographics of the population to be served by the proposal.**

2) **Using current and projected population data from the Department of Health, the most recent enrollee data from the Bureau of TennCare, and demographic information from the US Census Bureau, complete the following table and include data for each county in your proposed service area.**

Projected Population Data: http://www.tn.gov/health/article/statistics-population

TennCare Enrollment Data: http://www.tn.gov/tenncare/topic/enrollment-data

Census Bureau Fact Finder: http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml

** Target Population is population that project will primarily serve. For example, nursing home, home health agency, hospice agency projects typically primarily serve the Age 65+ population; projects for child and adolescent psychiatric services will serve the Population Ages 0-19. Projected Year is defined in select service-specific criteria and standards. If Projected Year is not defined, default should be four years from current year, e.g., if Current Year is 2016, then default Projected Year is 2020.*

A table with the requested information is attached as Attachment Section B, Need, 4 A.

B. **Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.**

Since the suspension of operations at Pleasant View as of September 2017, there is only one operating skilled nursing facility in Hardeman County. That facility had an average annual occupancy rate of 93.5% in 2016. There is a need for additional beds to be operating in Hardeman County. The relocation and replacement facility will allow the 67 licensed beds at the former Pleasant View facility to begin operating again to serve the area.

Hardeman County is particularly underserved with private SNF beds. Of the 201 currently licensed beds in Hardeman County, only 14 are private beds -- 2 at Pine Meadows and 12 licensed at Pleasant View. Private beds represent only 7% of the licensed bed total in Hardeman County.

Both the overall population and the 65+ population are projected to grow at a smaller rate than the state as a whole. Median household income ($31,801) is significantly lower than the state as a whole ($45,219). The percentage of the population living below the poverty level in Hardeman County (24.8%) is significantly higher than the state as a whole (17.6%). The percentage of the population enrolled in TennCare (25.3%) is higher than the state as a whole (22.7%).

CCC of Bolivar upon its opening will be accessible to all socio-economic groups. The facility will participate in TennCare and Medicare.

Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: Admissions or discharges, patient days, average length of stay, and

occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc. This doesn't apply to projects that are solely relocating a service.

2016

County	Facility	Beds	Pt. Days	Avg. Occupancy
Hardeman	Pine Meadows Healthcare	134	45,729	93.50%
Hardeman	Pleasant View Health Care	67	19,054	77.90%
Total		201	64,783	88.30%

2015

County	Facility	Beds	Pt. Days	Avg. Occupancy
Hardeman	Pine Meadows Healthcare	134	42,486	86.90%
Hardeman	Pleasant View Health Care	67	21,648	88.50%
Total		201	64,134	87.40%

2014

County	Facility	Beds	Pt. Days	Avg. Occupancy
Hardeman	Pine Meadows Healthcare	134	46,570	95.20%
Hardeman	Pleasant View Health Care Center	67	21,648	88.50%
Total		201	68,218	93.00%

5. **Provide applicable utilization and/or occupancy statistics for your institution for each of the past three years and the projected annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.**

Projected Utilization:

Year	Patient Days	Average Occupancy
Year 1	11,476	47%
Year 2	21,900	90%

The facility's occupancy is expected to grow steadily during its first year of operation and stabilize into its second year of operation. Initially, it is expected the facility's skilled and private mix will represent a higher percentage of its overall mix as it grows its overall occupancy and longer-term resident population over the first year of operation. By the second year of operation, it is expected that the facility's occupancy and mix will begin to stabilize, with Medicaid making up the largest portion of the facility's overall mix as the facility achieves higher overall occupancy levels and retains a larger number of long-term residents. The facility endeavors to serve both short-stay, more acute patients, as well as longer-term patients within its community.

ECONOMIC FEASIBILITY

1. **Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.**

   A. **All projects should have a project cost of at least $15,000 (the minimum CON Filing Fee). (See Application Instructions for Filing Fee)**

   B. **The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.**

   C. **The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.**

   D. **Complete the Square Footage Chart on page 8 and provide the documentation. Please note the Total Construction Cost reported on line 5 of the Project Cost Chart should equal the Total Construction Cost reported on the Square Footage Chart.**

   E. **For projects that include new construction, modification, and/or renovation—documentation must be provided from a licensed architect or construction professional that support the estimated construction costs. Provide a letter that includes the following:**

      1) **A general description of the project;**
      2) **An estimate of the cost to construct the project;**
      3) **A description of the status of the site's suitability for the proposed project; and**
      4) **Attesting the physical environment will conform to applicable federal standards, manufacturer's specifications and licensing agencies' requirements including the AIA Guidelines for Design and Construction of Hospital and Health Care Facilities in current use by the licensing authority.**

A completed Project Costs Chart is attached following this page.

A completed Square Footage and Cost per Square Foot Chart is attached at the appropriate place in the application.

A letter from the project architect is attached as Attachment Section B, Economic Feasibility, 1.

PROJECT COST CHART

DEC 12 '17 AM 11:19

A.	Construction and equipment acquired by purchase:			
	1. Architectural and Engineering Fees			300,000.00
	2. Legal, Administrative, Consultant Fees		$	35,000.00
	3. Acquisition of Site		$	103,000.00
	4. Preparation of Site		$	190,000.00
	5. Total Construction Costs		$	7,210,000.00
	6. Contingency Fund	7%	$	504,700.00
	7. Fixed Equipment (Not included in Construction Contract)			
	8. Moveable Equipment (List all equipment over $50,000.00)			
	9. Other (Specify) Furniure, Fixtures, & Equipment		$	974,102.00
B.	Acquisition by gift donation, or lease:			
	1. Facility (Inclusive of building and land) (Less than construction cost. See next page)			
	2. Building Only			
	3. Land Only			
	4. Equipment (Specify)			
	5. Other (Specify)			
C.	Financing Costs and Fees:			
	1. Interim Financing (Construction Period Interest)		$	280,000.00
	2. Underwriting Costs		$	50,000.00
	3. Reserve for One Year's Debt Service			
	4. Other (Specify)			
D.	Estimated Project Cost (A+B+C)		$	9,646,802.00
E.	CON Filing Fee		$	55,469.11
F.	Total Estimated Project Cost (D + E)	**TOTAL**	$	9,702,271.11

FMV of Lease:

Estimated Base Rent = $61,500 per month for 1st 5 years = $3,690,000
$66,500 per month for 2nd 5 years = $3,990,000

Total lease payments = $7,680,000

Acquisition and construction cost:

Site acquisition	$103,000
Site prep	$190,000
Construction	$7,210,000
Contingency	$504,700

Total acquisition and construction = $8,007,700

2. **Identify the funding sources for this project.**

   Check the applicable item(s) below and briefly summarize how the project will be financed. ***(Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment Section B-Economic Feasibility-2.)***

   X **A. Commercial loan – Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;**

   Funding letters are attached as Attachment Section B, Economic Feasibility, 2. There is one from the Bank of Tennessee for construction and start-up costs in the amount of approximately $9.7 million, and one from the Bank of Tennessee for a line of credit for working capital in the amount of $1 million.

   __ **B. Tax-exempt bonds – Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;**

   __ **C. General obligation bonds – Copy of resolution from issuing authority or minutes from the appropriate meeting;**

   __ **D. Grants – Notification of intent form for grant application or notice of grant award;**

   __ **E. Cash Reserves – Appropriate documentation from Chief Financial Officer of the organization providing the funding for the project and audited financial statements of the organization; and/or**

   __ **F. Other – Identify and document funding from all other sources.**

3. **Complete Historical Data Charts on the following two pages—*Do not modify the Charts provided or submit Chart substitutions!***

   Historical Data Chart represents revenue and expense information for the last *three (3)* years for which complete data is available. Provide a Chart for the total facility and Chart just for the services being presented in the proposed project, if applicable. Only complete one chart if it suffices.

   Note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

   A completed Historical Data Chart reflecting two years of data under the previous ownership is attached following this page. The financial information needed for the Historical Data Chart for 2014 is not available to the applicant.

HISTORICAL DATA CHART

X Total Facility
___ Project Only

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in __January_____ (Month)

		Year: 12/31/16	Year: 12/31/15	Year:
A.	Utilization/Occupancy Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits)	19,054 patient days	20,743 patient days	NA
B.	Revenue from Services to Patients			
	1. Inpatient Services	$4,577,208.00	$4,765,739.00	
	2. Outpatient Services			
	3. Emergency Services			
	4. Other Operating Revenue	$269,272.00	$398,111.00	
	Specify: Miscellaneous Income			
	Gross Operating Revenue	$4,846,480.00	$5,163,850.00	$0.00
C.	Deductions from Operating Revenue			
	1. Contract Deductions	$1,209,833.00	$1,310,564.00	
	2. Provision for Charity Care			
	3. Provision for Bad Debt			
	Total Deductions	$1,209,833.00	$1,310,564.00	$0.00
NET OPERATING REVENUE		$3,636,647.00	$3,853,286.00	$0.00
D.	Operating Expenses			
	1. Salaries and Wages	$1,278,684.00	$1,301,758.00	
	a. Direct Patient Care	$895,102.00	$880,712.00	
	b. Non-Patient Care	$383,582.00	$421,045.00	
	2. Physicians' Salaries and Wages	$30,000.00	$30,000.00	
	3. Supplies	$193,554.00	$187,756.00	
	4. Rent	$227,733.00	$227,200.00	
	a. Paid to Affiliates	$227,733.00	$227,200.00	
	b. Paid to Non-Affiliates			
	5. Management Fees:	$363,705.00	$221,598.00	
	a. Fees to Affiliates	$363,705.00	$221,598.00	
	b. Fees to Non-Alffiliates			
	6. Other Operating Expenses	$1,664,513.00	$1,663,185.00	$0.00
	Total Operating Expenses	$3,758,189.00	$3,631,497.00	$0.00
E.	**Earnings Before Interest, Taxes, and Depreciation**	-$121,542.00	$221,789.00	$0.00
F.	Non-Operating Expenses			
	1. Taxes			
	2. Depreciation	$57,312.00	$63,603.00	
	3. Interest	$3,535.00	$3,685.00	
	4. Other Non-Operating Expenses			
	Total Non-Operating Expenses	$60,847.00	$67,288.00	$0.00
NET INCOME (LOSS)		-$182,389.00	$154,501.00	$0.00
G.	Other Deductions			
	1. Annual Principal Debt Repayment			
	2. Annual Capital Expediture			
	Other Total Deductions	$0.00	$0.00	$0.00
	NET BALANCE	-$182,389.00	$154,501.00	$0.00
	DEPRECIATION	$0.00	$0.00	$0.00
	FREE CASH FLOW (Net Blance + Depreciation)	-$182,389.00	$154,501.00	$0.00

HISTORICAL DATA CHART -- OTHER EXPENSES

X **Total Facility**
___ Project Only

OTHER EXPENSE CATEGORY	Year _12/31/16___	Year _12/31/15__	Year ___
1. Professional Services Contracts	34462	34595	
2. Contract Labor	727781	670664	
3. Imagng Interpretation Fees			
(Itemize all others below)			
Bed taxes	307113	279019	
Payroll tax, empl. benefits	187394	205428	
Insurance	118411	130816	
All other expenses	289352	342663	
TOTAL OTHER EXPENSES	$ 1,664,513.00	$ 1,663,185.00	$ -

4. **Complete Projected Data Charts on the following two pages – *Do not modify the Charts provided or submit Chart substitutions!***

   The Projected Data Chart requests information for the two years following the completion of the proposed services that apply to the project. Please complete two Projected Data Charts. One Projected Data Chart should reflect revenue and expense projections for the *Proposal Only* (*i.e.*, if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility). The second Chart should reflect information for the total facility. Only complete one chart if it suffices.

   Note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

   A completed Projected Data Chart is attached following this page.

PROJECTED DATA CHART

X Total Facility
___ Project Only

Give information for the last two (2) years for which complete data are available for the facility or agency. The fiscal year begins in _X_January_____ (Month)

		Year: 1	Year: 2
A.	Utilization/Occupancy Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits)	11,476 patient days 46.9% occupancy	21,900 patient days 89.5% occupancy
B.	Revenue from Services to Patients		
	1. Inpatient Services	$3,174,592.13	$5,671,335.99
	2. Outpatient Services		
	3. Emergency Services		
	4. Other Operating Revenue Specify: Phone, Cable, Guest Meals	$2,490.00	$4,890.00
	Gross Operating Revenue	$3,177,082.13	$5,676,225.99
C.	Deductions from Operating Revenue		
	1. Contract Deductions	$223,551.80	$415,654.62
	2. Provision for Charity Care	$40,186.05	$74,091.70
	3. Provision for Bad Debt	$25,600.00	$25,744.99
	Total Deductions	$289,337.86	$515,491.31
NET OPERATING REVENUE		$2,887,744.28	$5,160,734.67
D.	Operating Expenses		
	1. Salaries and Wages		
	a. Direct Patient Care	$773,999.31	$1,378,462.07
	b. Non-Patient Care	$489,088.92	$519,542.40
	2. Physicians' Salaries and Wages	$18,000.00	$18,000.00
	3. Supplies	$197,127.88	$340,241.73
	4. Rent		
	a. Paid to Affiliates	$738,000.00	$738,000.00
	b. Paid to Non-Affiliates		
	5. Management Fees:		
	a. Fees to Affiliates	$88,605.91	$157,817.14
	b. Fees to Non-Alffiliates		
	6. Other Operating Expenses	$903,865.57	$1,184,224.80
	Total Operating Expenses	$3,208,687.59	$4,336,288.14
E.	**Earnings Before Interest, Taxes, and Depreciation**	-$320,943.32	$824,446.53
F.	Non-Operating Expenses		
	1. Taxes	$211,031.00	$292,575.00
	2. Depreciation	$36,876.00	$36,876.00
	3. Interest	$2,056.00	$2,400.00
	4. Other Non-Operating Expenses		
	Total Non-Operating Expenses	$249,963.00	$331,851.00
NET INCOME (LOSS)		-$570,906.32	$492,595.53
G.	Other Deductions (N/A - Facility is Leased)		
	1. Estimated Annual Principal Debt Repayment		
	2. Annual Capital Expediture		
	Other Total Deductions	$0.00	$0.00
	NET BALANCE	-$570,906.32	$492,595.53
	DEPRECIATION	$0.00	$0.00
	FREE CASH FLOW (Net Blance + Depreciation)	-$570,906.32	$492,595.53

PROJECTED DATA CHART -- OTHER EXPENSES

X **Total Facility**
___ Project Only

OTHER EXPENSE CATEGORY	Year __1__	Year _2__
1. Professional Services Contracts	32,992.05	40,719.04
2. Contract Labor	178,643.33	250,355.33
3. Imagng Interpretation Fees (Itemize all others below) See Attached	692,230.18	893,150.44
TOTAL OTHER EXPENSES	903,865.57	1,184,224.80

Christian Care Center of Bolivar - Projected Data Chart - Other Expenses

	YEAR 1	YEAR 2
OTHER EXPENSES		
Administrative		
Dues & Subscriptions	39,060.00	39,060.00
Telephone	12,000.00	12,000.00
Accounting Services	21,972.00	21,972.00
Liability Insurance	39,684.00	39,684.00
Vehicle Expense	1,701.88	3,247.77
Employee Travel/Meals	1,008.73	1,925.01
Staff Procurement Advertising	2,619.95	4,999.77
Marketing & Public Relations	12,000.00	12,000.00
Purchased Services	34,020.00	34,020.00
Education	628.82	1,200.00
Billing & Disbursement Expense	33,797.70	64,497.69
Risk Management Expense	11,576.90	22,092.72
Patient Memorial Expense	434.94	830.01
Other Administrative Expense	238.70	455.52
Customer Relations Expense	2,368.63	4,520.16
IT Support Expense	9,456.15	18,045.60
Total Administrative Expense	**222,568.38**	**280,550.25**
Employee Benefits		
Payroll Taxes	103,218.33	157,903.57
Employee Insurance - Health	95,472.00	95,472.00
Employee Relations	1,829.26	3,490.86
Workers Comp Insurance	63,154.41	94,900.22
Benefits Administration Expense	24,257.77	46,292.22
Employee Insurance - Life	852.00	852.00
Employee Insurance - LTD	2,520.00	2,520.00
Background Checks	245.58	468.66
Total Employee Benefits Expense	**291,549.36**	**401,899.54**
Housekeeping		
Pest Control	3,600.00	3,600.00
Total Housekeeping Expense	**3,600.00**	**3,600.00**
Nursing		
Resident Transports	3,144.08	6,000.00
EDCC Expense	23,074.61	44,034.33
MDS Expense	4,344.00	4,344.00
Total Nursing Expense	**30,562.69**	**54,378.33**
Other		
Bank Charges	360.00	360.00
Beauty / Barber Shop	3,772.90	7,200.00
Total Other Expense	**4,132.90**	**7,560.00**
Plant		
Utilities - Gas	8,724.00	8,724.00
Utilities - Electricity	58,380.00	58,380.00
Utilities - Water / Sewer	19,524.00	19,524.00
Purchased Services	24,036.00	24,036.00
Rental Equipment	250.17	477.42
Lawn Service	9,000.00	9,000.00
Furniture / Equip. Replacement	1,565.31	2,987.16
Plant Engineer Expense	3,442.77	6,570.00
Storage Space Expense	2,568.00	2,568.00
Total Plant Expense	**127,490.26**	**132,266.58**
Property		
Insurance - Bldg. & Equipment	11,700.00	11,700.00
Total Property Expense	**11,700.00**	**11,700.00**
Recreation		
Outings & Special Events	626.58	1,195.74
Total Recreation Expense	**626.58**	**1,195.74**
TOTAL OTHER EXPENSES	**692,230.18**	**893,150.44**

5. **A. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Projected Data Chart for Year 1 and Year 2 of the proposed project. Please complete the following table.**

Please see the table below.

	Previous Year (2015 - Former owner)	Current Year (2016 - Former owner)	Year One	Year Two	% Change (2016 Former owner to Yr. 1 2020)
Gross Charge *(Gross Operating Revenue/Utilization Data)*	$229.75	$240.22	$276.63	$258.96	15%
Deduction from Revenue *(Total Deductions/Utilization Data)*	$63.18	$63.49	$25.21	$25.54	-60%*
Average Net Charge *(Net Operating Revenue/Utilization Data)*	$185.76	$190.86	$251.63	$235.65	31.8%

* The reason the contractual adjustment is reflected as a large decrease is due to the fact Medicare RUG payments are included as gross revenue in the Projected Data Chart. These payments are higher than the private pay gross charge, and therefore there is no Medicare downward charge adjustments included in the Projected Data Chart.

B. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

The proposed charges are reflected above. Since the facility voluntarily suspended operations as of September 2017, there are no current charges.

For comparison purposes, the average charges for Pleasant View according to its 2016 and 2015 data are included above. The increase in the average charges is due to multiple factors, including 4 years of intervening time, Medicare rate adjustments, and payor mix. It should be noted the facility was operating at a financial loss when it was acquired by the applicant, whereas the new facility will be profitable by Year 2.

C. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Christian Care Center of Bolivar (Projected Year 1 -- 2020):

Average Gross Charge: $276.63

Pine Meadows Health & Rehab (2016)

Average Gross Charge: $210.96

The applicant's average gross charge includes Medicare RUG payment rates, which are higher than private pay and Medicaid gross charges. It should also be noted there are 4 intervening years separating the average charges being compared.

6. **A. Discuss how projected utilization rates will be sufficient to support the financial performance. Indicate when the project's financial breakeven is expected and demonstrate the availability of sufficient cash flow until financial viability is achieved. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For all projects, provide financial information for the corporation, partnership, or principal parties that will be a source of funding for the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment Section B-Economic Feasibility-6A. NOTE: Publicly held entities only need to reference their SEC filings.**

Christian Care Center of Bolivar, LLC is a newly formed entity, and therefore no financial data exists. There is no parent company of CCC of Bolivar.

Financial stability and viability is assured by the fact the applicant will be backed by a $1 million line of credit. Please see the funding letters attached as Attachment Section B, Economic Feasibility, 2.

B. Net Operating Margin Ratio – Demonstrates how much revenue is left over after all the variable or operating costs have been paid. The formula for this ratio is: (Earnings before interest, Taxes, and Depreciation/Net Operating Revenue).

Utilizing information from the Historical and Projected Data Charts please report the net operating margin ratio trends in the following table:

Year	2015 (Former owner)	2016 (Former owner)	Current Year	Projected Year 1	Projected Year 2
Net Operating Margin Ratio	.057	-.033	N/A	-.11	.16

C. **Capitalization Ratio (Long-term debt to capitalization) – Measures the proportion of debt financing in a business's permanent (Long-term) financing mix. This ratio best measures a business's true capital structure because it is not affected by short-term financing decisions. The formula for this ratio is: Long Term Debt/(Long Term Debt + Total Equity) x 100.**

For the entity (applicant and/or parent company) that is funding the proposed project please provide the capitalization ratio using the most recent year available from the funding entity's audited balance sheet, if applicable. The Capitalization Ratios are not expected from outside the company lenders that provide funding.

N/A. Christian Care Center of Bolivar, LLC is a newly formed entity.

7. **Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. Additionally, report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payor classification for the first year of the project by completing the table below.**

Applicant's Projected Payor Mix, Year 1

Payor Source	Projected Gross Operating Revenue	As a % of total
Medicare/Medicare Managed Care	$1,101,661	34.70%
TennCare/Medicaid	$1,685,291	53.09%
Commercial/Other Managed Care	-	-
Self-Pay	$282,915	8.91%
Charity Care	$40,186	1.27%
Other (Specify) Hospice	$64,538	2.03%
Total	$3,174,591	100%

8. **Provide the projected staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTEs) positions for these positions. Additionally, please identify projected salary amounts by position classifications and compare the clinical staff salaries to prevailing wage patterns in the proposed service area as published by the Department of Labor & Workforce Development and/or other documented sources.**

Position Classification	Existing FTEs (N/A)	Projected FTEs Year 1	Average Wage (Contractual Rate)	Area Wide/Statewide Average Wage
A. Direct Patient Care Positions				
ADMINISTRATOR	N/A	1.00	$48.08	$46.60
NURSING ADMINISTRATION	N/A	3.00	$37.58	Not Listed
MEDICAL RECORDS	N/A	1.00	$19.23	$17.75
RN	N/A	4.20	$32.39	$30.00

LPN	N/A	7.00	$23.81	$20.20
C.N.A.	N/A	19.60	$13.35	$12.00
ACTIVITIES & CHAPLAIN	N/A	2.25	$17.57	Not Listed
MARKETING & SOCIAL SERVICES	N/A	2.00	$29.43	$28.00
Total Direct Patient Care Positions	N/A	40.5		
B. Non-Patient Care Positions				
OFFICE MGR. & H.R.	N/A	2.00	$19.65	$19.65
DIETARY	N/A	6.42	$13.25	$12.00
HOUSEKEEPING	N/A	4.94	$11.60	$9.85
LAUNDRY	N/A	1.40	$11.60	$9.85
Total Non-Patient Care Positions	N/A	14.76		
Total Employees *(A+B)*	N/A	55.26		
C. Contractual Staff				
Physical Therapist	N/A	1.40	$43.00	$42.75
Physical Therapist Assistant	N/A	2.80	$35.00	$34.10
Occupational Therapist	N/A	1.40	$41.00	$40.65
Certified Occupational Therapy Assistant	N/A	2.40	$35.00	Not Listed
Speech Therapist	N/A	1.40	$40.00	$36.95
Medical Director	N/A	0.05	$150.00	$138.40
Respiratory Therapist	N/A	0.50	$24.00	$23.80
Total Staff *(A+B+C)*	N/A	65.21		

9. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

A. Discuss the availability of less costly, more effective and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, justify why not, including reasons as to why they were rejected.

As discussed in the Need section of this application, the 67 licensed beds at Pleasant View are needed in the service area. The voluntary temporary suspension of operations does not obviate the need for these beds in the future.

Continuing operations in the existing facility is not practical, and in the applicants view, could be potentially hazardous to patients. Therefore, the relocation of the nursing home and the

construction of a modern replacement facility is the only realistic alternative for providing the needed nursing home beds in Hardeman County.

B. Document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements.

The applicant acquired Pleasant View effective September 1, 2017. The condition of the physical plant was in such a deficient, deteriorated and unsafe for frail SNF patients' condition, there was never a plan to attempt to renovate. The applicant wants to build a spacious new up-to-date facility at a new site conveniently located on a major US/State Highway in Bolivar that will better serve the community.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (i.e., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, that may directly or indirectly apply to the project, such as, transfer agreements, contractual agreements for health services.

A list of anticipated providers, vendors, and contractors in the applicant's network is attached as Attachment B, Orderly Development, 1.

2. Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact to consumers and existing providers in the service area. Discuss any instances of competition and/or duplication arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

A. Positive Effects

This project will allow the 67 licensed skilled nursing beds to be put back into operation in a modern new facility conveniently located on a major US/State Highway. This will allow patients to have a convenient second choice of SNFs in Hardeman County, and allow more Hardeman County residents to have access to a nursing home bed in the county.

Hardeman county is underserved with SNF beds, and particularly private beds. The replacement facility will offer 43 private beds and 24 semi-private beds, whereas the current inactive facility has only 12 private beds and 55 semi-private beds. Private beds in SNFs are very popular and much sought after by those needing long term skilled nursing care.

B. Negative Effects

A negative aspect of this project is it required the suspension of operations at Pleasant View pending the construction of the replacement facility. The temporary voluntary suspension of operations was necessary, however, due to the perceived unsafe and deficient condition of the building. The proposed replacement facility will be a modern, spacious and conveniently located facility with 43 private beds and 24 semi-private beds.

Although the new replacement facility will re-introduce competition into the market after the voluntary suspension of operations at Pleasant View, it provides for healthy competition which will give patients a choice of skilled nursing facilities in Hardeman County.

According to the bed need formula calculations of the Tennessee Department of Heath, there will be a need for 217 beds in Hardeman County in 2019. There are currently 201 licensed

beds, including the 67 licensed inactive beds at Pleasant View. The resumption of operations in the new replacement facility, to be called Christian Care Center of Bolivar, will not be an unnecessary duplication of services.

3. A. **Discuss the availability of and accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements and/or requirements of accrediting agencies, such as the Joint Commission and Commission on Accreditation of Rehabilitation Facilities.**

The staffing pattern reflected in the response to Section B, Economic Feasibility 8 is compliant with all applicable licensing and accreditation requirements.

B. Verify that the applicant has reviewed and understands all licensing and/or certification as required by the State of Tennessee and/or accrediting agencies such as the Joint Commission for medical/clinical staff. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.

The applicant has reviewed and understands all licensing and/or certification as required by the State of Tennessee and/or accrediting agencies such as the Joint Commission for medical/clinical staff.

C. Discuss the applicant's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

Christian Care Center of Bolivar supports the development, growth, and diversification of individuals seeking careers in health care and will explore participation in the training of students in the areas of medicine, nursing, social work, etc. through clinical affiliation agreements with:

Tennessee College of Applied Technology
1685 US-64
Whiteville, TN 38075

Freed-Hardeman University
158 East Main Street
Henderson, TN 38340

Jackson State Community College
2046 North Parkway
Jackson, TN 38301

4. Identify the type of licensure and certification requirements applicable and verify the applicant has reviewed and understands them. Discuss any additional requirements, if applicable. Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure: Tennessee Board for Licensing Healthcare Facilities.

Certification: Medicare and TennCare

Accreditation Joint Commission

A. If an existing institution, describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility and accreditation designation.

A copy of the licenses is attached as Attachment Section B, Orderly Development 4, A.

B. For existing providers, please provide a copy of the most recent statement of deficiencies/plan of correction and document that all deficiencies/findings have been corrected by providing a letter from the appropriate agency.

The most recent survey, statement of deficiencies and Plan of Correction are all on behalf of the previous owner of Pleasant View, and not the applicant. Copies of the survey, POC and approval letter from the Department of Health are attached as Attachment B, Orderly Development, 4, B.

C. **Document and explain inspections within the last three survey cycles which have resulted in any of the following state, federal, or accrediting body actions: suspension of admissions, civil monetary penalties, notice of 23-day or 90-day termination proceedings from Medicare/Medicaid/TennCare, revocation/denial of accreditation, or other similar actions.**

None.

1) **Discuss what measures the applicant has or will put in place to avoid similar findings in the future.**

N/A.

5. **Respond to all of the following and for such occurrences, identify, explain and provide documentation:**

A. **Has any of the following:**

1) **Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);**

2) **Any entity in which any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or**

3) **Any physician or other provider of health care, or administrator employed by any entity in which any person(s) or entity with more than 5% ownership in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%.**

B. **Been subjected to any of the following:**

1) **Final Order or Judgment in a state licensure action;**

No.

2) **Criminal fines in cases involving a Federal or State health care offense;**

No.

3) **Civil monetary penalties in cases involving a Federal or State health care offense;**

No.

4) **Administrative monetary penalties in cases involving a Federal or State health care offense;**

No.

5) **Agreement to pay civil or administrative monetary penalties to the federal government or any state in cases involving claims related to the provision of health care items and services; and/or**

No

6) **Suspension or termination of participation in Medicare or Medicaid/TennCare programs.**

No

7) **Is presently subject of/to an investigation, regulatory action, or party in any civil or criminal action of which you are aware.**

No

8) **Is presently subject to a corporate integrity agreement.**

No

6. **Outstanding Projects:**

A. **Complete the following chart by entering information for each applicable outstanding CON by applicant or share common ownership; and**

None

B. **Provide a brief description of the current progress, and status of each applicable outstanding CON.**

N/A.

7. **Equipment Registry – For the applicant and all entities in common ownership with the applicant.**

   A. **Do you own, lease, operate, and/or contract with a mobile vendor for a Computed Tomography scanner (CT), Linear Accelerator, Magnetic Resonance Imaging (MRI), and/or Positron Emission Tomographer (PET)?**

      No

   B. **If yes, have you submitted their registration to HSDA? If you have, what was the date of submission?**

      N/A

   C. **If yes, have you submitted your utilization to Health Services and Development Agency? If you have, what was the date of submission?**

      N/A

QUALITY MEASURES

Please verify that the applicant will report annually using forms prescribed by the Agency concerning continued need and appropriate quality measures as determined by the Agency pertaining to the certificate of need, if approved.

The applicant verifies it will do so.

SECTION C: STATE HEALTH PLAN QUESTIONS

T.C.A. §68-11-1625 requires the Tennessee Department of Health's Division of Health Planning to develop and annually update the State Health Plan (found at http://www.tn.gov/health/topic/health-planning). The State Health Plan guides the State in the development of health care programs and policies and in the allocation of health care resources in the State, including the Certificate of Need program. The 5 Principles for Achieving Better Health are from the State Health Plan's framework and inform the Certificate of Need program and its standards and criteria.

Discuss how the proposed project will relate to the 5 Principles for Achieving Better Health found in the State Health Plan.

1. **The purpose of the State Health Plan is to improve the health of the people of Tennessee.**

   This appears to be a policy statement to which no response is necessary.

2. **People in Tennessee should have access to health care and the conditions to achieve optimal health.**

   This project will improve access by making the 67 licensed beds available again after the temporary voluntary suspension of operations in order to construct the replacement facility. It will optimize care by bringing to the market a spacious, modern, conveniently located facility with mostly private beds.

3. **Health resources in Tennessee, including health care, should be developed to address the health of people in Tennessee while encouraging economic efficiencies.**

   The project will improve access to and quality of health care in an economically feasible manner, as reflected in the Projected Data Chart.

4. **People in Tennessee should have confidence that the quality of health care is continually monitored and standards are adhered to by providers.**

The new Christian Care Center of Bolivar will maintain its licensure with the Tennessee Board for Licensing Health Care Facilities in good standing. It will submit itself to the scrutiny of and be accredited by the Joint Commission, and will be certified by CMS for Medicare participation. It will adhere to the quality monitoring and standards of all such institutions.

5. **The state should support the development, recruitment, and retention of a sufficient and quality health workforce.**

Chirstian Care Center of Bolivar will hire approximately 55 direct and non-direct patient care FTE positions. It will pay competitive salaries and benefits in order to help retain its staff.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent.

The Notice of Intent was published in the Bolivar Bulletin Times which is a newspaper of general circulation in Hardeman County, Tennessee on December 7, 2017 for one day.

A Publisher's Affidavit is attached following this page.

NOTIFICATION REQUIREMENTS

(Applies only to Nonresidential Substitution-Based Treatment Centers for Opiate Addiction)

Note that T.C.A. §68-11-1607(c)(9)(A) states that "...Within ten (10) days of the filing of an application for a nonresidential substitution-based treatment center for opiate addiction with the agency, the applicant shall send a notice to the county mayor of the county in which the facility is proposed to be located, the state representative and senator representing the house district and senate district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of a municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution-based treatment center for opiate addiction has been filed with the agency by the applicant."

Failure to provide the notifications described above within the required statutory timeframe will result in the voiding of the CON application.

Please provide documentation of these notifications.

DEVELOPMENT SCHEDULE

T.C.A. §68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. **Complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.**
2. **If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph,* please state below any request for an extended schedule and document the "good cause" for such an extension.**

COUNTY JOURNAL, INC.

DARRELL TEUBNER, OWNER/PUBLISHER
PO BOX 438 * 200 E. MARKET ST., STE., B.
BOLIVAR, TN 38008
731.658.7328 * FAX 731.658.4320

Darrell Teubner, being sworn, makes oath that he is the publisher of the Bolivar Bulletin Times, a weekly newspaper, published by County Journal, Inc. in Hardeman County, Tennessee.

A (an) Notice of Intent on Bolivar

Appeared in said newspaper 1 consecutive week(s).

To wit: Dec 7 2017

And that a true copy of said notice is attached.

This 7th day of Dec. 2017

Darrell Teubner, Publisher

Sworn and subscribed before me:

This 7 day of December, 2017

Notary Public Gail R. Teubner

My commission expires Nov 22, 2020. The cost of this legal is $105.

LEGALS

SUBSTITUTE TRUSTEE'S SALE

Sale at public auction will be on December 19, 2017 at 1:00PM local time, at the west door, Hardeman County Courthouse, 100 N. Main Street, Bolivar, Tennessee pursuant to Deed of Trust executed by Crystal Blair, to Arnold M. Weiss, Attorney, Trustee, as trustee for Mortgage Electronic Registration Systems, Inc. as nominee for Homecomings Financial, LLC (f/k/a Homecomings Financial Network, Inc.) on February 8, 2008 at Deed of Trust 666, Page 351, Instrument No. 91253; conducted by Shapiro & Ingle, LLP, having been appointed Substitute or Successor Trustee, all of record in the Hardeman County Register's Office. Default has occurred in the performance of the covenants, terms, and conditions of said Deed of Trust and the entire indebtedness has been declared due and payable.

Party Entitled to Enforce the Debt: Nationstar Mortgage LLC d/b/a Mr. Cooper, its successors and assigns.

The following real estate located in Hardeman County, Tennessee, will be sold to the highest call bidder:

Described property located at Hardeman County, Tennessee, to wit:

Beginning at a stake in the west margin of Paula Street, the southeast corner Lot No. 12, and runs South 95 feet with said margins of Paula Street to a stake, the northeast corner of residue of Lot 10; thence West 150 feet with north boundary line of the residue of Lots 10 and 9 to a stake; thence North, passing southeast corner of Lot No. 6 at 15 feet, and on, in all 95 feet to a stake, the southwest corner of Lot No. 12; thence East 150 feet with south boundary line of said Lot No. 12 to the point of beginning, containing 14,250.00 square feet.

This being the same property conveyed to Crystal Blair by deed of record in Deed Book 37, Page 402, Register's Office of Hardeman County, Tennessee.

Street Address: 713 Paula Street, Bolivar, Tennessee 38008

Parcel Number: 070I D 005.00

Current Owner(s) of Property: Crystal Blair

The street address of the above described property is believed to be 713 Paula Street, Bolivar, Tennessee 38008, but such address is not part of the legal description of the property sold herein and in the event of any discrepancy, the legal description herein shall control.

This sale is subject to, without limitation, all matters shown on any applicable recorded plat; any unpaid taxes; any restrictive covenants, easements, or setback lines that may be applicable; any statutory right of redemption of any governmental agency, state or federal; any prior liens or encumbrances including those created by a fixture filing or any applicable homeowners' association dues or assessments; all claims or other matters, whether of record or not, which may encumber the purchaser's title and any matter that an accurate survey of the premises might disclose.

The following parties may claim an interest in the above-referenced property to be affected by the foreclosure: any judgment creditor or lien holder with an interest subordinate to the said Deed of Trust or any party claiming by, through, or under any of the foregoing. Such parties known to the Substitute Trustee may include: None.

Terms of Sale will be public auction, for cash, free and clear of rights of homestead, redemption and dower to the extent disclaimed or inapplicable, and the rights of Crystal Blair, and those claiming through him/her/it/them.

Any right of equity of redemption, statutory and otherwise, and homestead are waived in accord with the terms of said Deed of Trust, and the title is believed to be good, but the undersigned will sell and convey only as Substitute Trustee.

The right is reserved to adjourn the day of the sale to another day, time, and place certain without further publication, upon announcement at the time and place for the sale set forth above. If you purchase a property at the foreclosure sale, the entire purchase price is due and payable at the conclusion of the auction in the form of a certified/bank check made payable to or endorsed to Shapiro & Ingle, LLP. No personal checks will be accepted. To this end, you must bring sufficient funds to outbid the lender and any other bidders. Insufficient funds will not be accepted. Amounts received in excess of the winning bid will be refunded to the successful purchaser at the time the foreclosure deed is delivered.

This property is being sold with the express reservation that the sale is subject to confirmation by the lender or trustee. This sale may be rescinded only by the Substitute Trustee at any time. If the Substitute Trustee rescinds the sale, the purchaser shall only be entitled to a return of any money paid towards the purchase price and shall have no other recourse. Once the purchaser tenders the purchase price, the Substitute Trustee may deem the sale final in which case the purchaser shall have no remedy. The real property will be sold AS IS, WHERE IS, with no warranties or representations of any kind, express or implied, including without limitation, warranties regarding condition of the property or marketability of title.

This office may be a debt collector. This may be an attempt to collect a debt and any information obtained may be used for that purpose.

Shapiro & Ingle, LLP
Substitute Trustee
10130 Perimeter Parkway, Suite 400
Charlotte, NC 28216
Phone: (704) 333-8107
Fax: (704) 333-8156
www.auction.com
File No. 16-105875

Public Notice

The Industrial Development Board of the City of Bolivar will meet Tuesday, December 12, 2017 at 5:30 p.m. at the Bolivar Municipal Center, 211 N. Washington St. The purpose of this meeting is to elect officers, appoint an attorney and any other business brought before the board. All interested parties are invited and welcome to attend.

NOTICE TO FURNISHERS OF LABOR AND MATERIALS TO:
Volunteer Bridge Construction, Inc
PROJECT NO.: 35030-3402-94
CONTRACT NO.: CNQ356
COUNTY: Hardeman

The Tennessee Department of Transportation is about to make final settlement with the contractor for construction of the above numbered project. All persons wishing to file claims pursuant to Section 54-5-122, T.C.A. must file same with the Director of Construction, Tennessee Department of Transportation, Suite 700 James K. Polk Bldg., Nashville, Tennessee 37243-0326, on or before 01/19/18.

NOTICE OF BEER BOARD MEETING

The Bolivar Beer Board will meet Monday, December 11, 2017, immediately following the City Council meeting at 6:00 p.m. at the Municipal Center, 211 N. Washington St. Bolivar, Tennessee. The purpose of this meeting is for consideration of various beer permit violations. All interested parties are welcome to attend.

NOTICE

The Hardeman County Board of Education work session scheduled for December 14th, 2017 has been canceled. The Board of Education will resume the regular session meetings on January 11, 2018.

PUBLIC MEETING WHITEVILLE, TENNESSEE

The City of Whiteville is considering the submittal of an application to the Tennessee Department of Economic and Community Development, Community Development Block Grant (CDBG) program. A public meeting will be held January 8, 2018 at 6:30 PM at the Whiteville Community Center, 151 E. Main St. Whiteville, TN 38075. The purpose of the meeting is to discuss the program guidelines, the available funds, eligible projects and the community's responsibility in the application process. The City's governing body is seeking comments from the public in order to determined priorities for the use of the funds to be requested. The Whiteville Community Center is accessible to persons with disabilities. Persons with special needs who wish to attend should contact Angelous Simmons , City Recorder, at 731-254-8523 to make special arrangements. The City of Whiteville does not discriminate on the basis of race, color, religion, national origin, sex, age, or disability status; and encourages minority participation in government issues.

Aubrey Phillips
Mayor

IN THE CHANCERY COURT OF HARDEMAN COUNTY, TENNESSEE
FOR THE 25TH JUDICIAL DISTRICT AT BOLIVAR

[illegible] ALAN NOBLE, PLAINTIFF,

VS. CIVIL ACTION NO. [illegible]

JUSTIN DAVID NOBLE, DEFENDANT.

ORDER OF PUBLICATION (NON-RESIDENT NOTICE)

It appearing from the complaint in this cause, which is sworn to, that JUSTIN DAVID NOBLE cannot be personally served with process, it is ordered that publication be made for four (4) consecutive weeks in the Bolivar Bulletin Times, a newspaper published at Bolivar, in Hardeman County, Tennessee, requiring the said Defendant to defend a civil action which seeks a Complaint For Absolute Divorce by filing your answer with the Clerk of the Court and serving a copy of the answer to the Complaint on Matthew C. Edwards, Plaintiff's attorney, whose address is 111 N. Main Street, Bolivar, TN, 38008.

Within THIRTY (30) DAYS after the date of the last publication of this notice, not including day of the publication. If you fail to do so, a judgment by default may be taken against you for the relief demanded in the Complaint.

This the 15th day of November, 2017.

Janice M. Bodiford, Clerk & Master
P.O. Box 45 Bolivar, TN 38008

Matthew C. Edwards
Attorney for Plaintiff

IN THE CHANCERY COURT OF HARDEMAN COUNTY, TENNESSEE
NOTICE TO CREDITORS

PROBATE NO. P-2118

ESTATE OF ROSEMARY SILER TURNER late of Hardeman County, Tennessee

Notice is Hereby Given that on the 29th day of November, 2017, Letters Of Administration, c.t.a. in respect of the Estate of Rosemary Siler Turner, deceased, who died August 25, 2017, were issued to the undersigned by the Chancery Court Clerk of Hardeman County, Tennessee. All persons, resident and non-resident, having claims, matured or unmatured, against the Estate are required by law to file the same with the Clerk of the above named Court on or before the earlier of the dates prescribed in (1) or (2) otherwise their claims will be forever barred.

(1) (A) Four (4) months from the date of the first publication (or posting, as the case may be) of this notice if the creditor received an actual copy of this Notice to Creditors at least sixty (60) days before date that is four (4) months from the date of the first publication (or posting); or

(B) Sixty (60) days from the date the creditor received an actual copy of the Notice to Creditors, if the creditor received the copy of the Notice less than sixty (60) days prior to the date that is four (4) months from the date of the first publication (or posting) as described in (1) (A); or

(2) Twelve (12) months from the decedent's date of death.

All persons indebted to the above Estate must come forward and make proper settlement with the undersigned at once.

This 29th day of November, 2017.

THIS NOTICE WILL RUN TWO CONSECUTIVE WEEKS

FILE CLAIMS IN TRIPLICATE WITH:

JANICE M. BODIFORD, CLERK & MASTER
P.O. BOX 45
BOLIVAR, TN 38008

William K. Turner
Administrator, c.t.a.

Dobbs and Cary
Attorney

Janice M. Bodiford
Clerk & Master

PUBLICATION OF INTENT
TENNESSEE HEALTH SERVICES AND DEVELOPMENT AGENCY

The following shall be published in the "Legal Notices" section of the newspaper in a space no smaller than two (2) columns by two (2) inches.

===

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that Christian Care Center of Bolivar, LLC, a Tennessee Limited Liability Company which will have a consulting agreement with Care Centers Management Consulting, Inc., intends to file an application for a Certificate of Need for the relocation of Pleasant View Health Care Center and the construction of a replacement facility. The facility is currently located at 214 North Water Street, Bolivar, Tennessee. The location for the proposed replacement facility is an undeveloped site on State Highway 64 at the intersection of Lucy Black Road in or near the city limits of Bolivar, Tennessee in Hardeman County. Pleasant View Health Care Center is currently licensed for 67 skilled nursing beds by the Tennessee Board for Licensing Health Care Facilities, and the beds and facility will retain this licensure status. No new services are being initiated, and no additional beds are sought. The total estimated project cost is $9,750,000.00.

The anticipated date of filing the application is December 12, 2017.

The contact person for this project is Jerry W. Taylor, Attorney, who may be reached at: Burr & Forman, LLP, 511 Union Street, Suite 2300, Nashville, Tennessee 37219, 615-724-3247.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Health Services and Development Agency
Andrew Jackson Building
502 Deaderick Street, 9th Floor
Nashville, Tennessee 37243

Pursuant to T.C.A. § 68-11-1609(c)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HSDA action on the date listed in Item 1. below, indicate the number of days from the HSDA decision date to each phase of the completion forecast.

Phase	Days Required	Anticipated Date [Month/Year]
1. Initial HSDA decision date		April 2018
2. Architectural and engineering contract signed	0	May
3. Construction documents approved by the Tennessee Department of Health	150	October 2018
4. Construction contract signed	150	October 2018
5. Building permit secured	180	November 2018
6. Site preparation completed	270	February 2019
7. Building construction commenced	300	March 2019
8. Construction 40% complete	390	June 2019
9. Construction 80% complete	510	October 2019
10. Construction 100% complete (approved for occupancy	660	February 2020
11. *Issuance of License	690	March 2020
12. *Initiation of Service	690	March 2020
13. Final Architectural Certification of Payment	705	April 2020
14. Final Project Report Form submitted (Form HR0055)	720	April 2020

***For projects that *DO NOT* involve construction or renovation, complete Items 11 & 12 only.**

NOTE: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date

DEC 12 '17 AM 11:7

AFFIDAVIT

STATE OF Tennessee

COUNTY OF Washington

Anita West, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. §68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

Anita West, Treasurer
SIGNATURE/TITLE

Sworn to and subscribed before me this 6th day of Dec (Month), 2017 (Year) a Notary

Public in and for the County/State of Tennessee.

NOTARY PUBLIC

My commission expires Oct 29 (Month/Day), 19 (Year).

DENISE D. EITH
STATE OF TENNESSEE NOTARY PUBLIC
WASHINGTON COUNTY
My Commission Expires 10/29/19

LIST OF ATTACHMENTS

Christian Care Center of Bolivar

Table of Contents of QAPI Manual	Attachment Section A, B (3)
Organizational documentation	Attachment Section A-4 A, 1
Ownership chart	Attachment Section A-4 A, 2
Consulting agreement	Attachment Section A-5
Real estate purchase agreement and Lease	Attachment Section A-6 A
Plot Plan	Attachment A-6 B, 1
Floor Plan	Attachment A-6 B, 2
Bed need calculation	Attachment Section B, Need, 1, (1)
Anticipated contractors and vendors	Attachment Section B, Orderly Development, 1
Population and Demographics Table	Attachment Section B, Need, 4 A
Letter from project architect	Attachment Section B, Economic Feasibility, 1
Funding letters	Attachment Section B, Economic Feasibility, 2
License	Attachment Section B, Orderly Development 4, A
Survey, POC and Approval Letter	Attachment B, Orderly Development, 4, B

QUALITY ASSURANCE PERFORMANCE IMPROVEMENT MANUAL

Attachment Section A, B (3)

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for
Quality Assurance Performance Improvement

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Audit form (blank)	after 0.2
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Infection Control Audit	8.1
Maintenance Services Audit	9.1
Medication Use Audit	10.1
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Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

CHRISTIAN CARE CENTER OF BOLIVAR, LLC
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

July 6, 2017

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

SOS Control # :	**000911928**	Formation Locale:	TENNESSEE
Filing Type:	Limited Liability Company - Domestic	Date Formed:	07/06/2017
Filing Date:	07/06/2017 1:48 PM	Fiscal Year Close:	12
Status:	Active	Annual Report Due:	04/01/2018
Duration Term:	Perpetual	Image # :	B0416-1041
Managed By:	Member Managed		
Business County:	WASHINGTON COUNTY		

Document Receipt

Receipt # : 003466281	Filing Fee:	$300.00
Payment-Credit Card - State Payment Center - CC #: 3706240109		$300.00

Registered Agent Address:
CHRISTIAN CARE CENTER OF BOLIVAR, LLC
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

Principal Address:
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

Congratulations on the successful filing of your **Articles of Organization** for **CHRISTIAN CARE CENTER OF BOLIVAR, LLC** in the State of Tennessee which is effective on the date shown above. You must also file this document in the office of the Register of Deeds in the county where the entity has its principal office if such principal office is in Tennessee. Please visit the Tennessee Department of Revenue website (apps.tn.gov/bizreg) to determine your online tax registration requirements. If you need to obtain a Certificate of Existence for this entity, you can request, pay for, and receive it from our website.

You must file an Annual Report with this office on or before the Annual Report Due Date noted above and maintain a Registered Office and Registered Agent. Failure to do so will subject the business to Administrative Dissolution/Revocation.

Tre Hargett
Secretary of State

Phone (615) 741-2286 * Fax (615) 741-7310 * Website: http://tnbear.tn.gov/

000911928

ARTICLES OF ORGANIZATION
LIMITED LIABILITY COMPANY

SS-4270

Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102
(615) 741-2286

Filing Fee: $50.00 per member
(minimum fee = $300.00, maximum fee = $3,000.00)

For Office Use Only
-FILED-
Control # 000911928

The Articles of Organization presented herein are adopted in accordance with the provisions of the Tennessee Revised Limited Liability Company Act.

1. The name of the Limited Liability Company is: CHRISTIAN CARE CENTER OF BOLIVAR, LLC

(Note: Pursuant to the provisions of T.C.A. §48-249-106, each Limited Liability Company name must contain the words "Limited Liability Company" or the abbreviation "LLC" or "L.L.C.")

2. Name Consent: (Written Consent for Use of Indistinguishable Name)
☐ This entity name already exists in Tennessee and has received name consent from the existing entity.

3. This company has the additional designation of: None

4. The name and complete address of the Limited Liability Company's initial registered agent and office located in the state of Tennessee is:
CHRISTIAN CARE CENTER OF BOLIVAR, LLC
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127
WASHINGTON COUNTY

5. Fiscal Year Close Month: December

6. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time is:
(none) (Not to exceed 90 days)

7. The Limited Liability Company will be:
☑ Member Managed ☐ Manager Managed ☐ Director Managed

8. Number of Members at the date of filing: 1

9. Period of Duration: Perpetual

10. The complete address of the Limited Liability Company's principal executive office is:
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127
WASHINGTON COUNTY

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ARTICLES OF ORGANIZATION
LIMITED LIABILITY COMPANY

SS-4270

Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102
(615) 741-2286

Filing Fee: $50.00 per member
(minimum fee = $300.00, maximum fee = $3,000.00)

For Office Use Only

-FILED-

Control # 000911928

B0416-1042 07/06/2017 1:48 PM Received by Tennessee Secretary of State Tre Hargett

The name of the Limited Liability Company is: CHRISTIAN CARE CENTER OF BOLIVAR, LLC

11. The complete mailing address of the entity (if different from the principal office) is:
RISK MANAGEMENT
STE 2D
2020 NORTHPARK DR
JOHNSON CITY, TN 37604-3127

12. Non-Profit LLC (required only if the Additional Designation of "Non-Profit LLC" is entered in section 3.)

☐ I certify that this entity is a Non-Profit LLC whose sole member is a nonprofit corporation, foreign or domestic, incorporated under or subject to the provisions of the Tennessee Nonprofit Corporation Act and who is exempt from franchise and excise tax as not-for-profit as defined in T.C.A. §67-4-2004. The business is disregarded as an entity for federal income tax purposes.

13. Professional LLC (required only if the Additional Designation of "Professional LLC" is entered in section 3.)

☐ I certify that this PLLC has one or more qualified persons as members and no disqualified persons as members or holders.

Licensed Profession:

14. Series LLC (optional)

☐ I certify that this entity meets the requirements of T.C.A. §48-249-309(a) & (b)

15. Obligated Member Entity (list of obligated members and signatures must be attached)

☐ This entity will be registered as an Obligated Member Entity (OME) Effective Date: (none)

☐ I understand that by statute: THE EXECUTION AND FILING OF THIS DOCUMENT WILL CAUSE THE MEMBER(S) TO BE PERSONALLY LIABLE FOR THE DEBTS, OBLIGATIONS AND LIABILITIES OF THE LIMITED LIABILITY COMPANY TO THE SAME EXTENT AS A GENERAL PARTNER OF A GENERAL PARTNERSHIP. CONSULT YOUR ATTORNEY.

16. This entity is prohibited from doing business in Tennessee:

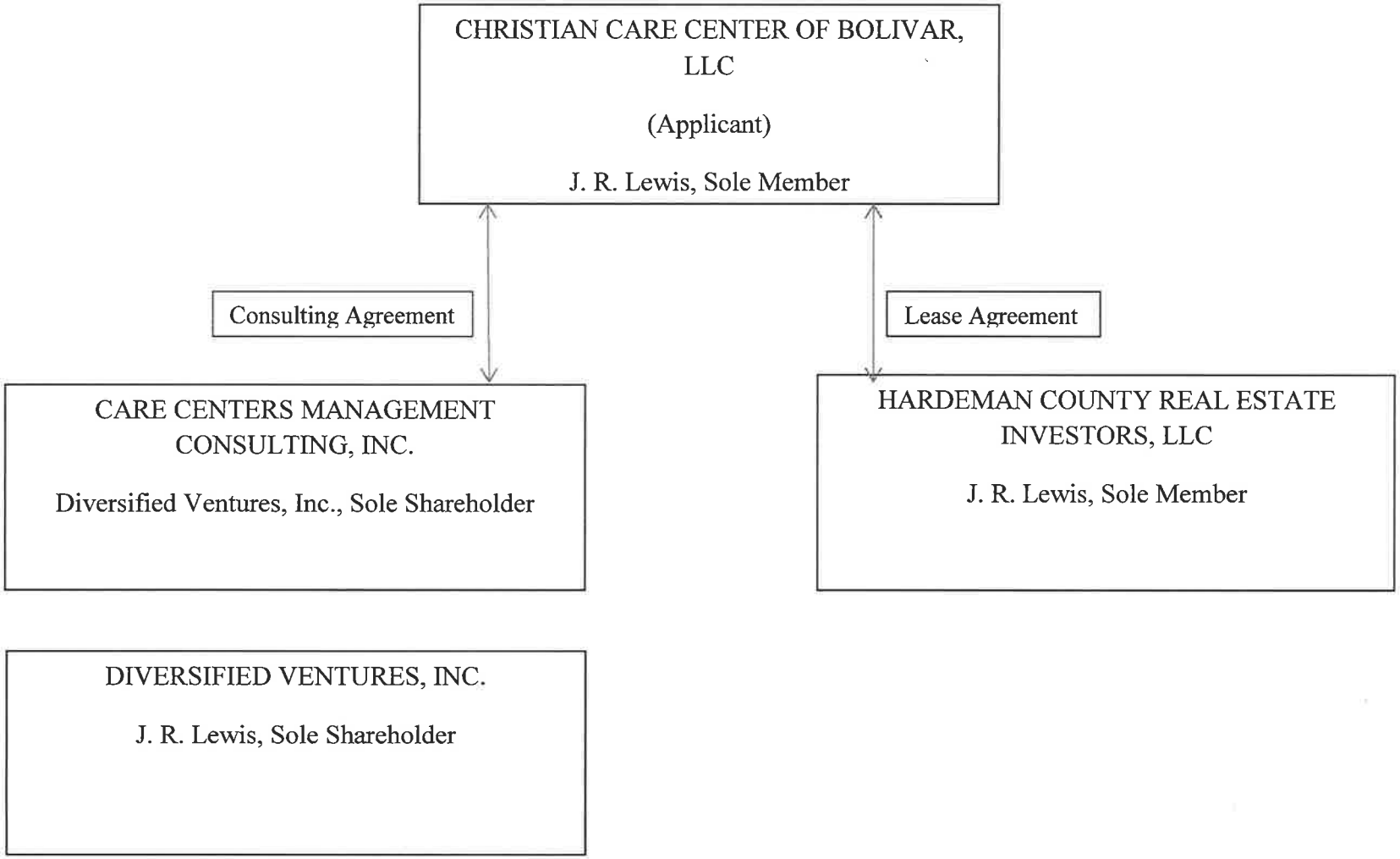
☐ This entity, while being formed under Tennessee law, is prohibited from engaging in business in Tennessee.

17. Other Provisions:

Electronic	MANAGER, RISK MANAGEMENT
Signature	Title/Signer's Capacity
LISA M CAWOOD-GRAY as authorized representative for CHRISTIAN	Jul 6, 2017 1:48PM
Printed Name	Date

CHRISTIAN CARE CENTER OF BOLIVAR

OWNERSHIP CHART



30860284 v1
30863289 v1

MANAGEMENT CONSULTING AND SERVICES AGREEMENT

THIS **MANAGEMENT CONSULTING AND SERVICES AGREEMENT** ("Agreement") is made and entered into as of the Effective Date by and between CHRISTIAN CARE CENTER OF BOLIVAR, LLC, a Tennessee limited liability company, having a mailing address of 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604 ("Owner"), and CARE CENTERS MANAGEMENT CONSULTING, INC., a Tennessee corporation, having an office at 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604 ("Management Consultant").

W I T N E S S E T H:

WHEREAS, Owner has entered into a lease to operate a 67-bed nursing home located at 214 North Water Street, Bolivar, Tennessee, as shown on Exhibit A, for Owner to own and operate; and

WHEREAS, Owner desires to engage Management Consultant to provide consulting and other services in furtherance of Project operations, subject to the terms and provisions of this Agreement, and Management Consultant agrees to perform the services provided for herein.

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

ARTICLE I

DEFINITIONS

When used in this Agreement, the following words or terms shall have the following definitions:

1.1 "Effective Date" means the date on which Owner commences its operation of the leased Nursing Home.

1.2 "Fiscal Year" means a year, commencing January 1, and ending December 31, except that the first Fiscal Year shall be that period commencing on the Effective Date and ending on the next succeeding December 31.

1.3 "Management Consultant Affiliate" means any entity to which Management Consultant is related via common ownership and/or control.

1.4 "Improvements" means Owner's leased Nursing Home and all other leased structural improvements situated on the Land.

1.5 "Land" means Owner's leased tract of land located as shown on Exhibit A.

1.6 "Nursing Home" means Owner's leased nursing home located on the Land.

1.7 "Operating Plan" means the broad plan of Project operation including, but not limited to, all systems, methods, policies, procedures, job descriptions, salaries, wages, benefits, budget guidelines and parameters, forms, manuals, internal controls, quality assurance programs, compliance programs, and insurance programs utilized by Owner in its operation of the Project. The Operating Plan shall be prepared by Management Consultant and recommended to Owner via communication of same to Owner's Administrator. The Operating Plan shall at all times belong to Owner, and it will be the sole responsibility of Owner's Administrator to evaluate and implement the Operating Plan.

1.8 "Patients" means the residents of Owner's Nursing Home.

1.9 "Project" means Owner's Land, Owner's Improvements, and Owner's Nursing Home operation.

1.10 "Project Expenses" means all Project-related expenses, costs, and charges of every kind and nature incurred in connection with the operation and maintenance of the Project. All Project Expenses shall be and remain the sole responsibility of Owner.

1.11 "Project Income" means, with respect to a specific period of time, Owner's revenues from all sources in connection with the operation of the Project. Project Income shall not include or mean (i) capital contributions of Owner, (ii) non-Patient-services-related insurance proceeds (however, business interruption insurance proceeds shall be included in "Project Income"), (iii) tax refunds, (iv) condemnation proceeds or awards, or (v) amounts collected from Patients as security deposits, if any, except to the extent those security deposits are actually applied against the payments owed to the Nursing Home.

1.12 "Salaries and Benefits" means all of the Project's salaries, wages, bonuses, and other direct compensation, group life, accident, disability, medical and health insurance, pension plans, social security payments, payroll and other employee taxes, worker's compensation payments, employer's contribution to F.I.C.A., unemployment compensation, and similar so-called fringe benefits.

1.13 "Administrator" means the individual charged by Owner with the responsibility of administration and management of the Nursing Home. The Administrator shall be an employee of Owner, shall be licensed pursuant to Tennessee law, and shall be the executive delegated the responsibility by Owner to directly interact with and to evaluate and implement the recommendations from Management Consultant.

1.14 "Service Center Expenses" means those expenses associated with the performance, at a central location, of certain services, including, without limitation, human resource services, billing and disbursement services, legal services, risk management services, executive direct care coordinator services, marketing services, information technology services and plant maintenance consulting services, performed either by Management Consultant or a Management Consultant Affiliate subcontracted to perform such services (the "Service Center"). The Service Center directly incurs, on behalf of several facilities, the direct costs and related overhead expenses associated with the above services and each month bills each facility its pro-rata share of such costs and expenses based on the facility's patient days.

When used in this Agreement, the words and terms for which definitions are specified in the introductory paragraph of this Agreement and in the further Articles of this Agreement shall have the definitions respectively therein ascribed to them.

ARTICLE II

RELATIONSHIP OF PARTIES

2.1 Status of Management Consultant. It is expressly acknowledged by the Parties that Management Consultant is an independent contractor, and nothing contained in this Agreement is intended or shall be construed (a) to create a partnership or joint venture between the Parties, or any affiliate, employee, officer, agent, or associate of any of the Parties, (b) to cause Management Consultant or any affiliate, employee, agent, or associate of Management Consultant to be responsible in any way for the Owner's and Project's debts, liabilities, responsibilities, duties or obligations of the other Party, or (c) to constitute an employer-employee relationship between the Parties. In the event the Internal Revenue Service should question or challenge the independent contractor status of Management Consultant, the Parties mutually agree that Management Consultant and Owner shall have the right to participate in any discussion or negotiation occurring with the Internal Revenue Service, irrespective of whom or by whom those discussions or negotiations are initiated.

2.2 Clarification of Management Consultant's Services. The parties hereto hereby acknowledge and understand that Management Consultant's role is to make recommendations to Owner on matters pertaining to its business via its direct interaction and communication with the Administrator. The parties further understand and acknowledge that:

(a) Patient Services. Management Consultant is not a "management company" as defined by any form(s) issued by any regulatory or other governing entity as in effect on the Effective Date, and Owner retains ultimate legal responsibility for operation of the Nursing Home, even if said form(s) incorrectly identifies Management Consultant as a "management company." Management Consultant will not provide Patient services, and in no way and under no circumstances shall Management Consultant be held responsible for the quantity and/or quality of said Patient services provided by Owner. All Patient services shall be provided under the authority of the Administrator solely by Owner's employees and contracted service providers (excluding Management Consultant), and the responsibility for same shall rest with Owner's employed/engaged staff and contractors as overseen and directed by the Administrator.

(b) Owner's Employees. Management Consultant shall have direct interaction and communication with Owner's Administrator but shall not be expected to directly or indirectly supervise Owner's services providing staff. Owner shall be responsible for, and Management Consultant shall be prohibited from, making employment-related decisions relating to Owner's employees, but Management Consultant shall make recommendations pertaining thereto to the Owner through Owner's Administrator.

(c) Commencement of Services. Management Consultant shall begin providing services when this Agreement becomes effective and shall continue to provide services through termination of the Agreement for whatever reason.

(d) Cooperation in Litigation. In the event that an action is brought, whether

by an employee, a Patient, a Patient's estate or representative, or a governmental agency for acts or omissions pertaining to the operations of the Nursing Home, which action names Management Consultant, a Management Consultant Affiliate, and/or any of their stockholders, directors, members, officers, employees, and/or other agents as a defendant, Owner agrees to cooperate with Management Consultant in Management Consultant's motion to dismiss the action as to Management Consultant on the ground that Management Consultant does not manage or control Owner, any of Owner's employees, the operations of the Nursing Home, or any services provided by Owner to Patients, and Owner shall provide, in support of such motion to dismiss, an affidavit stating that Management Consultant neither manages nor controls, in any manner or to any degree, Owner, any of Owner's employees, the operations of the Nursing Home, or any services provided by Owner to Patients. Owner hereby waives any right it may have, if any, that pursuing such motion to dismiss presents a conflict of interest for Management Consultant.

(e) Scope of Services. The scope of the services provided by Management Consultant shall be defined only by the terms and provisions of this Agreement, and the choice of Owner, of any of Owner's other consultants, or of any of Owner's principals, employees, or other agents to act or not act in any given situation relating to the operation of the Nursing Home shall not have the effect of increasing, expanding, or otherwise amplifying the obligations of Management Consultant as embodied in this Agreement.

2.3 Indemnity. Management Consultant and Owner shall each be responsible for their own acts and omissions in the performance of their duties hereunder and the acts and omissions of their own employees and agents, and shall indemnify and hold harmless the other party from and against any and all claims, liabilities, causes of action, losses, costs, damages, and expenses (including reasonable attorney's fees) incurred by the other party as a result of such acts or omissions. Such responsibilities shall be defined strictly by and limited to the terms of this Agreement.

ARTICLE III

AUTHORIZATION OF MANAGEMENT CONSULTANT SERVICES

3.1 Administrative Services. Management Consultant is authorized, in accordance with the Operating Plan, to provide the following administrative services for Owner:

(a) Service Contracts. Management Consultant shall (i) enter Owner into or renew, in the name of and at the expense of Owner, contracts ("Service Contracts") for electricity, gas, water, telephone, cleaning, fuel oil, elevator maintenance, vermin extermination, trash removal, linen service, and other services that in the opinion of Management Consultant are needed by Owner in the ordinary course of the operation of the Project; (ii) purchase, in the name of and at the expense of Owner, all supplies and equipment that in the opinion of Management Consultant are necessary to maintain and so operate the Project; and (iii) credit to Owner any discounts, rebates, or commissions obtained for purchases or otherwise. Prior approval by Owner is not required for any new Service Contract with a term of one (1) year or less and/or that provides for termination by Owner (without the payment of premium or penalty) upon ninety (90) days' or less written notice. The Administrator shall be responsible for the day to day supervision of all Service Contract services.

(b) Maintenance and Repair. Management Consultant shall maintain or cause to be maintained, both at Owner's expense, the Improvements and grounds of the Project. Such maintenance shall include, without limitation, interior and exterior cleaning, painting, decorating, plumbing, carpentry, and other normal maintenance and repair work.

(c) Collection. Management Consultant shall assist facility staff in their efforts to request, demand, collect, and receive all charges due from Patients and otherwise due Owner with respect to the Project.

(d) Project Expenses; Mortgage Loans. Management Consultant shall, utilizing Owner's funds and at Owner's expense, pay all Project Expenses, if reasonably possible, on or before the date (the "Due Date") after which interest or penalty will begin to accrue thereon; provided, however, that Management Consultant shall be further authorized to contest, if and to the extent appropriate, the payment of any Project Expense (or portion thereof) that Management Consultant has reasonable grounds to believe on the basis of the facts and information actually known to Management Consultant should be contested. Contest expenses shall be included as Project Expenses. Any interest or penalty that accrues and may thereafter become payable with respect to such Project Expense shall itself be a Project Expense regardless of cause.

(e) Reports. Management Consultant shall, as soon as reasonable and practicable each month, render to the Administrator and to any other person or entity designated by Owner a statement of income and expenses showing the results of operation of the Nursing Home for the preceding month and of the Fiscal Year to date. As soon as reasonable and practicable after the end of each Fiscal Year, Management Consultant shall deliver to Owner profit and loss statements showing Project Income, Project Expense, the results of operations for that Fiscal Year, and a balance sheet of the Project as of the end of that Fiscal Year, prepared on an accrual basis in accordance with generally accepted accounting principles consistently applied. All such monthly reports shall be in the format normally utilized by Management Consultant. If so instructed by Owner, Management Consultant shall, at Owner's expense, have prepared and delivered to Owner audited financial statements within one hundred and eighty (180) days after the close of each Fiscal Year. Management Consultant shall, upon reasonable notice from Owner, prepare and submit to Owner such other reports, certificates, or representations as Owner may reasonably request concerning such matters relating to the Project as are within the scope of Management Consultant's services provided for in this Agreement. If any such additional reports or alternate report formats requested by Owner require, in Management Consultant's sole discretion, Management Consultant to engage auditors or other professionals to assist Management Consultant in designing or preparing such report, or require, in Management Consultant's sole discretion, Management Consultant's employees to expend substantial amounts of additional time designing or preparing such report, then Owner shall promptly reimburse Management Consultant for the reasonable actual cost to Management Consultant of engaging such consultants, auditors, or other professionals, or of such time expended by Management Consultant's employees.

(f) Records. Management Consultant shall, at Owner's expense, maintain, at the address for Management Consultant provided for in Section 10.2 of this Agreement, or such other place or places as Management Consultant may deem appropriate, a system of office records, books, and accounts, including, without limitation, copies of all reports filed pursuant to subsection (e) above and any additional information or records reasonably required by Owner for the preparation of federal, state, and local tax returns, all in a manner reasonably satisfactory to Owner. Owner and others designated by Owner, including Owner's auditors and accountants, shall have, upon reasonable notice

to Management Consultant and during normal business hours, access to and the right to audit and make copies of such records, accounts, books, and all vouchers, files, and other material pertaining to the Project and this Agreement, all of which Management Consultant shall take reasonable steps to keep safe and available to Management Consultant and Owner and all of which shall be owned by Owner and stored at Owner's expense of storage space.

(g) Legal Proceedings. Management Consultant shall arrange for the institution, prosecution, and/or defense of, in the name and at the expense of Owner, such actions and proceedings necessary to effect the purposes, perform the services, and take the actions contemplated by this Agreement, including without limitation, actions (i) to evict Patients in default; (ii) to recover possession of rooms occupied by such Patients; (iii) to sue for and recover charges and other damages due from Patients and Residents and other persons obligated to Owner or Management Consultant in connection with the Project; (iv) to settle, compromise, and release any such actions or suits or reinstate such Patients; and (v) sign and serve in the name of Owner notices and other communications relating to any of the foregoing matters.

(h) Process Insurance Claims. Management Consultant shall, at Owner's expense, process or cause to be processed all claims under any insurance coverages pertaining to the Project in an expeditious manner, so as to minimize delay in receipt by the Project of the proceeds of such insurance.

(i) Maintenance of Licenses. Management Consultant shall assist Owner and Owner's staff in obtaining and maintaining all licenses, certifications, and permits required for operation of the Project, such as contracts with fiscal intermediaries and agencies and eligibility for participation in medical reimbursement programs. All licenses, certificates, and permits shall be obtained and maintained in the name and at the expense of the Owner. All cost and other reports prepared shall be an expense of Owner.

(j) Reimbursement Schedules. Management Consultant shall, at Owner's expense, (i) develop price and reimbursement schedules; (ii) obtain approval of appropriate price schedules by government agencies and appropriate reimbursement schedules from third-party paying agencies; (iii) provide statistical, financial, and other data necessary to obtain reimbursement from the appropriate agencies; and (iv) effect final settlement of all claims for reimbursement.

3.2 Quality Assurance Consulting Services. Management Consultant shall consult periodically with the Administrator and other department heads of the Nursing Home to develop and maintain quality assurance policies and procedures for the Nursing Home. The quality assurance policies and procedures developed by the Management Consultant shall be provided to the Administrator for implementation at the Nursing Home. Notwithstanding the foregoing, Management Consultant shall not be responsible for implementation of, or adherence to, such policies and procedures by the Administrator, department heads, or other employees of the Nursing Home.

3.3 Extraordinary Services. Whenever Owner reasonably determines that a service not included in the basic services required to be rendered by Management Consultant pursuant to the Agreement (and not constituting an emergency) is necessary or desirable for the efficient operation of the Nursing Home (collectively, the "Extraordinary Services"), Owner may request that Management Consultant perform the Extraordinary Services in accordance with directions of Owner as to the

performance thereof and the amount to be expended by Owner therefor. Extraordinary Services may include:

(a) Major Repairs. Coordination and supervision of out of the ordinary major repairs, replacements, and alterations to the Nursing Home.

(b) Compliance with Legal Requirements. Consultation regarding the Nursing Home's compliance with any and all orders or requirements affecting the Project by any federal, state, county, municipal, or other governmental authority having jurisdiction thereover.

(c) Tax Abatement and Eminent Domain. Consultation regarding the negotiation or prosecution by Owner of claims for the abatement of property and other taxes affecting the Nursing Home and for awards for taking by eminent domain affecting the Nursing Home.

(d) General. Performance of any other services, acts, items, or matters relating to or affecting the Nursing Home that are or may be desirable or necessary for the efficient operation thereof and that are not otherwise included within the services required by this Agreement.

3.4 Expense of Owner. All Project Expenses shall be the sole obligation of Owner, including, but not limited to, expenses incurred by Management Consultant and/or a Management Consultant Affiliate in good faith expectation of reimbursement from Owner. Notwithstanding any other provision of this Agreement to the contrary, Management Consultant shall not be obligated to make any advance to or for the account of Owner or to pay any sums, except out of Owner's funds held in any Owner account maintained under Article VI, nor shall Management Consultant be obligated to incur any liability or obligation for the account of Owner.

ARTICLE IV

INSURANCE

4.1 Owner's Insurance. Management Consultant is authorized to use reasonable efforts to obtain in Owner's name, and naming Management Consultant as additional insured, and all policies at Owner's expense, and, if reasonably available, keep in force during the term of this Agreement, as close as reasonably possible the following configuration of insurance coverages:

(a) comprehensive general liability and medical malpractice insurance, with broad form comprehensive endorsement, protecting and indemnifying Owner against claims for injury to or death of persons or damage to or destruction of property occurring upon, in, or about the Project and the adjoining streets (other than streets dedicated to and accepted for maintenance by the public). Such insurance shall (i) afford immediate protection to the limit of not less than $1,000,000 combined single limit bodily injury and property damages and medical malpractice coverage of not less than $1,000,000; (ii) be issued on an "occurrence basis" (or its substantial equivalent, such as a "claims made" policy with appropriate tail coverage) and be endorsed specifically to include within its scope of coverage all liabilities and indemnities for which Owner is obligated and liable under the terms of this Agreement; and (iii) not provide for a self-insured retention in excess of $100,000;

(b) worker's compensation insurance with statutory and employee's liability insurance;

(c) employee's fidelity insurance in the amount of $500,000;

(d) auto liability insurance covering motor vehicles owned or hired by Owner, protecting and indemnifying Owner against claims for the injury to or death of persons or damage to or destruction of property. Such insurance shall afford immediate protection to the limit of not less than $250,000 for injury or death of each person; $500,000 for injury to or death of persons for each occurrence; and $100,000 for damage to or destruction of property;

(e) fire and extended coverage insurance on the Project and its components and contents against loss or damage by fire and other casualties covered under such form of policy, in an amount not less than the full replacement cost of the Project. In the event such insurance provides for a self insurance retention or a deductible amount, such self-insurance retention or deductible amount shall not exceed $25,000; and

(f) such other coverages, in such amounts as shall be recommended and reasonable for the protection of Owner and Management Consultant.

Such insurance shall, if reasonably possible, be written by companies that are nationally recognized and shall be selected in good faith by Management Consultant. The policies shall name Owner as the insured and Owner's affiliates, stockholders, directors, officers, and/or agents as additional insureds, and Management Consultant and Management Consultant's affiliates, stockholders, directors, officers, and/or agents as additional insureds.

4.2 Policies. Management Consultant shall use reasonable efforts to ensure that each policy referred to in Section 4.1 above shall:

(a) provide that it will not be canceled, amended, or reduced except after not less than thirty (30) days' written notice to Owner and Management Consultant;

(b) provide that such insurance shall not be invalidated by any act or negligence of Owner or Management Consultant or any person or entity having an interest in the Project, by any foreclosure or other proceedings or notices thereof relating to the Project, or by any change in title to or ownership of the Project; and

(c) include a waiver of all rights of subrogation against Management Consultant and Owner, their respective officers, directors, shareholders, constituent partners, employees, and agents.

Management Consultant shall deliver to Owner certificates of insurance evidencing the existence of all insurance required to be maintained for Owner, such delivery to be made:

(a) within ten (10) days after the execution and delivery of this Agreement; and

(b) at least ten (10) days prior to the expiration date of any such insurance policy.

4.3 Cooperation. Management Consultant and Owner each shall furnish to the other whatever information is reasonably requested by the other for the purpose of obtaining the insurance coverages required hereunder.

4.4 Other Contractor's Insurance. Pursuant to the program of insurance for the Project, Management Consultant shall assist Owner's staff in making reasonable attempts to require that each Nursing Home Contractor maintain insurance at the Nursing Home Contractor's expense.

4.5 Management Consultant's Authority to Cancel Policies. Owner hereby acknowledges that Management Consultant procures group insurance coverage for a variety of client facilities and that as a condition of financing the premiums for such group coverage, it often has had to agree that any default of one client facility may result in the cancellation of the policies for all client facilities. Owner therefore acknowledges, agrees, and authorizes Management Consultant to preempt an imminent default by Owner with respect to Owner's insurance coverage by canceling the Nursing Home's insurance policy if it appears, in Management Consultant's sole discretion, that Owner will be unable or unwilling to pay Owner's premium when due. In addition, it is understood by the parties that Management Consultant may terminate Owner's insurance coverage upon termination of this Agreement.

ARTICLE V

BANK ACCOUNTS

5.1 Operating Account. Management Consultant is authorized for and on behalf of Owner to establish an operating account for the Project at an FDIC insured bank to deposit all Project Income therein, and to pay all Project Expenses therefrom. The authorized signatory on such account shall be designated by Management Consultant.

5.2 Operating/Working Capital. Owner shall be obligated to provide any and all operating/working capital needed by Project to pay all Project Expenses, including debt service payments. Owner agrees to provide the Project a bank operating line of credit, secured by the Project's accounts receivable and in an amount not less than 80% of Project's accounts receivable balance. Said line of credit shall be perpetually available to the Project, may only be utilized to pay Project Expenses, may only be drawn by Management Consultant and then only into the Operating Account of Owner.

5.3 Right to Collect Payments to Management Consultant. Management Consultant shall be entitled to and is hereby authorized to disburse from the Operating Account to itself the accrued amounts due to Management Consultant pursuant to this Agreement. To the extent funds are not immediately available in the Operating Account to pay same, such amounts due to Management Consultant shall accrue interest at a rate of seventy-nine one hundredths of one percent (0.79%) per month, and shall be payable as provided in Article VII hereof.

ARTICLE VI

CONSULTING FEE AND ADDITIONAL PAYMENTS

6.1 Consulting Fee; Cost Center Allocations; Mobilization Fee. During the term of this Agreement, Owner shall pay Management Consultant, in the manner provided below, Consulting Fees equal to three percent (3%) of the Project Income during the year concerned. Project Income for purposes of this Section 6.1 shall not include income adjustments relating to periods of time dating prior to the Effective Date. In addition, Owner shall pay Management Consultant its pro-rata share of Service Center Expenses, as defined in Section 1.14 above. In addition, Owner shall pay a one-time Mobilization Fee to Management Consultant pursuant to Section 6.6 below.

6.2 Payment of Consulting Fee and Service Center Allocations. The Consulting Fee shall be due on the twentieth day of each month following the immediately preceding month, and shall be calculated by multiplying the prior month's Project Income by five percent (5%). Income adjustments relating to periods of time dating prior to the Effective Date shall not be included in Project Income for purposes of this Section 6.2. Owner's pro-rata share of Service Center Expenses shall be billed following the end of each month, and Owner shall pay such billed amount within ten (10) days of Owner's receipt of each invoice.

6.3 Annual Payment Adjustment. Within fifteen (15) days after the delivery of the annual financial statements of the Project, Owner shall pay to Management Consultant or Management Consultant shall pay to Owner such amount as is necessary to make the amount of Consulting Fees paid with respect to the year equal to the amount of Consulting Fees shown to be due by the annual statements of Owner and Management Consultant and in accordance with Sections 6.1 and 6.2 hereof.

6.4 Temporary Staffing Assistance. Should Project need a temporary staffing placement and should Management Consultant, in its sole judgment, determine that Management Consultant has staff available to fill the Project's temporary staffing need, Management Consultant may do so and same service shall be at an additional charge to Owner. The charge for the temporary staffing placement shall be Management Consultant's total costs including but not limited to all direct costs and overheads plus a fifty percent (50%) markup. Owner shall pay such temporary staffing assistance charges as Project Expenses within thirty (30) days of receiving an invoice for same from Management Consultant.

6.5 Project Expenses Incurred by Management Consultant. Owner understands and agrees that certain of Owner's Project Expenses, as a convenience to Owner, will be incurred by Management Consultant on behalf of Owner. Some examples of such items are: staff recruitment advertising, other advertising, software access charges, check stock, postage, travel arrangements for Owner staff, facility's stationary/business cards/brochures/envelopes and other mailing supplies, insurance premiums, copies, telephone, dues and subscriptions, CPA firm services, legal services, payroll processing firm charges, education and seminar arrangements, staff recruiter firm services, customer relations phone center and mystery shopper services, bank service charges for Project accounts, rental charges to store Owner's records, etc. Owner agrees that all such Owner Project Expenses incurred by Management Consultant shall be promptly reimbursed to Management Consultant from the Operating Account.

6.6 Mobilization Fee. Owner shall pay to Management Consultant a one-time fee in the amount of Five Thousand Dollars ($5,000) (the "Mobilization Fee"). The Mobilization fee shall be paid to Management Consultant in six equal monthly installments of Eight Hundred Thirty-Three Dollars and Thirty-Three Cents ($833.33) beginning on the date that is thirty (30) days after the Effective Date and continuing every thirtieth day thereafter until paid in full.

ARTICLE VII

TERM

7.1 Term. This Agreement shall commence on the Effective Date and shall thereafter continue for a period of twenty (20) years and automatically renew for successive twenty-year terms unless otherwise terminated pursuant to the terms hereof.

7.2 Optional Termination. Owner or Management Consultant may terminate this Agreement, with or without cause, upon three full and complete calendar months' written notice to the other, at any time during the term hereof. No notice of termination shall be given prior to the Effective Date. No termination permitted hereunder shall affect or prejudice Management Consultant's right to receive payments for Consulting Fees, Service Center Allocations, and the Mobilization Fee that accrue pursuant to this Agreement along with related interest charges that were accrued through the date of the termination notice and that subsequently accrue during the notification period and thereafter until Management Consultant is paid in full.

7.3 Termination Upon Default. Either Party hereto may terminate this Agreement upon the uncured default of the other Party. The following shall constitute events of default:

(a) The filing of a voluntary petition in bankruptcy or insolvency or a petition for reorganization under any bankruptcy law by either Owner or Management Consultant;

(b) The consent to an involuntary petition in bankruptcy or the failure by either Owner or Management Consultant to vacate within ninety (90) days from the date of entry thereof any order approving an involuntary petition;

(c) The entering of an order, judgment, or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating either Owner or Management Consultant as bankrupt or insolvent or approving a petition seeking reorganization or appointment of a receiver, trustee, or liquidator of all or a substantial part of such Party's assets, which order, judgment, or decree shall continue unstayed and in effect for a period of one hundred twenty (120) consecutive days;

(d) The failure or refusal of Owner to provide funds necessary to pay Project Expenses;

(e) The failure of either Owner or Management Consultant to perform, keep, or fulfill any of the covenants, undertakings, obligations, or conditions set forth in this Agreement and the continuance of any such failure for a period of thirty (30) days after written notice of said failure;

If either Party hereto desires to terminate this Agreement as a result of any such event of default by the other Party hereto, the non-defaulting Party shall first give to the defaulting Party notice (a "Final Notice") of its intention to terminate this Agreement. After the expiration of a period of thirty (30) days from the date of such notice, and upon the expiration of such thirty (30) day period, this Agreement shall terminate. If, however, upon receipt of such final notice, the defaulting Party cures the default within said thirty (30) day period (or, if the default is other than as referred to in subsections (d) or (e) above, such longer period as is reasonably necessary to remedy such default, provided the defaulting Party shall commence curative efforts as soon as reasonably practicable and pursue such remedy with all due diligence until such default is cured), then this Agreement shall not terminate by reason of such Final Notice. Notwithstanding the provisions of this Section, in no event shall either Party be obligated to deliver more than two (2) such Final Notices with regard to events of default listed herein to the other Party hereto within any consecutive twelve (12) month period or one Final Notice with regard to an event of default substantially similar in nature to an event of default occurring within the previous twelve (12) months, and upon the third (or second, as applicable) such default by the other Party hereto within such twelve (12) month period, and after the notice provided above for such third (or second, as applicable) default has been given and the curative period applicable thereto has lapsed, then the non-defaulting Party may terminate this Agreement without giving a Final Notice.

7.4 Effect of Termination. Upon termination of this Agreement, Management Consultant shall forthwith:

(a) Surrender and deliver up to Owner any and all Project Income in the operating account less the amounts accrued and/or due to Management Consultant through the termination date, as provided in this Agreement;

(b) Deliver to Owner as received any monies due Owner under this Agreement but received by Management Consultant after such termination;

(c) Deliver to Owner all materials, supplies, keys, contracts and documents, plans, specifications, promotional materials, and such other accountings, papers, and records pertaining to the Nursing Home;

(d) Deliver to Owner a final accounting of the Project prepared in accordance with the provisions of Section 3.1(e) up to and including the date of termination;

(e) Cease the performance of all services authorized to be performed by Management Consultant under this Agreement, including without limitation, providing Owner access to Service Center Expenses;

(f) Cooperate, within reason, with Owner for Owner to undertake responsibilities allocated to Management Consultant by this Agreement.

(g) Remove from the Nursing Home all proprietary tools including, but not limited to, manuals, policies, procedures, forms, computers, software, equipment, etc. of any nature whatsoever that were created by or otherwise are the property of Management Consultant and further, Owner hereby agrees not to utilize, duplicate or in any way share any of Management Consultant's proprietary tools, methods, systems, etc. following termination of this Agreement.

(h) Remove from the Nursing Home all other property belonging to Management Consultant or assigned by Management Consultant temporarily to Nursing Home during the term of this Agreement.

Upon termination of this Agreement for any reason, Management Consultant's right to receive Consulting Fees, Service Center Allocations, the Mobilization Fee, and Project Expense reimbursements that accrue under the terms of this Agreement, including any interest thereon, shall survive such termination and continue in force and effect, and Owner shall be obligated to promptly make such payments to Management Consultant.

ARTICLE VIII

CASUALTY; CONDEMNATION

8.1 **Total or Substantial Destruction.** If the Project or any portion thereof is damaged or destroyed at any time or times during the term of this Agreement by fire, casualty, or any other cause that renders the Project totally or substantially inoperative for its intended purpose, and if Owner does not notify Management Consultant within three (3) months following the occurrence of such damage or destruction that Owner intends to rebuild or replace the same to substantially its former condition prior to such damage or destruction, this Agreement shall terminate as of the date of the damage or destruction with each Party's rights accruing through such date. If Owner notifies Management Consultant within three (3) months following the occurrence of such damage or destruction that Owner intends to rebuild or replace the Project and does rebuild or replace the Project within a reasonable time, this Agreement shall continue in full force and effect except that the term hereof shall be extended for the period of time equal to that period during which the Project is inoperative.

For purposes of this Agreement, total destruction or damage "that renders the Project totally or substantially inoperative for its intended purpose" shall mean damage or destruction that, according to an engineer selected by Owner and Management Consultant (each party agreeing to cooperate reasonably in such selection), could not reasonably be expected to be repaired or restored within twelve (12) months after the occurrence of such damage or destruction, so that at such time the Project will be restored substantially to the condition in which it existed prior to such damage or destruction, with services and amenities substantially equivalent to those which existed prior to such damage or destruction.

8.2 **Partial Damage or Destruction.** If the Project is damaged or partially destroyed in such a manner as to not totally or substantially render the Project inoperative for its intended purpose (as defined in Section 8.1 above), this Agreement shall remain in full force and effect as to that portion of the Project not so damaged or destroyed, with an appropriate abatement in the services to be performed by Management Consultant as to such damaged or destroyed portion, except that if Owner does not notify Management Consultant within three (3) months following the occurrence of such damage or destruction that Owner intends to repair or replace the portion of the Project that was damaged or destroyed, Management Consultant shall have the option, upon thirty (30) days' notice to Owner, to terminate this Agreement, such termination to be effective upon the expiration of said

thirty (30) day period, and thereafter Management Consultant shall have no claim against Owner (except as provided in Section 7.4 above) arising from such failure to rebuild and such termination.

8.3 Condemnation. If the whole or substantially all of the Project is condemned or taken in any manner for any public or quasi-public use under any statute or by right of eminent domain, then this Agreement shall terminate as of the date of vesting of title thereto in the condemning authority, with each Party's rights accruing through such date. If a part of the Project is so taken or condemned, and if such taking substantially affects the Project, or if such taking is of a substantial part of the Project, Management Consultant shall have the right, by delivery of notice to Owner within sixty (60) days after such taking, to terminate this Agreement as of the date of the vesting of title thereto in the condemning authority, with each Party's rights accruing through such date. If Management Consultant does not so elect, this Agreement shall remain unaffected by such taking, except that, effective as of the date of such taking, appropriate abatement shall be made in the services to be performed by Management Consultant as to such taken area of the Project.

For purposes of this Agreement, the condemnation or taking of the "whole or substantially all of the Project" shall mean the condemnation or taking (or conveyance in lieu thereof) of a material portion of the Project, such that the Project ceases to be a first-class Nursing Home, ceases to have adequate available parking or access, or ceases to have services and amenities substantially similar to those existing immediately prior to such condemnation or taking (or conveyance in lieu thereof).

ARTICLE IX

MISCELLANEOUS

9.1 Notices. All notices, directives, or demands required by this Agreement shall be in writing and shall be sent by registered or certified mail, return receipt requested, postage prepaid, or by overnight courier service (*e.g.*, Federal Express, Airborne, or Network Courier) and overnight courier shall be used when the circumstances merit expedient delivery, addressed, in the case of Management Consultant to 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604, Attention: General Counsel, and in the case of Owner to 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604, Attention: General Counsel, or to such other address or addresses as shall, from time to time, be designated by notice by either Party to the other Party. Notices given in compliance with the foregoing provisions by registered or certified mail shall be effective on the date shown on the return receipt thereon as the date of delivery or attempted delivery, and notices sent by overnight courier shall be effective on the date shown on the courier's receipt therefor as the date of delivery.

9.2 Entire Agreement. This Agreement shall constitute the entire agreement between the Parties hereto and shall supersede all other prior agreements, written or oral, between the Parties hereto and relating to the Project. No modification hereof shall be effective unless made by supplemental agreement in writing executed by Owner and by the President of Management Consultant.

9.3 Nature of Contract. Neither the relationship between Owner and Management Consultant nor anything contained in this Agreement shall be deemed to constitute a partnership, joint venture, or any other similar relationship, and Management Consultant shall at all times be

deemed an independent contractor for purposes of this Agreement, and shall at all times be deemed a consultant and not the Project operator.

9.4 Governing Law. This Agreement is made pursuant to, and shall be governed by and construed in accordance with, the laws applicable to contracts made and to be performed in the State of Tennessee.

9.5 No Waiver; Cumulative Remedies. The failure of Owner or Management Consultant to seek redress for violation or to insist upon the strict performance of any covenant, agreement, provision, or condition of this Agreement shall not constitute a waiver of the terms of such covenant, agreement, provision, or condition, and Owner and Management Consultant shall have all remedies provided herein and by applicable law with respect to any subsequent act that would have originally constituted a violation.

9.6 Severability. If any provision of this Agreement is determined to be illegal or unenforceable, such determination shall not affect any other provision of this Agreement, and all such other provisions shall remain valid and in full force and effect.

9.7 Assignability. Other than an Assignment by the Owner to an affiliate of the Owner, no assignment shall be permitted without the prior written consent of Management Consultant, which shall not be unreasonably withheld. Any assignment of this Agreement shall be binding upon and inure to the benefit of the successor or assignee of Owner, but no such assignment shall release Owner from its obligations hereunder.

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

OWNER:	MANAGEMENT CONSULTANT:
CHRISTIAN CARE CENTER OF BOLIVAR, LLC	CARE CENTERS MANAGEMENT CONSULTING, INC.,
By: _____ J.R. Lewis, Chief Manager	By: Anita West Anita West, Treasurer
Date: 7-20-17	Date: 7-20-17

CONTRACT FOR SALE OF REAL ESTATE

THIS CONTRACT is made and entered into by and between **The Albert L. Keller Trust**, ("Seller") and **Hardeman County Real Estate Investors, LLC** a Tennessee limited liability company, ("Buyer") and their respective heirs, successors and assigns.

WITNESSETH

For the consideration set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. SALE OF PROPERTY. Seller agrees to sell, and Buyer agrees to purchase certain real estate located in Hardeman County, Tennessee, consisting of approximately 7 acres, to be more specifically defined by a survey prior to closing, which real estate fronts US Highway 64 and Lucy Black Road, an estimate of boundaries is attached as Exhibit A (the "Property"). The Property will be more particularly described after receipt of a survey and the description will be supplemented according to the survey.

2. CONSIDERATION. Buyer agrees to pay for the property the sum of exactly **$15,000 per acre** purchased and in accordance with the survey (Purchase Price"), payable as follows:

A. Ten thousand and No/100 Dollars ($10,000.00) upon execution by Seller of this contract as earnest money ("Earnest Money"); held by Brandt, Beeson and Robbins, P.C., 206 Princeton Road, Suite 25, Johnson City, TN 37601. Except as otherwise provided below, all Earnest Money shall become non-refundable upon Buyer's receipt of a final, non-appealable replacement facility certificate of need issued to the operator of a sixty-seven (67) bed skilled nursing facility on the Property.

B. The balance in cash, cashier's check or wire transfer at Closing.

3. DUE DILIGENCE PERIOD. Buyer will, at Buyer's expense and within 180 days from the last date of signing of this Contract determine whether the Property is suitable, in Buyer's sole and absolute discretion, for Buyer's intended use and development of the Property ("Due Diligence Period"). During the Due Diligence Period, Buyer may conduct any tests, analyses, surveys and investigations ("Inspections") which Buyer deems necessary to determine to Buyer's satisfaction the Property's engineering, architectural, environmental properties; zoning and zoning restrictions; flood zone designation and restrictions; subdivision regulations; soil and grade; availability of access to public roads, water, and other utilities; consistency with local, state and regional growth management and comprehensive land use plans; availability of permits, government approvals and licenses; absence of soil and ground water contamination; and other inspections that Buyer deems appropriate to determine the suitability of the Property for Buyer's intended use and development. Buyer will deliver written notice to Seller prior to the expiration of the Due Diligence Period of Buyer's determination of whether or not the Property is acceptable. Buyer's failure to comply with this notice requirement will constitute acceptance of the Property in its present "as is" condition. Seller grants to Buyer, its agents, contractors and assigns, the right to enter the Property at any reasonable time during the Due Diligence Period for the purpose of conducting Inspections; provided, however, that Buyer, its agents, contractors and assigns enter the Property and conduct Inspections at their own risk. Buyer will indemnify and hold Seller harmless from losses, damages, costs, claims and expenses of any nature, including reasonable attorneys' fees at all levels, and from liability to any person, arising from the conduct of any and all inspections or any work authorized by Buyer. Should Buyer deliver timely notice that the Property is not acceptable, Seller agrees that the Earnest Money will be fully and immediately returned to Buyer, the Contract terminated, and the parties shall have no further obligations to each other.

Should Buyer, on or before the end of the Due Diligence Period, fail to give written notice of non-acceptability, including the conditions set forth in article 7 herein, then and in that event the Earnest Money shall become non-refundable.

4. TITLE. Seller is, or at the time of closing will be, the owner of good and marketable fee simple title to the Property, free and clear of any liens, mortgages, assessments, pledges security interests, options, encumbrances, easements, tenancies, covenants, restrictions, conditions, charges, agreements, encroachments, and all other encumbrances and exceptions to title whatsoever.

If Buyer's title insurance binder discloses matters or defects in the title to the Property, Buyer shall give Seller written notice of the same and Seller may be allowed a reasonable time, not in excess of thirty (30) days from such notice, within which to cause the matter or defect to be cured. Seller shall, within five (5) days after receipt of notice of defect, notify Buyer of his intentions to cure the defect. If Seller does not so notify Buyer, Seller shall be deemed to have elected not to cure the defect.

In the event Seller elects not to cure any material title defect under this paragraph, or if Seller is unable to cure a title defect after making reasonable efforts to do so, then Buyer may:

A. elect to accept the defect and proceed to close the transaction; or

B. Buyer may cancel this contract by notice in writing to Seller whereupon the Earnest Money shall be returned to Buyer, and each party shall be released from further liability to the other.

5. SURVEY AND SUBDIVISION. Buyer shall obtain a newly certified survey and subdivision of the Property prepared by a licensed surveyor. The survey must be sufficient in form and content to allow a title insurance company to waive all matters of survey and must show on its face that the Property is not located within any recognized flood hazard area. If the survey is not acceptable to the title insurance company, or shows material encroachments, and Seller elects not to remedy said survey issues or is unable to remedy said survey issues, then Buyer, within (30) days from receipt of the survey, shall have the right upon written notice to Seller to terminate this Contract, whereupon the Earnest Money (and Second Earnest Money, if on deposit) shall be returned to Buyer, or to close the purchase and sale of the Property regardless of the condition, with an adjustment to the purchase price. Seller agrees to utilize its best efforts to accomplish the subdivision of the Property, necessary to create the parcel being purchased by Buyer.

6. TAXES AND ASSESSMENTS. Seller shall pay in full, on or before closing, all real estate taxes which are a lien on the Property as of the date of Closing, whether past due or not, except for current year's real estate taxes, which shall be prorated as of the date of Closing. At Closing Seller shall pay in full all special assessments which are presently owed and other charges which are or may become a lien on the Property whether past due or not.

7. GENERAL REPRESENTATION, WARRANTIES, AND AGREEMENTS OF SELLER. Seller represent, warrants, and agrees as follows as of the date of this contract and the date of closing; which representation and warranties shall survive the closing:

A. Seller knows of no violation of any laws, municipal ordinances, orders, or other requirements of any governmental entity which affect or might affect the property.

B. There are currently no lawsuits involving the Property, nor any contingent liabilities involving the property or the continued operation of the Property.

C. There is no pending or threatened condemnation or similar proceeding affecting the Property or any portion thereof, and Seller has no knowledge that any such action is presently contemplated.

D. Seller has no information or knowledge that there are any law, ordinances, or restriction, or any changes contemplated therein, or any judicial or administrative action, or any action by adjacent landowners or natural or artificial conditions upon the Property, or any other fact or condition which would have a material adverse effect upon the Property or its value, which has not been disclosed in writing to Buyer.

E. There are no parties in possession of any portion of the Property.

F. Neither Seller nor the Property is subject to any pending proceedings under any state or federal insolvency or bankruptcy legislation. To Seller's knowledge, no such proceedings, either voluntary or involuntary, are imminent or threatened.

H. To the best of Seller's knowledge, the Property has not been used, and is not presently being used, and will not through the date of the closing, be used for the handling, storage, transportation or disposal of hazardous or toxic materials.

I. To the best of Seller's knowledge, there are currently no underground storage tanks located on the Property.

J. There are no outstanding Notices with respect to the Property, including specifically Notices of Violations or enforcement actions for hazardous or toxic waste cleanup or presence and Seller has no reason to believe that any Notices of Violations will be given or enforcement activities commenced, either by governmental authorities or private individuals or corporations.

8. CONDITIONS TO CLOSING. The obligation of Buyer to purchase the Property and to perform Buyer's other obligations hereunder shall be subject to the following conditions, which may be waived, in whole or in part, but only in writing by Buyer:

A. All representations, warranties, and agreements made by Seller herein shall be true and correct in all respects on and as of the date of Closing, with the same force and effect as is made on and as of such date, and Seller shall have performed all covenants and obligations and complied with all conditions required by this Contract in a timely manner.

B. The subdivision of the Property has been completed and the Buyer must be able to obtain a title insurance commitment to issue an ALTA Form B owner's policy of title insurance with no exception.

C. Seller must have furnished Buyer no later than ten (10) days prior to closing with a written certificate executed by the holder of any existing liens, representing and stating the amount of the unpaid principal balance including interest; the balance of all funds and sums owed in order to fully satisfy the obligation secured by any existing lien as of the date of the certificate, and a per diem amount payable after that date in order to satisfy fully said obligations.

D. Buyer is able to obtain an environmental site assessment of the opinion that the Property is not contaminated with hazardous or toxic substances and that no remediation or further investigation is warranted.

E. Buyer shall have received notice from all necessary government agencies indicating that Buyer's applications and/or requests for review have been approved and are considered final by the applicable government agencies, allowing Buyer to proceed with construction of a 67-bed skilled nursing facility on the Property.

In the event any of the conditions set forth above are not satisfied, then at Buyer's option, this Contract may be terminated, and the obligations of the parties to each other under this Contract shall cease.

9. CLOSING. The Closing shall be held on or before the 45th day following the approval of a certificate of need to Buyer as set forth section 8.E herein. Provided, however, that in the event, at the end of the 180 day period as set forth in paragraph 3, the Buyer continues to await the approval of the certificate of need, Buyer may at its option extend the closing date by up to 180 days. In the event that Buyer extends the closing date Buyer shall deposit an additional $10,000 non-refundable earnest money deposit, the total $20,000 earnest money to be applied to the purchase price at closing and in the event Buyer fails to close the Seller shall retain the $20,000 earnest money deposit. The Closing shall occur at the office of the closing agent selected by Seller. The Buyer shall provide Seller three (3) days notice prior to Closing.

At Closing, all documents necessary for the conveyance of the Property, the payment of the Purchase Price, and financing arrangements contemplated hereunder, shall be executed and delivered. Said documents shall include, without limitation, the following:

A. General Warranty Deed transferring the Property from Seller to Buyer subject only to the exceptions set forth herein;

B. Lien Affidavits, Survey, Surveyor's Certificate, Approved Subdivision, Confirmations, Consents, Approvals, and other documents contemplated by this Agreement, or reasonably required by holder of a First Mortgage Loan

C. Any other documents reasonably required by Buyer.

10. CLOSING COSTS AND ADJUSTMENTS.

A. Seller shall be responsible for the cost of preparing the Special Warranty Deed;

B. Buyer shall be responsible for the costs of inspecting the Property, the cost of title insurance and documentary stamps, costs of completing all other due diligence requirements;

C. At Closing, the following adjustments between the parties shall be made as of 12:01 a.m. on the date of Closing.

(i) City, State, and County real and personal property ad valorem taxes shall be apportioned as of the date of Closing. If the amount of such taxes for the year in which the closing occurs cannot reasonably be determined, the apportionment shall be based upon the amount of taxed for the next preceding tax year, and later adjusted. Provided, however, such adjustment must be requested in writing by the party so requesting such adjustment within one year from the date of Closing; otherwise, no adjustment shall be made and no obligation to make an adjustment shall exist.

D. Each party shall bear its own real estate commissions, attorneys' fees and costs.

11. CONDEMNATION. If any portion of the Property shall be condemned or otherwise taken through any power of eminent domain prior to Closing, or if proceeding to condemn or otherwise take any portion of the Property are commenced prior to Closing, Buyer may elect:

A. to terminate this Contract, whereupon the Earnest Money shall be refunded to Buyer, and Buyer and Seller shall be relieved of further obligations, hereunder, or

B. to purchase the Property under the terms of this contract, whereupon Seller shall be required to assign to Buyer at Closing, all of the Seller's right, title and interest with respect to any condemnation or other governmental action to condemn or take any portion of the Property.

12. OFFER AND ACCEPTANCE. Buyer by signing this Contract hereby offers to purchase the Property from Seller on the terms and conditions set out herein. Acceptance of this offer by the Seller may only be

made by actual delivery to Buyer of an executed original (via the methods of delivery provided in Section 13 herein) of this Agreement signed by Seller. The date of acceptance shall be the date on which Buyer receives the Agreement executed by the Seller. Buyer may revoke this offer at any time prior to Buyer's receipt of Seller's formal executed acceptance of this Agreement.

13. NOTICE. Any notice to be given under this Contract shall be deemed given if provided by electronic communication, facsimile, overnight delivery, or U.S. mail - postage pre-paid to the following:

To SELLER:
The Albert L Keller Trust
137 Mecklinburg Drive
Bolivar, TN 38008
Attention: Timothy Ray Moss, Trustee
Email: tmoss@bellsouth.net

To BUYER:
Hardeman County Real Estate Investors, LLC
2020 Northpark, Suite 2D
Johnson City, TN 37604
Attention: General Counsel
Email: jhollingsworth@carecenters.net

14. MISCELLANEOUS.

A. This Contract constitutes the sole and entire agreement between Buyer and Seller. No modification hereof shall be binding unless made in writing and executed by Buyer and Seller. No representations, promises, or inducements not included in this Contract, or any verbal modification or amendment hereof, shall be binding upon Buyer and Seller, and their respective heirs, successors, assigns, beneficial owners and representatives.

B. Time is of the essence of this Contract.

C. The validity, construction and interpretation of this Contract shall be determined in accordance with the laws of the State of Tennessee.

D. The captions used in this Contract are for purposes of convenience only shall not be construed or interpreted so as to limit or define the effect of this Contract.

E. All agreements, representation, and warranties of the Seller contained in this Contract shall survive the Closing of this transaction.

F. This Contract may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.

G. Buyer may waive any provision hereunder which is a condition to Buyer's performance and may elect to close the transaction.

H. Seller certifies, represents, and warrants, under penalty of perjury, that Seller is not a foreign person or nonresident for purposes of Section 1445 of the Internal Revenue Code, or any related provisions, and Seller will execute such further certifications with respect thereto as Buyer may require.

I. Buyer may assign this Agreement with all rights terms & conditions hereunder to any individual, corporation, or limited liability company which has the same ownership structure of the Buyer, but not otherwise.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date set forth below.

SELLER:	**BUYER:**
The Albert L. Keller Trust	**Hardeman County Real Estate Investors, LLC**
By: _____	By: _____
Timothy Ray Moss	J.R. Lewis
Trustee	Chief Manager
Date: _____	Date: 11-14-17

1. Buyer may assign this Agreement with all rights terms & conditions hereunder to any individual, corporation, or limited liability company which has the same ownership structure of the Buyer, but not otherwise.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date set forth below.

SELLER:

The Albert L. Keller Trust

By: _____
Timothy Ray Moss
Trustee

Date: 11-16-17

BUYER:

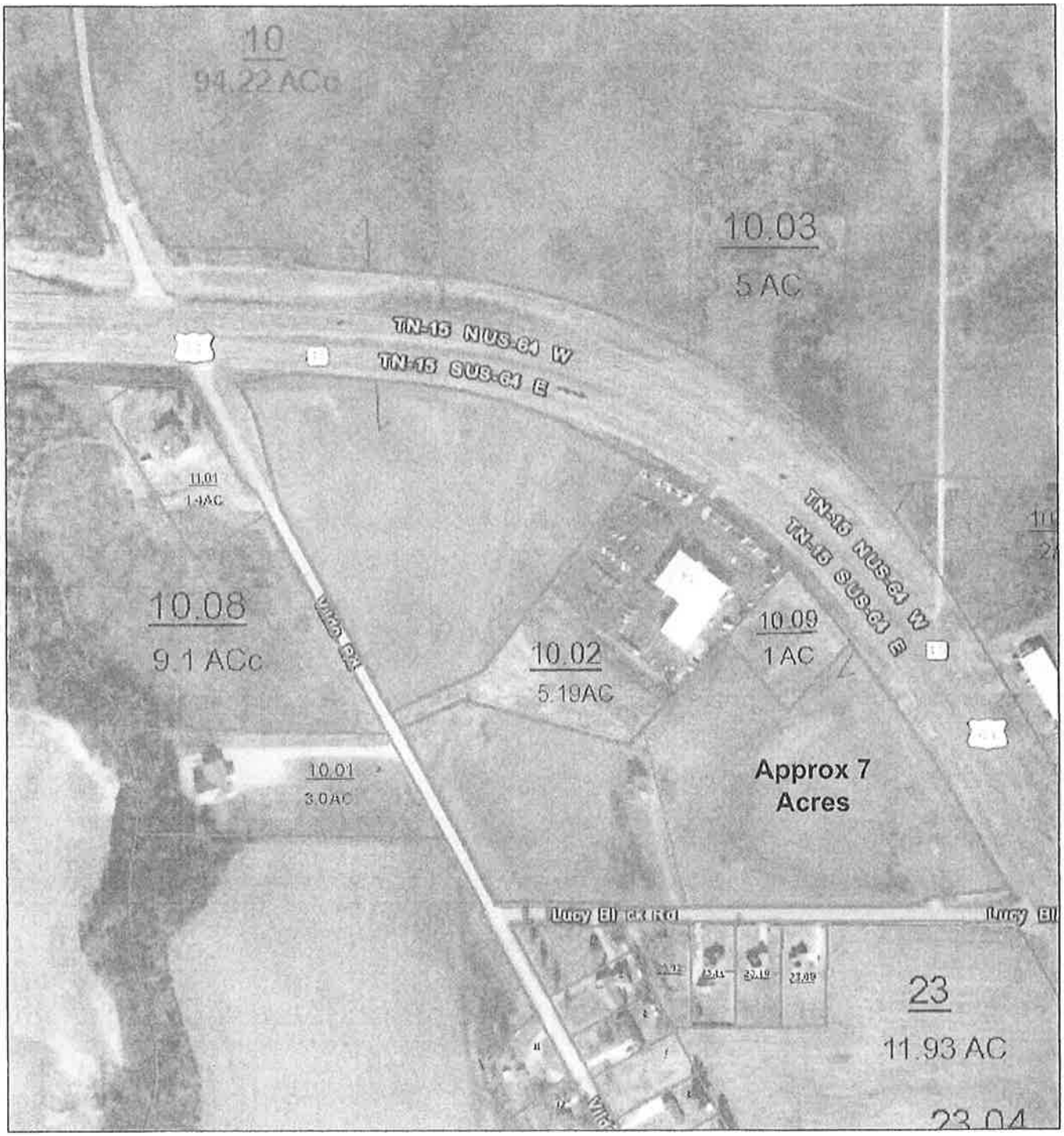
Hardeman County Real Estate Investors, LLC

By: _____
J.R. Lewis
Chief Manager

Date: _____

EXHIBIT A

Hardeman County - Parcel: 061 010.00



Date: November 1, 2017
County: Hardeman
Owner: KELLER ALBERT L AND ALICE V KELLER CO TR
Address: HWY 64
Parcel Number: 061 010.00
Deeded Acreage: 0
Calculated Acreage: 34.7
Date of Imagery: 2012

1:4,514

0 0.0375 0.075 0.15 mi

0 0.05 0.1 0.2 km

TN Comptroller - OLG
TDOT
State of Tennessee, Comptroller of the Treasury, Office of Local Government (OLG)
Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors

The property lines are compiled from information maintained by your local county Assessor's office but are not conclusive evidence of property ownership in any court of law.

LEASE

THIS LEASE ("Lease" or "Agreement"), dated as of April ____, 2014, is made and entered into by and between **HARDEMAN COUNTY REAL ESTATE INVESTORS, LLC**, a Tennessee limited liability company ("Lessor"), and **CHRISTIAN CARE CENTER OF BOLIVAR, LLC**, a Tennessee limited liability company ("Lessee").

W I T N E S S E T H:

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, as hereinafter defined, for the term of this Lease and subject to the terms, covenants, agreements and conditions hereinafter set forth.

1. Definitions. The terms set forth below shall have the meanings respectively ascribed thereto, except as otherwise clearly required by the context:

1.1 "Additional Rent" means any and all sums payable by Lessee hereunder other than Base Rent.

1.2 "Agency" means the agency or department of the State of Tennessee or its successor agency or department having authority over the licensure of skilled nursing facilities in Tennessee.

1.3 "Agreement" means this Lease, as in effect from time to time.

1.4 "Base Rent" has the meaning ascribed thereto in Section 4.1 hereof.

1.5 "Facility" means the 120-bed nursing facility located on the Premises.

1.6 "FF&E" means the furniture, fixtures, and equipment located in the Facility on the date hereof.

1.7 "Financing Lease" means any lease of property, real or personal, the obligations of the lessee in respect of which are required in accordance with U.S. generally accepted accounting principles to be capitalized on a balance sheet of the lessee.

1.8 "Guaranty Obligation" means as to any person (the "guaranteeing person"), any obligation of (a) the guaranteeing person or (b) another person (including, without limitation, any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counterindemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third person in any manner, whether directly or indirectly.

1.9 "Hazardous Material" means any hazardous, toxic, or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of the comprehensive Environmental Response, Conservation and Recovery Act (42 of U.S.C. Section 6901 *et seq.*), as amended, or any other federal, state or local law, ordinance, rule or regulation applicable to the

Premises, or any substance that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous to the environment or to human health or safety, or any substance which contains gasoline, oil, diesel fuel or other petroleum hydrocarbons or byproducts, polychlorinated bipheyls (PCBs), or radon gas, urea formaldehyde, asbestos or lead.

1.10 "Indebtedness" means, with respect to any person at any date, without duplication, (a) all indebtedness of such person for borrowed money (whether by loan or the issuance and sale of debt securities) or for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), (b) any other indebtedness of such person which is evidenced by a note, bond, debenture or similar instrument, (c) all obligations of such person under Financing Leases, (d) all obligations of such person in respect of letters of credit, acceptances or similar instruments issued or created for the account of such person and (e) all liabilities secured by any Lien on any property owned by such person even though such person has not assumed or otherwise become liable for the payment thereof.

1.11 "Infectious Waste" has the meaning assigned to the term "Biohazardous Waste" as such term is defined in applicable state statutes and rules.

1.12 "Inventory" shall mean the routine supplies located at the Facility.

1.13 "Lease" means this Lease, as in effect from time to time.

1.14 "Lessee" means Christian Care Center of Bristol, LLC, a Tennessee limited liability company.

1.15 "Lessor" means Bristol Real Estate Investors, LLC, a Tennessee limited liability company.

1.16 "Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any Financing Lease having substantially the same economic effect as any of the foregoing), and the filing of any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction in respect of any of the foregoing.

1.17 "Mortgage Loan" has the meaning ascribed thereto in Section 4.1.1 hereof.

1.18 "Permitted Use" means the operation of a skilled nursing facility, the provision of ancillary or other health care items and services to the residents thereof and to members of the community, the provision of adult day care, psycho-social or similar services to members of the community, and any use or activity related to or associated with the operation of a skilled nursing facility, including, without limitation, any activity which, in accordance with accepted commercial practice, may now or hereafter be conducted at a skilled nursing facility, whether or not such activity relates to the provision of services to residents of such facility.

1.19 "Premises" means the property and improvements located at the intersection of Highway 394 and Feathers Chapel Road, Bristol, Tennessee, and more fully described in Exhibit A attached hereto and incorporated herein.

1.20 "Property Taxes" shall mean the gross amount of all real estate taxes and governmental assessments attributed to the Premises, less any early payment or other discounts realized, specifically excluding inheritance taxes, gift taxes, transfer taxes, franchise taxes, excise taxes, and income taxes of Lessor.

1.21 "Rent" shall mean the sum of the Base Rent and Additional Rent.

1.22 "Skilled Nursing Facility" shall mean intermediate care and/or skilled care nursing facility.

1.23 "Regulatory Clearances" shall mean (i) receipt by Lessee of notice from the Agency to the effect that upon receipt of evidence of the consummation of the transactions contemplated hereby and commencement of the term of this Lease, the Agency will issue a license authorizing Lessee to operate the Facility as a skilled nursing facility; (ii) receipt by Lessee of all other governmental approvals that are required as a condition precedent for the lawful commencement of the term of this Lease and operation of the Facility by Lessee as a skilled nursing facility.

2. Lease. Lessor hereby leases to Lessee the Premises, including the Facility and the FF&E, on the terms and conditions herein provided.

3. Term and Renewal. The term of this Lease is ten (10) years with an option to renew for a ten (10) year term. This term shall commence on the date on which the Premises is approved for occupancy and operation as a skilled nursing facility (the "Commencement Date").

4. Rent.

4.1 Base Rent. The base rent hereunder for each month of the term hereof (the "Base Rent") shall be paid by Lessee to Lessor in advance on the seventh (7th) day of each month during the term hereof, and shall be equal to the following::

4.1.1 Debt Service on Mortgage Loan. An amount equal to the payment in respect of principal and interest required to be made by Lessor in such month to its lender under its mortgage loan, if any (the "Mortgage Loan"); *plus*

4.1.2 Debt Service on Improvement Loan. An amount equal to the payment in respect of principal and interest required to be made by Lessor in such month to its lender under its improvement loan, if any (the "Improvement Loan"); *plus*

4.1.3 Debt Service - Other. An amount equal to the payment of principal and interest required to be made in such month in respect of any future debts incurred by Lessor in Lessor's needed renovation, replacements within and/or maintenance of the Facility, and/or in Lessor's expenditures required to maintain the Facility's physical compliance with local, state, and federal regulations; *plus*.

4.1.4 Fixed Return Amount. Starting with the thirteenth (13th) month and each month thereafter, a fixed return amount, which shall be equal to Eight Thousand and No/100 Dollars ($8,000.00) during the Term hereof.

In addition to the foregoing, and included in the Base Rent, Lessee shall pay Lessor an amount in each month equal to any sales tax levied by local and/or state of Tennessee taxing authority on the foregoing, if levied.

4.1.5 Depreciation and Amortization Expense. Plus, an amount equal to the greater of (a) depreciation and amortization expense incurred by Lessor, in accordance with generally accepted accounting principles (GAAP), less the amount of principal payments included in Sections 4.1.1, 4.1.2, and 4.1.3; or (b) zero.

4.2 Utilities and Property Taxes and Assessments.

4.2.1 In General. Lessee shall be responsible for all charges for the use of electric, gas, telephone, water, sewer, waste disposal, and all other utilities accruing during the Term of this Lease. Lessee shall pay or cause to be paid all Property Taxes attributable or assessed to the Premises accruing during the Term of this Lease. Lessee shall pay same when due with the maximum (real and personal) discount being utilized by Lessee. Lessee shall pay all assessments, whether general or specific, whether certified or pending, and shall pay all fees, costs, and other obligations when due to maintain all licenses to operate the Premises as a skilled nursing facility accruing during the Term of this Lease.

4.2.2 Hold Harmless. Lessee shall protect and hold Lessor and the Premises harmless from liability from any and all of the foregoing taxes, assessments, and charges, together with any interest, penalties, or other sums thereby imposed and from any sale or other proceeding to enforce payment thereof.

4.2.3 Right to Contest. Lessee shall have the right to contest or review by legal proceedings, as permitted under applicable law, any assessed valuation, real estate tax, or assessment. Lessor shall, if so requested by Lessee, join in any proceeding to contest or review such taxes or assessments at Lessee's cost and expense including reasonable attorney's fees. Should any of the proceedings result in reducing the Property Taxes for the Premises, Lessee shall be entitled to receive all refunds paid by the taxing authorities.

4.2.4 Limitation. Nothing contained in this Lease requires, or shall be construed to require Lessee, to pay any gift, estate, inheritance, or other tax assessed against Lessor, its heirs, successors, or assigns, or any income or other tax, assessment, charge, or levy on the rent payable by Lessee under this Lease to Lessor with the exception of Tennessee sales tax due, if any.

4.3 Additional Provisions.

4.3.1 Form and Manner of Payment. All sums due and payable pursuant to the terms and provisions of this Lease shall be paid by Lessee in lawful money of the United States of America. In addition, all such sums shall be paid to Lessor, and payment to Lessor shall fully discharge Lessee with respect to the amount so paid, Lessee having no liability or responsibility with respect to the allocation or distribution of any such payment between the owners of Lessor.

5. Use of Premises; Maintenance; Alterations; Mechanic's Liens.

5.1 Use of Premises. The Premises shall be used in accordance with the Permitted Use and for no other purposes. Lessee shall not commit, or suffer to be committed, any waste on the Premises. The Premises shall not be used in any manner to create any nuisance, offensive activity or unsightly condition, nor to vitiate the insurance on the Premises nor violate any rules, regulations, orders, or other obligations of any federal, state, or local government or other agency that may affect in any way the licensing or use of the Premises as a skilled nursing facility. Lessee shall be responsible for obtaining and maintaining all licenses necessary to operate Lessee's business as a skilled nursing facility.

5.2 Renovation and Maintenance. Lessee, by occupancy hereunder, accepts the Premises as being in reasonable repair and condition; provided that Lessor agrees to when and as reasonably needed by the Facility renovate the premises, replace HVAC units, replace resident room furniture, replace the roof, redecorate the Facility, etc., which shall first be recommended and presented to Lessor by qualified building architects, engineers, and interior design consultants (as the case may require) reasonably acceptable to Lessor and Lessee. In the event that any maintenance issue arises that is by its nature Lessor's responsibility and that puts the Facility or any of its residents, employees, or guests in actual or anticipated jeopardy of physical injury or regulatory deficiency, Lessor shall immediately undertake to correct the situation and shall see that it is corrected within ten (10) days of notice of such situation, and, if Lessor fails to do so, Lessee shall have the right to undertake to correct such situation utilizing whatever laborers it, in its sole discretion, deems desirable and shall be expressly permitted to full reimbursement from Lessor for the cost of such correction by a set off in Rent.

Lessee shall routinely maintain the Premises and every part thereof, including the Personal Property, in good repair and condition, damages by causes beyond the control of the Lessee excepted.

Notwithstanding herein to the contrary, Lessor agrees to indemnify and hold harmless Lessee, its officers, agents, and employees from any loss, cost, damage, expense, attorney's fees, and liability by reason of bodily injury, property damages, or both of whatsoever nature or kind, arising out of or as a result of Lessor's non-compliance with federal, state, or municipal laws, regulations, or codes pertaining to Hazardous Substances.

5.3 Alterations. Lessee shall make no structural alterations without the prior approval of Lessor, which approval shall not be unreasonably withheld.

6. Damage or Destruction.

6.1 50% or More of the Replacement Cost. If by fire or other casualty, the Premises are totally destroyed or partially damaged or destroyed to the extent of fifty percent (50%) or more of the replacement cost thereof, Lessor shall have the option of terminating this Lease, or any renewal thereof, by serving written notice upon Lessee within thirty (30) days from the date of the casualty, and any prepaid Rent shall be prorated as of the time of destruction, and any unearned Rent shall be refunded without interest. Nevertheless, should Lessor elect to repair such damage or destruction, then upon completion of such repairs this Lease shall be reinstated at the option of

Lessee. In such event, Lessor shall give written notice to Lessee of the completion of such repair and Lessee shall have thirty (30) days within which to exercise its option to reinstate this Lease by written notice to Lessor, such reinstatement to be effective as of the date specified in such notice from Lessee, but not more than sixty (60) days after the date of such notice.

6.2 49% or Less of the Replacement Cost. If by fire or other casualty, the Premises is damaged or partially destroyed to the extent of forty-nine percent (49%) or less of the replacement cost thereof, then Lessor shall restore the Premises.

6.3 Abatement of Rent. In the event of restoration by Lessor, all Rent thereafter accruing shall be equitably and proportionately adjusted according to the nature and extent of the destruction or damage, pending completion of rebuilding, restoration, or repair. In the event the destruction or damage is so extensive as to make it infeasible for Lessee to conduct Lessee's business on the Premises, the Rent shall be completely abated until the Premises is restored by the Lessor, or until the Lessee resumes use and occupancy of the Premises, whichever shall first occur. The Lessor shall not be liable for any damage to, or any inconvenience or interruption of, the business of the Lessee or any of its employees, agents, or invitees occasioned by the fire or casualty.

6.4 Repair. If the Premises is to be repaired under this Section 6, Lessor shall make such repairs at its cost.

7. Compliance With Legal Requirements. Lessor shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force, or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises, insofar as any thereof relate to or affect the condition, use, or occupancy of the Premises, excluding requirements of structural changes not related to or affected by improvements made by or for Lessee or Lessee's acts.

8. Assignment and Subletting. Lessee shall have no right to assign or sublet this Lease without the prior written consent of Lessor.

9. Entry by Lessor. Lessor may enter the Premises upon reasonable notice to Lessee to (i) inspect the same, (ii) exhibit the same to prospective purchasers, lenders, or lessees, (iii) determine whether Lessee is complying with all of its obligations hereunder, (iv) supply any services to be provided by Lessor to Lessee hereunder, (v) post notices of non-responsibility, and (vi) make repairs required of Lessor under the terms hereof. Lessee hereby waives any claim for damages for any injury or inconvenience to or interference with Lessee's business, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by such entry.

10. Events of Default and Lessor's Remedies. All rights and remedies of the Lessor herein enumerated in the event of a default shall be cumulative, and nothing herein shall exclude any other right or remedy allowed hereunder, at law, or in equity.

10.1 Bankruptcy. If any voluntary or involuntary petition or similar proceeding under any section or sections of any bankruptcy act shall be filed by or against Lessee, or any

voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare Lessee insolvent or unable to pay Lessee's debts, and such petition or proceeding is not discharged or dismissed within ninety (90) days after the commencement thereof, then and in any such event Lessor may, if Lessor elects, but not otherwise, and with or without notice of election, forthwith terminate this Lease, and notwithstanding any other provisions of this Lease, Lessor shall forthwith, upon such termination, be entitled to recover damages in an amount equal to the then present value of the Rent, specified in Section 4 of this Lease, for the residue of the stated term hereof less the fair rental value of the Premises for the residue of the stated term hereof.

10.2 Payment, Etc. If the Lessee defaults in the payment of Base Rent or Additional Rent, or in the prompt and full performance of any provision of this Lease, or if the leasehold interest of the Lessee is levied upon under execution or is attached by process of law, or if the Lessee makes an assignment for the benefit of creditors, or if a receiver is appointed for any property of Lessee, or if the Lessee abandons the Premises, and if any such event is not cured within thirty (30) days after notice thereof from Lessor, then and in any such event the Lessor may, if the Lessor so elects, but not otherwise, upon three (3) days' written notice of such election, either forthwith terminate this Lease and the Lessee's right to possession of the Premises or without terminating this Lease, forthwith terminate the Lessee's right to possession of the Premises, but the Lessee shall remain liable for damages as permitted by law, and as provided for herein.

10.3 Surrender. Upon termination of this Lease, whether by lapse of time or otherwise, or upon any termination of the Lessee's right to possession without termination of the Lease, Lessee shall surrender possession and vacate the Premises immediately, and deliver possession thereof to the Lessor, subject, in the case of expiration or termination of this Lease without default by Lessee, to the performance by Lessor of its obligations hereunder in connection with the expiration or termination hereof.

11. Representations and Warranties Lessor. Lessor represents, warrants, and covenants to Lessee, as of the date hereof and as of the Commencement Date, as follows:

11.1 Authority. Lessor has the full legal capacity and authority to enter into, and to perform its obligations under, this Agreement and all other agreements and instruments to be executed by it pursuant to this Agreement. Lessor's execution, delivery, and performance of this Agreement and all other agreements, instruments, and certificates to be executed by it pursuant to this Agreement have been duly authorized by all necessary company actions and will not violate any provision of Lessor's charter documents, including its articles of incorporation or organization, its bylaws or operating agreement, or other similar documents. This Agreement is, and the other documents to be delivered by Lessor (when executed and delivered by it) will be, valid and enforceable obligations of the Lessor, binding in accordance with their terms.

11.2 Organization. Lessor is, and on the Commencement Date will be, a duly organized, validly existing Tennessee limited liability company in good standing with the legal power to own and operate its properties and assets and to carry on its intended business. Lessor has complied with all provisions of its charter documents.

11.3 Title. Lessor has good and marketable fee simple title to the Premises subject to easements, restrictions, limitations, and encumbrances of public record and the lien of the Mortgage Loan and the Improvement Loan.

11.4 No Condemnation Proceedings. There is no pending or, to the knowledge of Lessor, threatened condemnation or similar proceeding affecting the Premises or any portion thereof, and Lessor has not received any written notice, and has no knowledge, that any such a proceeding is contemplated.

11.5 Use. There are no restrictions, recorded or unrecorded, or existing rules, regulations, laws, ordinances, or orders of any governmental or quasi-governmental authority which would impair Lessee's use of the Premises for the Permitted Use. Lessor has no knowledge of any judicial or administrative action, or any action by adjacent landowners, that has not been disclosed in writing to Lessee and that would prevent, limit, impede, or render more costly the present or any future use of the Premises or the construction of any additions or improvements thereto in compliance with existing laws. Lessor is not aware of any other facts or circumstances that would materially and adversely affect Lessee's use or value of the Premises as a skilled nursing facility.

12. Representations and Warranties of Lessee. Lessee hereby represents and warrants as follows:

12.1 Organization. Lessee is a duly organized, validly existing Tennessee limited liability company in good standing with the legal power to own its properties and assets and to carry on its intended business.

12.2 Authorization. Lessee has the full power, legal capacity, and authority to enter into, and to perform its obligations under, this Agreement. Lessee's execution, delivery, and performance of this Agreement and all other agreements and instruments to be executed by it pursuant to this Agreement have been duly authorized by all necessary company actions. This Agreement is, and the other documents to be delivered by Lessee pursuant hereto (when executed and delivered by it) will be, valid and enforceable obligations of Lessee, binding on Lessee in accordance with their terms.

13. Additional Covenants of the Parties.

13.1 Governmental Approvals. To the extent not already accomplished, Lessee shall, promptly after the execution of this Agreement, submit to the Agency an application for a license in the name of Lessee, to authorize Lessee to operate the Facility, and applications for approval as a provider under the Medicare and Medicaid Programs. Thereafter, Lessee shall use reasonable efforts to pursue the issuance of such license and approvals. Lessor shall cooperate with and assist Lessee in the pursuit of such license and approvals as requested by Lessee from time to time (both before and after the Commencement Date).

13.2 Maintenance of Existence, Etc. During the term of this Lease, Lessor shall maintain intact its entity existence, and, including with respect to its assets, shall not liquidate or dissolve, or enter into any merger, consolidation, or similar transaction (regardless of the survivor), or acquire or be acquired by any person or entity, except with the written consent of Lessee.

13.3 Loan Guarantee Fee. If either party hereto guarantees the repayment of a loan made to the other party, the party making the guaranty shall be entitled to an annual loan guarantee fee, payable on December 31st of each calendar year, in the amount of One Quarter Percent (0.25%) of the highest amount of debt so guaranteed during the preceding calendar year.

13.4 Purchase at Termination. On the expiration or termination of this Lease for any reason, Lessee shall sell, and Lessor shall purchase: (i) all leasehold improvements of the Premises made by or at the expense of Lessee (other than through payments of Rent hereunder); (ii) all furniture, fixtures and equipment then located at the Facility and purchased and owned by Lessee; and (iii) all supplies inventory then located at the Facility which has been purchased by Lessee. The purchase price for the foregoing shall be an amount equal to the net book value thereof as of such expiration or termination, as shown on the books of Lessee prepared in accordance with generally accepted accounting principles, and shall be paid in immediately available funds within thirty days of the date of such expiration or termination.

13.5 Operation by Lessee. Lessee hereby covenants and agrees to use best efforts to maintain the Premises and the Facility free and clear of all claims, actions, suits, or other proceedings which could affect the Facility's ability to operate as a skilled nursing facility during the term of this Lease. Lessee agrees to maintain the use of the Property and shall comply with all environmental laws. Notwithstanding the foregoing, Lessee shall not have any liability for violations of environmental laws that do not result from acts or omissions of Lessee.

13.6 Medicare, Medicaid Requirements. Lessee hereby covenants and agrees to use its best efforts to maintain and comply with all applicable Medicaid and Medicare requirements or other Agency requirements, to maintain the Premises and its licenses and permits, to operate a skilled nursing facility upon the Premises, to comply with all rules and regulations as they may relate to residents and/or resident trust funds and to maintain such licenses and permits in good standing throughout the Term of this Lease. All Medicare and Medicaid cost reports, if any, required to be filed by Lessee shall be accurately completed in all material respects and timely filed. Any pending statement of deficiencies related to the Premises or the Facility after the Commencement Date issued by any agency shall be complied with in a timely manner.

13.7 Transfer of Licenses, etc. On the expiration or earlier termination of this Lease for any reason, Lessee (its successors, assigns, agents, trustees or receivers) shall transfer and relinquish to Lessor or Lessor's nominee and cooperate with Lessor or Lessor's nominee in connection with the processing by Lessor or such nominee or all licenses, operating rights, permits, certificates of need and other regulatory clearances or matters, including without limitation, a Certificate of Need, the Facility license, and any other contracts with governmental or quasi-governmental entities which may be necessary or appropriate for the operation of the Premises and Facility by Lessor or such nominee; provided that the costs and expenses of any such transfer or the processing of any such application shall be paid by Lessor or Lessor's nominee or assigns. Any such rights, permits, licenses, certificates and/or contracts which are held in Lessor's name or in the name of any lessee of Lessor at the termination of the Lease shall be the property of Lessor, and Lessee is strictly prohibited from transferring the license to or having a new license issued at a location other than the Premises.

14. Conditions to Lessee's Obligations. The obligations of Lessee from and after the Commencement Date are subject to the following conditions, any one or any of which may be waived by Lessee:

14.1 Representations and Warranties. The representations of Lessor contained in this Agreement shall be true and accurate in all material respects on and as of the Commencement Date as if made on and as of the Commencement Date.

14.2 Absence of Adverse Changes. There shall not have occurred any material adverse change affecting the Facility or the use or operation thereof by Lessee after the Commencement Date.

14.3 Litigation. No litigation shall be pending or threatened that seeks to prevent the transactions contemplated hereby or damages from Lessor or Lessee in relation thereto.

15. Conditions to Lessor's Obligations. The obligations of Lessor from and after the Commencement Date are subject to the following conditions, any one or any of which may be waived by Lessor:

15.1 Representations and Warranties. The representations of Lessee contained in this Agreement shall be true and accurate in all material respects on and as of the Commencement Date as if made on and as of the Commencement Date.

15.2 Litigation. No litigation shall be pending or threatened that seeks to prevent the transactions contemplated hereby or damages from Lessor or Lessee in relation thereto.

16. Failure of Conditions. In the event that there is a material failure of any of the conditions to the obligations of a party hereunder, which is not waived by such party, then such party may terminate and abandon this Lease by written notice to the other party, and in the event of such termination neither party shall have any further liability or obligation under this Lease to the other party hereto.

17. Lessor's Right to Cure Defaults. All agreements and provisions to be performed by Lessee under any of the terms of this Lease shall be at its sole cost and expense and without any abatement of rental. If Lessee shall fail to pay any sum of money, other than the Rent, required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder, Lessor may, but shall not be obligated to, and without waiving or releasing Lessee from any obligations of Lessee, make any such payment or perform any such other act on Lessee's part to be made or performed as in this Lease provided. All sums so paid by Lessor and all necessary incidental costs shall be deemed Additional Rent hereunder and shall be payable to Lessor upon demand, and Lessor shall have (in addition to any other right or remedy of Lessor) the same rights and remedies in the event of the non-payment thereof by Lessee as in the case of default by Lessee in the payment of rental.

18. Eminent Domain. The terms "eminent domain," "condemnation," "taking" and the like in the following paragraphs include takings for public or quasi-public use and private purchases in place of condemnation by any authority authorized to exercise the power of eminent domain.

If the entire Premises or the portions of the Premises required for reasonable access to, or reasonable use of, the Premises are taken by eminent domain, the Lease shall automatically end on the earlier of:

(i) the date the title vests in the condemning authority; or

(ii) the date Lessee is dispossessed by the condemning authority.

If the taking of a part of the Premises materially interferes with Lessee's ability to continue its business operations in substantially the same manner, the Lease shall automatically end on the earliest of:

(i) the date when title vests;

(ii) the date Lessee is dispossessed by the condemning authority, or

(iii) sixty (60) days following notice to Lessee of the date when vesting or dispossession is to occur.

If there is a partial taking and the Lease continues, then the Lease shall end as to the part taken, and the Rent shall abate in proportion to the part of the Premises taken and Lessee's pro rata share shall be equitably reduced.

Lessee shall be permitted to make its own claim with the condemning authority for the value of its leasehold improvements and for the value of the unexpired term of the Lease.

19. **No Merger**. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor terminate all or any existing subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any or all such subleases or subtenancies.

20. **Waiver**. The waiver by Lessor or Lessee of any agreement, condition, or provision herein contained shall not be deemed to be a waiver of any subsequent or further breach of the same, or any other agreement, condition, or provision herein contained, nor shall any custom or practice that may arise between the parties in the administration of the terms hereof be construed to waive or to lessen the right of Lessor or Lessee to insist upon performance in accordance with said terms. The subsequent acceptance of Rent or Additional Rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any agreement, condition, or provision of this Lease, other than the failure of Lessee to pay the particular Rent or Additional Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Rent or Additional Rent.

21. **Notices**. All notices and demands that may or are required to be given by either party to the other hereunder shall be in writing and shall be deemed to have been fully given when deposited in the United States Mail, certified or registered, postage prepaid, or with a nationally recognized overnight courier, and addressed as follows: to Lessor, at 300 East Bay, Largo, FL 33770, Attention: Chief Manager, or at such other place as Lessor may from time to time designate in writing to Lessee; to Lessee, at 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604,

Attention Vice President of Legal Affairs, or at such other place as Lessee may from time to time designate in writing to Lessor.

22. **Estoppel Certificate**. At any time and from time to time, but on not less than ten (10) days' prior written request by Lessor, Lessee will execute, acknowledge, and deliver to Lessor and any Mortgagee, promptly upon request, a certificate certifying (i) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification), (ii) the date, if any, to which Rent, Additional Rent, and any other sums payable hereunder have been paid, (iii) that no notice has been received by Lessee of any default that has not been cured, except as to defaults specified in said certificate, and (iv) such other matters as may be reasonably requested by Lessor. Any such certificate may be relied upon by a prospective purchaser or mortgagee of the Premises or any part thereof.

23. **Holding Over**. If, without objection by Lessor, Lessee holds possession of the Premises after the expiration of the term of this Lease, Lessee shall become a Lessee from month to month, upon the terms herein specified. Each party shall give the other written notice at least one (1) month prior to the date of termination of such monthly tenancy of its intention to terminate such tenancy. This Section shall in no way be deemed to give Lessee any right whatsoever to hold possession of the Premises after the expiration of the term hereof.

24. **Insurance**.

24.1 Lessee hereby agrees to use its best efforts to maintain in full force and effect at all times during the Term of this Lease, at its own expense, for the protection of Lessee and Lessor, as their interest may appear, policies of insurance issued by a responsible carrier or carriers that offer the following coverages:

(i) Comprehensive General and Professional Liability Insurance in an amount not less than $1,000,000 per claim and $3,000,000 in the aggregate;

(ii) Fire and Extended Coverage, Vandalism and Malicious Mischief (where applicable) insurance, to cover all the Premises; and

(iii) Worker's Compensation as required by Tennessee law; and

(iv) Business Interruption Insurance.

24.2 Lessee shall deliver to Lessor at least thirty (30) days prior to the time such insurance is first required to be carried by Lessee, and thereafter at least thirty (30) days prior to expiration of such policy, Certificates of Insurance evidencing the above coverage. Such Certificates shall name Lessor as an additional insured. Further, all Certificates shall provide that no less than thirty (30) days' prior written notice shall be given Lessor in the event of a material alteration to, or cancellation of, the coverages evidenced by such Certificates.

25. **Quiet Enjoyment**. Subject to the terms of this Lease and provided Lessee pays the Rent, Additional Rent, and any and all other sums due and payable hereunder, and performs all of

the covenants and agreements herein contained, Lessee shall and may peaceably have, hold, and enjoy the Premises for the Term hereof.

26. **Entire Agreement**. There are no oral agreements between Lessor and Lessee affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements, and understandings, if any, between Lessor and Lessee or displayed by Lessor to Lessee with respect to the subject matter of this Lease. There are no representations between Lessor and Lessee other than those contained in this Lease.

27. **Revision of Lease; Alteration**. This Lease shall not be altered, changed, or amended except by an instrument in writing signed by both parties hereto.

28. **Miscellaneous**. The words "Lessor" and "Lessee" as used herein shall include the plural as well as the singular. Time is of the essence of this Lease and each and all of its provisions. Submission of this instrument for examination or signature by Lessee does not constitute a reservation of or option for Lease, and this instrument is not effective as a lease, or otherwise, until execution and delivery by both Lessor and Lessee. The agreements, conditions, and provisions herein contained shall, subject to the provisions herein as to assignment, apply to and bind the heirs, executors, administrators, successors, and assigns of the parties hereto. If any provision of this Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Lease, and all such other provisions shall remain in full force and effect. This Lease shall be governed by and construed pursuant to the laws of the State of Tennessee. The captions used herein are provided only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Lease or the intent of any provision thereof.

29. **Liability for Previous Operations and Indemnification.** Lessor shall indemnify and hold Lessee and the managers, directors, officers, shareholders, members, employees, and agents of Lessee harmless from all loss, costs, and expense, including reasonable attorneys and paralegals fees at all levels of proceeding, including appeals, resulting from claims asserted against Lessee relative to Lessor's previous operation of the facility prior to Commencement Date of this Lease. Lessor shall be responsible for but not limited to, insured and uninsured claims, personal injury, medical malpractice or other tort claims and any and all claims against the Lessee by any person, firm, entity or governmental agency relating to Lessor operations prior to the Commencement Date of this Lease. Lessor shall be liable for, and shall make prompt payment to Lessee of any charge backs or audit adjustments, etc. related to third party payor programs, including Medicare and Medicaid for periods prior to the Commencement Date of this Lease.

30. **Schedules and Exhibits**. The schedules, exhibits and addenda, if any, attached to this Lease are by this reference made a part hereof.

IN WITNESS WHEREOF, the parties have executed this Lease on the respective dates indicated below:

LESSEE

CHRISTIAN CARE CENTER OF BOLIVAR, LLC

By: _____
Name: Anita B. West, Secretary, CFO

Date of Execution
By Lessee: _____

LESSOR

HARDEMAN COUNTY REAL ESTATE INVESTORS, LLC

By: _____
Name: J.R. Lewis, Chief Manager

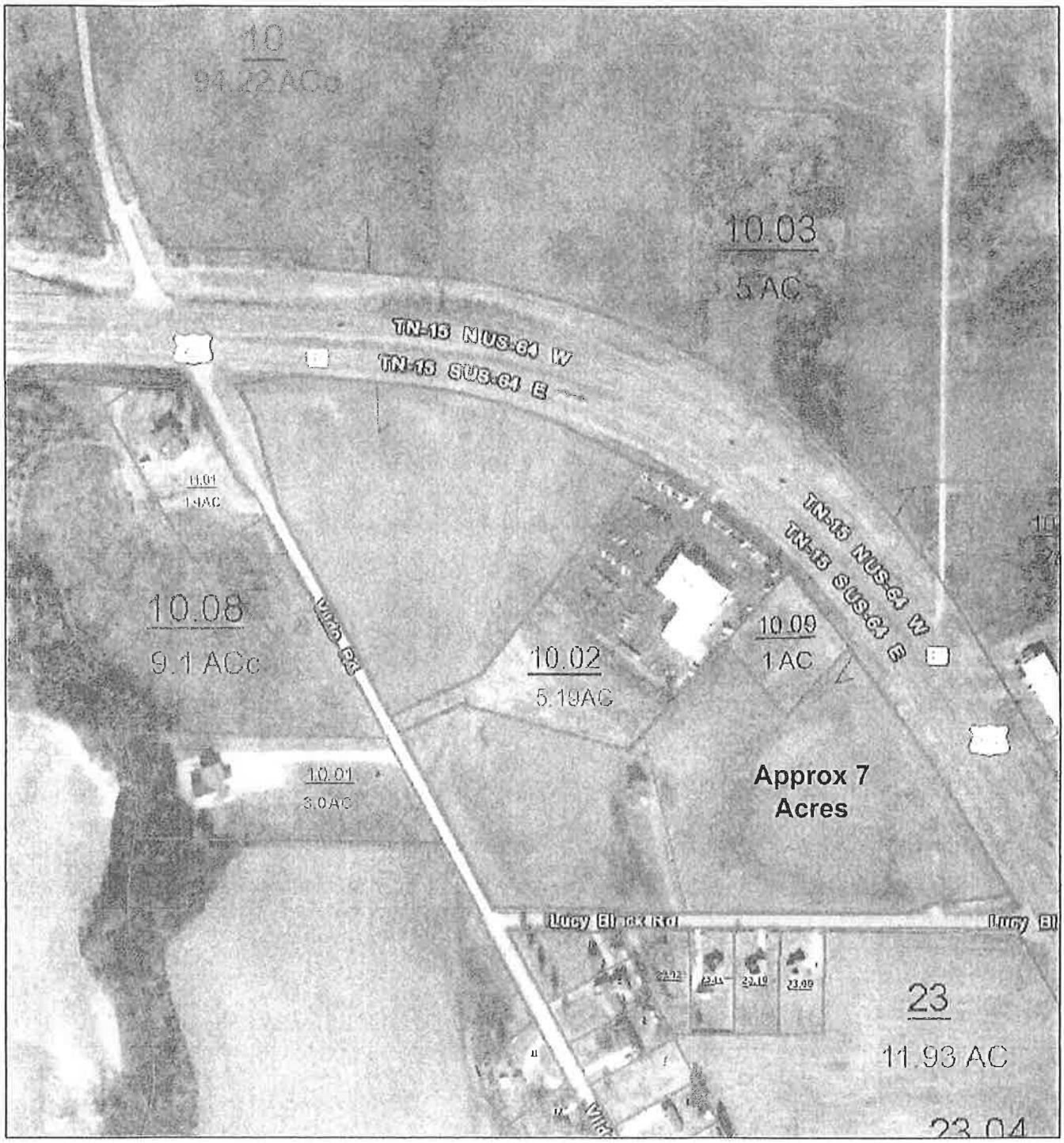
Date of Execution
By Lessor: _____

EXHIBIT A

DESCRIPTION OF THE PREMISES

EXHIBIT A

Hardeman County - Parcel: 061 010.00



Date: November 1, 2017 Building footprint on next page
County: Hardeman
Owner: KELLER ALBERT L AND ALICE V KELLER CO TR
Address: HWY 64
Parcel Number: 061 010.00
Deeded Acreage: 0
Calculated Acreage: 34.7
Date of Imagery: 2012

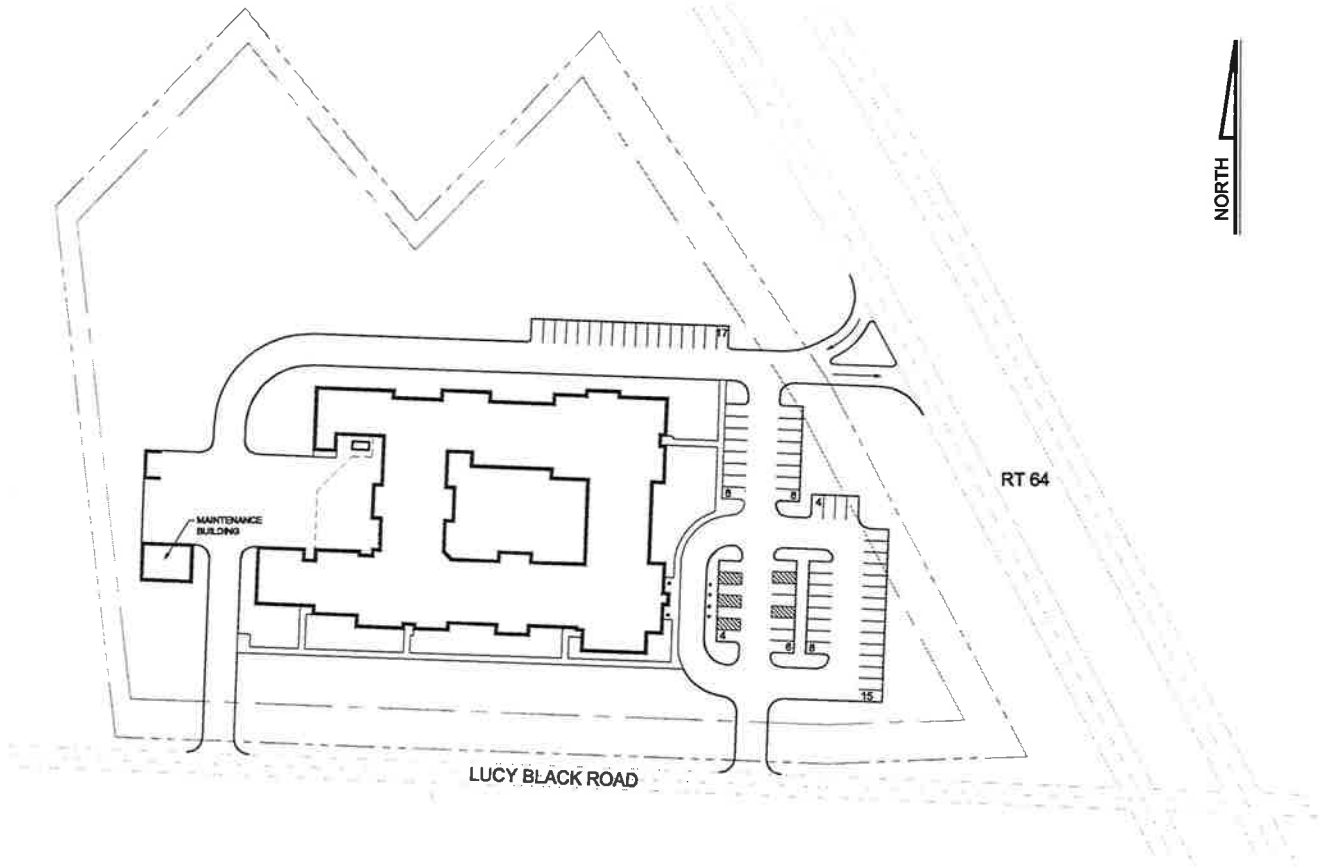
1:4,514

0 0.0375 0.075 0.15 mi

0 0.05 0.1 0.2 km

TN Comptroller - OLG
TDOT
State of Tennessee, Comptroller of the Treasury, Office of Local Government (OLG)
Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors

The property lines are compiled from information maintained by your local county Assessor's office but are not conclusive evidence of property ownership in any court of law.



CHRISTIAN CARE CENTER OF BOLIVAR

PROPOSED SITE PLAN

MAIN BUILDING:	39,950
MAINTENANCE BUILDING:	1,250
TOTAL BUILDING AREA:	41,200

TOTAL LAND AREA: 6.8 ACRES

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architects + planners + interior designers
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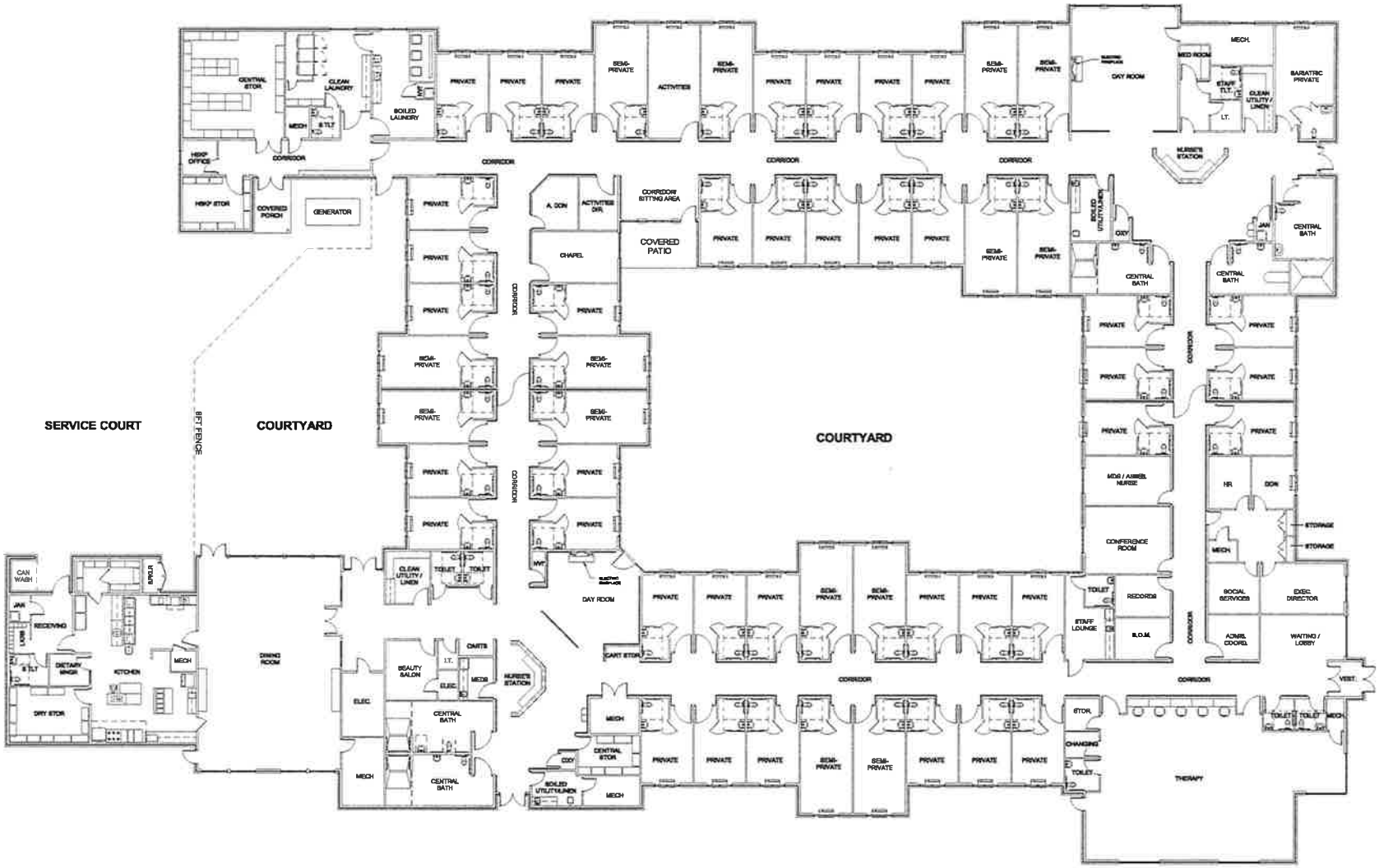
www.kenross.com



CHRISTIAN CARE CENTER OF BOLIVAR

PROPOSED FLOOR PLAN

PRIVATE BEDS:	39
SEMI PRIVATE BEDS:	28
TOTAL BEDS:	67
MAIN BUILDING:	39,950
MAINTENANCE BUILDING:	1,250
TOTAL BUILDING AREA:	41,200

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NURSING HOME BED NEED BASED UPON THE OLD RATIO STANDARDS METHODOLOGY USED FOR MEDICARE BEDS NEED CALCULATIONS, BY COUNTY AND STATE TOTAL, 2019 (Based on 2017 UTCBER Projection Series*)

COUNTY	TOTAL POP	BED NEED
STATE	7,037,025	53,353
ANDERSON	78,731	815
BEDFORD	51,420	359
BENTON	16,727	185
BLEDSOE	13,437	119
BLOUNT	138,116	1,290
BRADLEY	108,679	881
CAMPBELL	41,721	394
CANNON	14,740	139
CARROLL	28,777	292
CARTER	60,449	596
CHEATHAM	41,481	266
CHESTER	18,811	163
CLAIBORNE	34,496	310
CLAY	7,879	91
COCKE	37,510	354
COFFEE	57,398	510
CROCKETT	15,038	144
CUMBERLAN	64,687	974
DAVIDSON	706,549	3,863
DECATUR	12,059	150
DEKALB	20,074	180
DICKSON	55,589	419
DYER	39,736	325
FAYETTE	47,573	403
FENTRESS	19,192	182
FRANKLIN	42,543	427
GIBSON	52,184	486
GILES	30,597	294
GRAINGER	24,407	219
GREENE	74,149	734
GRUNDY	14,068	144

COUNTY	TOTAL POP	BED NEED
HAMBLEN	66,616	607
HAMILTON	365,577	3,122
HANCOCK	6,996	66
HARDEMAN	27,279	217
HARDIN	26,743	287
HAWKINS	59,553	568
HAYWOOD	18,198	147
HENDERSON	30,072	246
HENRY	33,922	373
HICKMAN	27,123	214
HOUSTON	9,085	90
HUMPHREYS	19,136	186
JACKSON	12,320	124
JEFFERSON	57,733	530
JOHNSON	19,032	184
KNOX	483,425	3,554
LAKE	8,513	62
LAUDERDALE	29,055	192
LAWRENCE	43,689	409
LEWIS	13,002	132
LINCOLN	35,286	327
LOUDON	57,017	722
MCMINN	55,411	545
MCNAIRY	27,625	264
MACON	24,023	192
MADISON	105,581	827
MARION	29,974	274
MARSHALL	34,274	257
MAURY	91,811	705
MEIGS	12,408	115
MONROE	49,559	471
MONTGOMERY	216,612	920
MOORE	6,994	74

COUNTY	TOTAL POP	BED NEED
MORGAN	24,071	184
OBION	31,600	307
OVERTON	24,090	223
PERRY	8,414	89
PICKETT	5,251	71
POLK	17,726	167
PUTNAM	83,063	695
RHEA	34,903	314
ROANE	56,152	612
ROBERTSON	77,441	513
RUTHERFORD	341,421	1,593
SCOTT	23,145	181
SEQUATCHIE	16,667	146
SEVIER	106,657	923
SHELBY	975,626	5,596
SMITH	20,685	157
STEWART	14,313	133
SULLIVAN	159,584	1,743
SUMNER	187,398	1,349
TIPTON	70,220	428
TROUSDALE	8,651	63
UNICOI	19,082	223
UNION	20,228	156
VAN BUREN	5,684	54
WARREN	41,304	360
WASHINGTON	139,160	1,216
WAYNE	17,598	160
WEAKLEY	36,355	326
WHITE	28,278	293
WILLIAMSON	233,580	1,411
WILSON	136,217	956

PREPARED BY: TENNESSEE DEPARTMENT OF HEALTH, DIVISION OF POLICY, PLANNING AND ASSESSMENT Nov 2017

*Projections Data Source: The University of Tennessee Center for Business and Economic Research Population Projection Data Files, Reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment.
Note: These data will not match the University of Tennessee Data exactly due to rounding.

Intended or potential vendor contracts and/or working relationships:

Milan General Hospital
4039 Highland Street
Milan, TN 38358

Jackson Madison County General Hospital
620 Skyline Drive
Jackson, TN 38301

West Tennessee Healthcare
620 Skyline Drive
Jackson, TN 38301

Tennova Healthcare Regional Jackson
367 Hospital Boulevard
Jackson, TN 38305

CHS Regional Hospital of Jackson
37 Sandstone Drive
Jackson, TN 38305

Medical Center Laboratory
620 Skyline Drive
Jackson, TN 38301

Atrium Pharmacy
260 West Main Street, #103
Hendersonville, TN 37075

LabCorp
159 North Star Drive
Jackson, TN 38305

Emergency Mobile Health Care
2692 North Highland Avenue
Jackson, TN 38305

Medical Center EMS
620 Skyline Drive
Jackson, TN 38301

Hardeman County Ambulance
735 Naylor Street
Bolivar, TN 38008

Quality Mobile XRay
640 Grassmere Park, #116
Nashville, TN 37211

Functional Pathways of Tennessee
10122 Sherrill Boulevard, #200
Knoxville, TN 3793
(PT & OT)

Wellness Solutions
73 White Bridge Road, #103-243
Nashville, TN 37205
(OP Behavioral Health Services)

Claxton Dietetic Solutions
7768 Devonshire Drive
Knoxville, TN 37919

Encore Healthcare
104b West Court Square
Livingston, TN 38570
(Respiratory Services)

Vohra Post Acute Physicians
3601 SW 160th Avenue, $250
Miramar, FL 33027
(Wound Care)

Reinhart Food Service
100 Harborview Plaza
La Crosse, WI 54601

InPatient Consultants of Tennessee
PO Box 844929
Los Angeles, CA 90084
(Medical Director Services)

360 Care
3255 Levis Common Boulevard
Perrysburg, OH 43551
(Optometrist, Dentist, Audiologist)

Medical Center Home Health
650 Nuckolls Road
Bolivar, Tn 38008

Amedisys (Home Health)
221 South Main Street, #5
Bolivar, Tn 38008

Aseracare (Home Health)
1386 Union University Drive, Ste. E
Jackson, Tn 38305

Avalon Hospice
1700 West Market Street, Ste. C
Bolivar, Tn 38008

Demographic Variable/ Geographic Area	Department of Health/Health Statistics							Bureau of the Census				TennCare	
	Total Population- Current Year (2017)	Total Population- Projected Year (2019)	Total Population-% Change	*Target Population- Current Year	*Target Population- Project Year	*Target Population-% Change	Target Population Projected Year as % of Total	Median Age	Median Household Income	Person Below Poverty Level*	Person Below Poverty Level as % of Total	TennCare Enrollees	TennCare Enrollees as % of Total
Hardeman County	27,287	27,279	-0.03%	4,774	5,030	5.36%	18%	39.8	$31,801	6,767	24.8%	6,904	25.3%
Primary Service Area Total	27,287	27,279	-0.03%	4,774	5,030	5.36%	18%	39.8	$31,801	6,767	24.8%	6,904	25.3%
State of TN Total	6,887,572	7,035,572	2.15%	1,133,025	1,219,696	7.65%	17%	38.4	$45,219	1,212,213	17.6%	1,565,932	22.7%

*The Census Bureau website does not provide the number of persons below poverty level. The totals in this column are calculated by percentage of individuals below below poverty level in 2015 divided by total population in 2017.

Sources: http://www.tn.gov/health/article/statistics-population; http://www.tn.gov/tenncare/topic/enrollment-data; http://factfinder.census.gov/faces/nav/jsf/pages/index.x

210 east watauga ave.
johnson city, tn 37601
tel: 423.929.2191
fax: 423.929.8866

kenROSS ARCHITECTS
architects + planners + interior designers

November 29, 2017

RE: Christian Care Center of Bolivar

TO WHOM IT MAY CONCERN:

We verify that the Estimated Construction Cost of $7,210,000.00 is reasonable for this facility.

This proposed facility will be designed and constructed to comply with the Building Codes adopted by Tennessee State Health Department (Department of Tennessee Health Care Facilities) listed below:

2012 International Building Code
2012 International Fire Code
2012 International Mechanical Code
2012 International Plumbing Code
2012 International Fuel Gas Code
2012 NFPA 101 Life Safety Code
2011 NFPA 70 National Electric Code
2010 ADA Standards for Accessible Design
2010 Guidelines for Design and Construction of Health Care Facilities

Respectfully,

Ken Ross

KR/pr

Bank of Tennessee

December 6, 2017

Hardeman County Real Estate Investors, LLC
2020 Northpark, Suite 2D
Johnson City, TN 37604

Dear Mr. Lewis,

We have had favorable preliminary discussions with Hardeman County Real Estate Investors, LLC regarding the planned construction of a 67-bed Skilled Nursing Facility in Bolivar, TN. Based on those discussions a proposed loan amount of $9,702,272 is being considered, with an interest rate of 5.50%, subject to the issuance of a Replacement Facility Certificate of Need and the standard restrictions and conditions of a Commitment Letter.

Sincerely,

Scarlett Dale

Scarlett M. Dale, SVP
Carter County Bank A
Division of Bank of Tennessee

P.O. Box 4980 • Johnson City, Tennessee 37602-4980
Toll Free: (866) 378.95

Bank of Tennessee

December 6, 2017

Christian Care Center of Bolivar, LLC
2020 Northpark, Suite 2D
Johnson City, TN 37604

Dear Mr. Lewis,

We have had favorable preliminary discussions with Christian Care Center of Bolivar, LLC regarding a one (1) year renewable Operating Line of Credit for the operation of a 67-bed Skilled Nursing Facility in Bolivar, TN. Based on those discussions a proposed loan amount of $1,000,000 is being considered, with an interest rate of Wall Street Journal Prime, subject to the issuance of a Replacement Facility Certificate of Need and the standard restrictions and conditions of a Commitment Letter.

Sincerely,

Scarlett M. Dale, SVP
Carter County Bank A
Division of Bank of Tennessee

P.O. Box 4980 • Johnson City, Tennessee 37602-4980
Toll Free: (866) 378.9500 • bankoftennessee.com

Board for Licensing Health Care Facilities

State of Tennessee

License No. 0000000116

No. Beds 0067

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to

CHRISTIAN CARE CENTER OF BOLIVAR, LLC *to conduct*

and maintain a Nursing Home CHRISTIAN CARE CENTER OF BOLIVAR

Located at 214 NORTH WATER STREET, BOLIVAR

County of HARDEMAN *, Tennessee.*

This license shall expire MARCH 12 *,* 2018 *and is subject to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable, and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.*

In Witness Whereof, we have hereunto set our hand and seal of the State this 16TH *day of* FEBRUARY *,* 2017 *.*

By Vincent J. Davis, MPH

DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By

COMMISSIONER

Attachment Section B, Orderly Development 4, A

COPY

State of Tennessee
DEPARTMENT OF HEALTH
DIVISION OF HEALTH CARE FACILITIES
WEST TENNESSEE REGIONAL OFFICE
2975 C Highway 45 Bypass
Jackson, Tennessee 38305
Telephone: (731) 984-9684
Fax: (731) 512-0063

May 05, 2016

Ms. Jan Hays, Administrator
Pleasant View Health Care Center
214 N. Water Street
Bolivar, TN 38008

RE: COMPLIANCE NOTICE
CCN 445352

Dear Mrs. Hays:

The West Tennessee Regional Office of Health Care Facilities completed a recertification survey at your facility on 3/23/2016. Based on a review of the deficiencies cited on the survey and onsite life safety surveys conducted on 05/02/2016, we are accepting your plan of correction and assume your facility is in substantial compliance with all participation requirements as of 04/14/2016.

If you have any questions or comments, please feel free to contact this office.

Sincerely,

Jan Priddy

Jan Priddy, RN
Public Health Nurse Consultant 2

JP/rm
rm

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 03/30/2016
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING ____ B. WING ____	(X3) DATE SURVEY COMPLETED
	445352		03/23/2016

NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
F 278 SS=E	483.20(g) - (j) ASSESSMENT ACCURACY/COORDINATION/CERTIFIED The assessment must accurately reflect the resident's status. A registered nurse must conduct or coordinate each assessment with the appropriate participation of health professionals. A registered nurse must sign and certify that the assessment is completed. Each individual who completes a portion of the assessment must sign and certify the accuracy of that portion of the assessment. Under Medicare and Medicaid, an individual who willfully and knowingly certifies a material and false statement in a resident assessment is subject to a civil money penalty of not more than $1,000 for each assessment; or an individual who willfully and knowingly causes another individual to certify a material and false statement in a resident assessment is subject to a civil money penalty of not more than $5,000 for each assessment. Clinical disagreement does not constitute a material and false statement. This REQUIREMENT is not met as evidenced by: Based on medical record review and interview, the facility failed to accurately assess residents for activities of daily living (ADLs), medication use, significant weight loss, and/or height for 6 of 15 (Residents #6, 29, 8, 25, 48, and 59) sampled residents of the 20 residents included in the stage	F 278	This Plan of Correction is submitted as required under State and Federal law. The submission of this plan of correction does not constitute any admission on the part of Pleasant View Health Care Center (Facility) as to the accuracy of the findings nor does it constitute any of the deficiencies cited as correctly applied. Any changes to Pleasant View Health Care Center's policies and procedures should be considered to subsequent remedial measures as that concept is employed in the Rule 407 of the Federal Rules of Evidence and any corresponding State rule of any proceeding on that basis. The facility submits this Plan of Correction with the intention that it be inadmissible by any employee, agent, director, officer, or shareholder of the facility.	4-14-16

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE TITLE (X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See Instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 03/30/2016
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING ____ B. WING ____	(X3) DATE SURVEY COMPLETED
	445352		03/23/2016

NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

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F 278 SS=E	483.20(g) - (j) ASSESSMENT ACCURACY/COORDINATION/CERTIFIED The assessment must accurately reflect the resident's status. A registered nurse must conduct or coordinate each assessment with the appropriate participation of health professionals. A registered nurse must sign and certify that the assessment is completed. Each individual who completes a portion of the assessment must sign and certify the accuracy of that portion of the assessment. Under Medicare and Medicaid, an individual who willfully and knowingly certifies a material and false statement in a resident assessment is subject to a civil money penalty of not more than $1,000 for each assessment; or an individual who willfully and knowingly causes another individual to certify a material and false statement in a resident assessment is subject to a civil money penalty of not more than $5,000 for each assessment. Clinical disagreement does not constitute a material and false statement. This REQUIREMENT is not met as evidenced by: Based on medical record review and interview, the facility failed to accurately assess residents for activities of daily living (ADLs), medication use, significant weight loss, and/or height for 6 of 15 (Residents #6, 29, 8, 25, 48, and 59) sampled residents of the 20 residents included in the stage	F 278	The facility will accurately assess all residents' status for Activities of Daily Living (ADL's), medication use, significant weight loss, and/or height. All residents have the potential to be affected by this deficiency. The Minimum Data Set (MDS) nurse was in-serviced 3-25-16 by the Director of Nursing (DON) on accurately coding the MDS using the MDS Policy/Procedure, the drug handbook for coding drugs appropriately, and the RAI Manual. Corrections to residents' #6 & #29 coding of ADL's functional status were made by the MDS nurse with DON reviewing before submission to the state 4-1-16. MDS for resident #8 was corrected by the MDS nurse to indicate antidepressant use. The DON reviewed MDS before submission to state 4-1-16. The MDS for resident #25 was corrected by the MDS nurse to indicate diuretic use for resident was 7 days and antibiotic use for 5 days. The DON reviewed MDS before submission to state 4-1-16. The MDS for resident #59 was corrected by the MDS nurse to document the height for the resident. The DON reviewed MDS before submission to state 4-1-16. The Care Plan team consisting of the MDS nurse, DON, Social Services Director, Activities Coordinator, Wound Care Nurse, Dietary Manager, Therapy Manager,	4-14-16

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE TITLE (X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING B. WING	(X3) DATE SURVEY COMPLETED
	445352		03/23/2016

NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
F 278	Continued From page 1 2 review. The findings included: 1. Medical record review revealed Resident #6 was admitted to the facility on 10/5/02 with diagnoses of Cerebrovascular Disease, Hypothyroidism, Obesity, Reflux with Esophagitis, Difficulty Walking, Type II Diabetes, Muscle Weakness, Generalized Anxiety Disorder, Major Depressive Disorder, Psychosis Not Due To A Substance Or Known Physiological Condition, Delusional Disorder and Disorder of Circulatory System. Review of the quarterly Minimum Data Set (MDS) dated 11/3/15 documented Resident #6 was totally dependent on staff for locomotion every time and required supervision for eating. The quarterly MDS dated 2/2/16 documented Resident #6 required extensive assistance for locomotion and eating. Review of the nurses notes and monthly summaries dated 9/1/15 through 3/22/16 revealed Resident #6 required some assistance of 1 to 2 or extensive assistance with all ADLs. Interview with the MDS Coordinator on 3/22/16 beginning at 1:01 PM, in the MDS Office, the MDS Coordinator was asked if there was a change in Resident #6's functional status from the 11/3/15 quarterly MDS assessment and the 2/2/16 quarterly assessment. The MDS Coordinator reviewed the supporting Certified Nursing Assistant (CNA) documentation and stated, "No, the November assessment is incorrect for Locomotion On Unit and incorrect for Eating Self Performance for February, it's a	F 278	Restorative CNA, Family Member (when available), Resident, and primary caregiver (CNA/LPN) will review the residents' MDS for accuracy during Care Plan meeting. Findings will be reported quarterly to the Quality Assurance (QA) Committee on an ongoing basis. The QA Committee members consist of Administrator, DON, Assistant Director of Nursing (ADON), Social Services Director (SSD), Activities Director (AD), Business Office Manager (BOM), Maintenance Director, Dietary Manager, Housekeeping/Laundry Manager, Restorative CNA, Medical Director, and any staff member who wishes to attend.	

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING ____ B. WING ____	(X3) DATE SURVEY COMPLETED
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NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
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F 278	Continued From page 2 transcribing error. They are incorrect." 2. Medical record review revealed Resident #29 was admitted to the facility on 11/3/13 with diagnoses of Paranoid Schizophrenia, Dementia with Behavioral Disturbance, Convulsions, Reflux Disease, Chronic Obstructive Pulmonary Disease, Kyphosis, Abnormal Gait and Mobility, Constipation, History of Falling, Osteoarthritis, Urinary Incontinence, Bowel Incontinence, Alzheimer's Disease, Peripheral Vascular Disease and Polyosteoarthritis. Review of the annual MDS dated 3/2/16 documented Resident #29 required limited assistance with eating. The quarterly MDS assessment dated 12/2/16 documented Resident #29 was independent with eating. Review of the nurses notes and the monthly summaries dated 11/10/15 through 3/3/16 revealed that Resident #29 feeds himself. Interview with the MDS Coordinator on 3/22/16 beginning at 1:01 PM, in the MDS Office, the MDS Coordinator was asked if there was a change in Resident #29's functional status from the 12/2/15 Quarterly MDS assessment and the 3/2/16 Annual MDS assessment. The MDS Coordinator reviewed the supporting Certified Nursing Assistant (CNA) documentation and stated, "No, the March assessment is incorrect for Eating Self Performance, it's a transcribing error. It is incorrect." 3. Medical record review revealed Resident #8 was admitted to the facility on 2/8/06 with diagnoses of Hypertension, Atherosclerotic Heart Disease, Hyperlipidemia, Anemia, Chronic Viral	F 278		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING B. WING	(X3) DATE SURVEY COMPLETED
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F 278	Continued From page 3 Hepatitis B, Paranoid Schizophrenia, Alzheimer's Disease, Dementia, Major Depressive Disorder, Hypothyroidism, Constipation, Disease of the Esophagus, Pervasive Developmental Disorder, Heart Failure, Alcohol Dependence, Cardiac Failure, Profound Dementia, Chronic Alcoholism, Coronary Artery Stenosis, and Developmental Delay. Review of the quarterly MDS dated 2/8/16 revealed Resident #8 had active diagnoses of Schizophrenia, Dementia, and Major Depressive Disorder, and had received antipsychotics and diuretics for 7 of 7 days reviewed. Review of the physician's orders for the month of February, 2016 revealed the antipsychotic drugs Haldol, injection 2.5 milliliters (ml) intramuscularly (IM) every 2 weeks and Seroquel 400 milligrams (mg) twice daily, the diuretic Furosemide 40 mg daily, and the antidepressant Mirtazapine 15mg every evening. Review of the Medication Administration Record (MAR) for the month of February, 2016 revealed Resident #8 received the antipsychotics, diuretic, and antidepressant as ordered. The quarterly MDS dated 2/8/16 was not coded for antidepressant use. Interview with the MDS Coordinator on 3/21/16 at 4:55 PM, outside her office, the MDS Coordinator was asked if she coded medications on the MDS according the drug classification, or the reason it was prescribed. The MDS Coordinator stated, "By the class. I thought that [Mirtazapine] was an antipsychotic instead of antidepressant."	F 278		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING ____ B. WING ____	(X3) DATE SURVEY COMPLETED
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F 278	Continued From page 4 4. Medical record review revealed Resident #25 was admitted to the facility on 9/11/13 and readmitted on 10/9/15 with diagnoses of Hypertension, Malignant Neoplasm of Upper Lobe, Chronic Respiratory Failure, with Hypoxia or Hypercapnia, Dementia with Behavioral Disturbances, Vitamin D Deficiency, Major Depressive Disorder, Anxiety Disorder, Urinary Incontinence, and Incontinence of Feces, The 5 day MDS dated 10/16/15 documented, "...Medications Received... number of DAYS... Diuretic 0..." The MAR documented, "...FUROSEMIDE TAB [tablet] 20 MG... GIVE 1 TABLET BY MOUTH TWICE DAILY..." and was documented as being administered on 10/10/15, 10/11/15, 10/12/15, 10/13/15, 10/14/15, 10/15/15, and 10/16/15. Resident #25 received diuretics on 7 days. Interview with the MDS Coordinator on 3/22/16 at 2:10 PM, in the MDS office, the MDS Coordinator was asked to verify the number of days the diuretic was given. The MDS Coordinator confirmed Resident #25 received a diuretic for 7 days. The quarterly MDS dated 12/18/15 documented, "...Medications Received... number of DAYS... Antibiotic 6..." The MAR documented, "...SMZ/TMP DS [Sulfamethoxazole and Trimethoprim] mg... 1 tab [tablet] po [by mouth] q [every] day..." and was documented as being administered on 12/12/15, 12/15/15, 12/16/15, 12/17/15, and 12/18/15 at 08:30 AM. Resident #25 only received antibiotics on 5 days.	F 278		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING ____ B. WING ____	(X3) DATE SURVEY COMPLETED
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NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

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F 278	Continued From page 5 Interview with the MDS Coordinator on 3/22/16 at 2:10 PM, in the MDS office, the MDS Coordinator was asked to verify the number of days the antibiotic was given. The MDS Coordinator stated, "Received antibiotic for 5 days." The MDS Coordinator was asked if the antibiotic should have been coded 5 days. The MDS Coordinator stated, "Yes ma'am." 5. Medical record review revealed Resident #48 was admitted to the facility on 10/13/15 with diagnoses of Unstageable Pressure Ulcers to the Right Hip, Left heel, Right Buttock, and Sacrum, Congestive Heart Failure, Heart Disease, Muscle Weakness, Bowel and Bladder Incontinence, Hyperglycemia, Acute Kidney Injury, Sepsis, Encephalopathy, Hyperlipidemia, Acute Renal Failure due to Sepsis, Hypothyroidism, Diabetes Type II, Hypertension, Diabetic Neuropathy, Hypokalemia, Hypomagensemia, Urinary Retention, and Tobacco Abuse. Review of the admission MDS with dated 10/23/15 revealed Resident #48 had an admission weight of 137 pounds. Review of the significant change MDS dated 12/11/15 revealed Resident #48 had a weight of 115 pounds, and had no significant weight loss or gain. A Registered Dietician's note dated 10/20/15 documented, "...New admit summary... Admission weight was 137# [pounds] but he dropped to 131# this week... significant 4% [percent] loss in less than 1 week..." A nurse's note dated 10/27/15 documented,	F 278		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING B. WING	(X3) DATE SURVEY COMPLETED
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F 278	Continued From page 6 "...has been added to NEP [nutritional enhancement program] due to weight loss... requires much encouragement to eat food prepared from the kitchen..." Medical record review revealed the following weights for Resident #48: 10/14/15 - 137 pounds, 10/19/15 - 131 pounds, 10/26/15 - 128 pounds, 11/16/15 - 125 pounds and 11/23/15 - 115 pounds. Resident #48 lost a total of 22 pounds in 40 days, resulting in a significant weight loss of 16.1%. There was no documentation of significant weight loss on the significant change MDS dated 12/11/15. Interview with the MDS Coordinator on 3/22/16 at 2:00 PM, in her office, the MDS Coordinator was asked if she would expect to code significant weight loss if it had occurred. The MDS Coordinator stated, "Umhum." The MDS Coordinator confirmed the significant change MDS was inaccurate for significant weight loss by stating, "Yes, it is inaccurate." 7. Medical record review revealed Resident #59 was admitted to the facility on 10/12/15 and readmitted on 1/2/16 with diagnoses of Personal Injury of Traumatic Brain Injury, Peptic Ulcer, Insomnia, Hypertension, Gastrostomy Status, Urinary Incontinence, Incontinence of Feces, Major Depressive Disorder, Weakness, Fibrous Dysplasia, and Hemiplegia, affecting Left Dominant Side. The admission MDS dated 10/20/15 did not document a height.	F 278		

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F 278	Continued From page 7 Interview with the MDS Coordinator on 3/22/16 at 2:10 PM, in the MDS office, the MDS was asked about the height on the admission MDS. The MDS coordinator stated, "It should be 72 inches." The MDS Coordinator was asked if the MDS was coded incorrectly. The MDS Coordinator stated, " Yes, the MDS coded height as 0."	F 278		
F 280 SS=D	483.20(d)(3), 483.10(k)(2) RIGHT TO PARTICIPATE PLANNING CARE-REVISE CP The resident has the right, unless adjudged incompetent or otherwise found to be incapacitated under the laws of the State, to participate in planning care and treatment or changes in care and treatment. A comprehensive care plan must be developed within 7 days after the completion of the comprehensive assessment; prepared by an interdisciplinary team, that includes the attending physician, a registered nurse with responsibility for the resident, and other appropriate staff in disciplines as determined by the resident's needs, and, to the extent practicable, the participation of the resident, the resident's family or the resident's legal representative; and periodically reviewed and revised by a team of qualified persons after each assessment. This REQUIREMENT is not met as evidenced by: Based on policy review, medical record review, and interview, the facility failed to revise the care plan for weight loss for 1 of 15 (Resident #48) sampled residents of the 20 residents included in	F 280	The facility will ensure that care plans are periodically reviewed and revised by a team of qualified persons after each assessment. All residents have the potential to be affected by this deficiency. The Care Plan team consisting of the DON, MDS nurse, SSD, Activities Coordinator, Wound Care Nurse, Dietary Manager, Therapy Manager, Restorative CNA, Family Member (when available), Resident, and primary caregiver (CNA/LPN) were in-serviced on Care Plan-Comprehensive policy 3-24-16 by the Administrator including care plans are revised as changes in the residents condition dictate. Resident #48 expired 12-19-15. The Care Plan was not updated. The MDS nurse will update care plans on an ongoing basis as resident's condition warrants and will be reviewed during scheduled care plan meeting with additional revisions added or resolved as needed by the care plan team. The DON or designee will monitor care plans on an ongoing basis for completeness/accuracy. Findings will be reported to the QA committee on an ongoing basis.	4-14-16

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F 280	Continued From page 8 the stage 2 review. The findings included: The facility's "Care Plan - Comprehensive" policy documented, "...5. Care plans are revised as changes in the resident's condition dictate..." Medical record review revealed Resident #48 was admitted to the facility on 10/13/15 with diagnoses of Hypertension, Unstageable Pressure Ulcers to the Right Hip, Left heel, Right Buttock, and Sacrum, Congestive Heart Failure, Heart Disease, Muscle Weakness, Bowel and Bladder Incontinence, Hyperglycemia, Acute Kidney Injury, Sepsis, Encephalopathy, Hyperlipidemia, Hypothyroidism, Diabetes Type II, Acute Renal Failure due to Sepsis, Diabetic Neuropathy, Hypokalemia, Hypomagensemia, Urinary Retention, and Tobacco Abuse. Review of the admission Minimum Data Set dated 10/23/15 revealed an admission weight of 137 pounds. Review of the significant change MDS dated 12/11/15 revealed a weight of 115 pounds. Review of physician's orders revealed the following orders to address weight loss: a. 10/13/15 American Diabetic Association (ADA) Diet, Critical Care 30 cubic centimeters (cc) every (q) day (d), discontinue (dc) Critical Care 30 cc due to patient's refusal. b. 10/14/15 diet clarification, regular no added salt (NAS), controlled carbohydrate diet (CCD). c. 10/20/15 Magic cup vanilla with all meals, E-tonic 15 cc twice a day (BID), Ready Care 2.0 90 milliliters (ml) bid with med passes, therapy screen for need to incorporate adaptive	F 280	The QA committee members consist of Administrator, DON, SSD, BOM, AD, ADON,Therapy Manager, Maintenance Director, Dietary Manager, Housekeeping/Laundry Manger, Restorative CNA, Medical Director, and any staff member who wishes to attend.	

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F 280	Continued From page 9 equipment to cut down on spillage during meals, continue weekly weights. d. 10/21/15 DC E-tonic 15 cc BID and ready care 2.0 90 cc bid related to (r/t) neighbor refusal. e. 10/27/15 Megace 40 milligrams (mg) every day (qd) r/t weight loss/lack of appetite. f. 11/12/15 Mirtazapine 15 mg every (q) hour of sleep (hs), Ready Care 2.0 three times a day (TID). f. 11/18/15 30 mls critical care bid for weight loss, give with beverage of choice for better acceptance. g. 11/21/15 DC critical care 30 cc po bid patient refusal. . h. 12/15/15 Add diagnosis of Adult Failure to Thrive. Medical record review revealed the following weights for Resident #48: 10/14/15 - 137 pounds, 10/19/15 - 131 pounds, 10/26/15 - 128 pounds, 11/16/15 - 125 pounds and 11/23/15 - 115 pounds. Resident #48 lost a total of 22 pounds in 40 days resulting in a significant weight loss of 16.1 percent (%). Review of the care plan for weight loss dated 10/20/16 revealed the only intervention was "Magic Cup Vanilla With All Meals". The care plan had not been revised to reflect Resident #48's continued weight loss or the interventions put in place to address it. Interview with the Assistant Director of Nursing (ADON) on 3/22/16 at 2:45 PM, in the conference room, the ADON was asked if she would expect to see the care plan updated with new interventions implemented for weight loss. The	F 280		

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F 280	Continued From page 10 ADON stated, "I would, yes, ma'am." The ADON was asked if the care plan had been updated to reflect all the interventions that were put in place for weight loss for the Resident #48. The ADON stated, "No."	F 280		
F 332 SS=D	483.25(m)(1) FREE OF MEDICATION ERROR RATES OF 5% OR MORE The facility must ensure that it is free of medication error rates of five percent or greater. This REQUIREMENT is not met as evidenced by: Based on policy review, medical record review, review of the "Narcotic Tracking / Destruction Log - Reorder Reminder Sheet", observation, and interview, the facility failed to ensure 1 of 4 (Licensed Practical Nurse (LPN) #1) nurses administered medications with a medication error rate of less than 5 percent (%). A total of 2 errors were made out of 26 opportunities for errors which resulted in a medication error rate of 7.7%. The findings included: The facility's "Administering Medications through an Enteral Tube" policy documented, "...5. Select the drug from the unit dose drawer or stock supply...6. Check the label... confirm the medication name and dose with the MAR [Medication Administration Record]..." Medical record review revealed Resident #33 was admitted to the facility on 9/17/15 with diagnoses of Dementia with Behavioral Disturbance, Psychosis, Obesity, Alzheimer's Disease, Anxiety,	F 332	The facility will ensure that it is free of medication error rates of five percent or greater. All residents have the potential to be affected by this deficiency. Licensed nurses were in-serviced 3-23-16 by the DON on the Administering Medications through an Enteral Tube Policy to include right dose, right time, right resident,right route, right medication. 1 on 1 education was given to Nurse #1 by the Administrator 4-6-16 reviewing the Enteral Tube Policy and giving the right medication, right dose, right time, right route and right resident. The pharmacy RN, DON, or designee will monitor medication passes q week x 4, then monthly on an ongoing basis to monitor for compliance. Findings will be reported quarterly to QA committee on an ongoing basis. The QA committee consist of Administrator, DON, ADON, SSD, AD, Maintenance Director, Housekeeping/Laundry Manager, MDS nurse, Restorative CNA, Therapy Manager, BOM, Medical Director, and any staff member who wishes to attend.	4-14-16

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F 332	Continued From page 11 Extrapyramidal and Movement Disorder, Insomnia, Pressure Ulcer of Sacral Region Stage 4, Reflux Disease, Gastrostomy Status and Urinary Incontinence. The "Physician Order" dated 1/4/16 documented, "HYDROCO/APAP [hydrocodone/ acetaminophen] GIVE 1 TABLET PER TUBE TWICE DAILY FOR PAIN FROM WOUND..." Observations in Resident #33's room on 3/21/16 at 6:12 PM, revealed, LPN #1 punched out one (1) Hydrocodone 5-325 mg into a medicine cup. LPN #1 punched out one (1) Phenergan 25 mg into the same medicine cup with the Hydrocodone. LPN #1 punched out another Hydrocodone 5-325 mg pill and placed it in a medicine cup by itself. LPN #1 was observed until she had gotten all her medications out and had 9 medication cups on top of the medication cart. Each medication cup had 1 medication except the 1 cup that had 1 Phenergan and 1 Hydrocodone together for a total of 10 medications. LPN #1 began to crush the medications individually when the surveyor asked her to stop and count how many medications she had. LPN #1 counted the medications on the MAR and stated "9" and then she counted the medication cups and stated "9". Review of the "Narcotic Tracking / Destruction Log - Reorder Reminder Sheet" revealed 2 Hydrocodone/APAP tablets 5-325 milligrams (mg) were wasted by LPN #1 on 3/21/16 at 6:30 PM. On 3/21/16 at 6:45 PM, (1) Hydrocodone/APAP TAB 5-325 MG was signed out as administered by LPN #1. Interview with LPN #1 on 3/21/16 at 6:21 PM, at	F 332		

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F 332	Continued From page 12 the medication cart, the surveyor donned a glove then picked up a medication cup containing 1 white tablet scored on 1 side and on the other side had M365. The surveyor asked LPN #1 to verify what was on the tablet and LPN #1 verified "M365." The surveyor then picked up the cup containing the Phenergan and Hydrocodone together and asked her to verify what was on that 1 white tablet, LPN #1 verified "M365". LPN #1 confirmed "There are 2 Hydros. I will discard one." Then, LPN #1 picked up a different medicine cup and threw that [the Hydrocodone] pill in the trash. LPN #1 would have administered 2 Hydrocodone tablets to Resident #33 had the surveyor not intervened, resulting in medication error #1. The current "Physician Order" documented, "RANITIDINE TAB 75 MG GIVE 1 TABLET PER TUBE EVERY EVENING AT BEDTIME (HOUSESTOCK)." Observations in Resident #33's room on 3/21/16 at 6:00 PM and 6:37 PM, revealed LPN #1 administered 150 mg tablet of Ranitidine instead of 75 mg as ordered resulting in medication error #2. Interview with LPN #2 on 3/22/16 at 10:30 AM, in the medication room, LPN #2 was asked to retrieve the housestock bottle for Ranitidine. LPN #2 verified Ranitidine 150 mg tablets 50 tabs." Interview with the Director of Nursing (DON) on 3/22/16 at 4:48 PM, in the DON's office, was asked what her expectations were to ensure the correct medication and dose are given. The DON stated, "Compare MAR to drug you pulled."	F 332		

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F 371 F 371 SS=F	Continued From page 13 483.35(i) FOOD PROCURE, STORE/PREPARE/SERVE - SANITARY The facility must - (1) Procure food from sources approved or considered satisfactory by Federal, State or local authorities; and (2) Store, prepare, distribute and serve food under sanitary conditions This REQUIREMENT is not met as evidenced by: Based on policy review, observation, and interview, the facility failed to ensure food was stored, prepared, and served in a sanitary manner as evidenced by carbon build up on the stove and pans, expired food, open food items, kitchen door left opened, dirt deep fryer and 1 of 4 (Dietary Aide (DA) #1) dietary staff had exposed hair from hair restraint. The facility had a census of 50, with 48 of those residents receiving a meal tray from the kitchen. The findings included: 1. Review of the facility's "...Food: Preparation..." policy documented, "ensure that all utensils, food contact equipment... are cleaned... after every use..." Observations in the kitchen on 3/20/16 beginning at 8:45 AM, revealed carbon build up on top of the stove, 5 steam table pans, and 1 stock pan. Interview with the Dietary Manager (DM) on	F 371 F 371	The facility will store, prepare, and serve food in a sanitary manner. All residents have the potential to be affected by this deficiency. The pots and pans that had carbon build up on them were removed from the department by the Account Manager 3-23-16. The stove that had carbon build-up on it was cleaned 3-23-16. The dietary staff was in-serviced on carbon build up on 3-21-16 and 3-22-16 by the Account Manager. In-service included cleaning stove after each use ensuring that any carbon on stove is removed, and notifying Account Manager or Dietary Manager when pots and pans with carbon build up on them are noted and any pots and/or pans with carbon build up on them will be removed immediately. Compliance will be monitored by the Dietary Manager, Account Manager, or Designee daily on an on going basis. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, SSD, AD, MDS nurse, DM, BOM, Maintenance Director, Laundry/Housekeeping Supervisor, Therapy Director, Restorative CNA, Medical Director and any staff member who wishes to attend. The gallon container of thousand island dressing that was in the cooler was removed from the dietary department by the Dietary Manager. Dietary staff were in-serviced 3-21-16 & 3-22-16 by the Account Manager on proper labeling and dating procedures, and checking expiration dates on all food products. Any expired food products are to be reported to the Dietary Manager and removed from Dietary department. Compliance will be monitored by Dietary Manager, Account	4-14-16

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F 371	Continued From page 14 3/20/16 at 8:45 AM the DM confirmed carbon build up on the stove and pans. Interview with the District Manager on 3/21/16 at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have carbon build up on the stove and pans. The District Manager stated, "No, ma'am." 2. Observations in the reach in cooler on 3/20/16 beginning at 8:45 AM, revealed a gallon container of Thousand Island dressing stored past expiration date of 11/11/15. Interview with the DM on 3/20/16 beginning at 8:45 AM the DM confirmed the Thousand Island dressing was out of date. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have expired food in the reach in cooler. The District Manager stated, No, ma'am." 3. Observations in the freezer room on 3/20/16 beginning at 8:45 AM, revealed, 2 boxes of cookies opened and not securely wrapped in the freezers. Interview with the DM on 3/20/16 beginning at 8:45 AM the DM confirmed the cookies were open and not sealed. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have open food items in the freezer that are not sealed. The District manager stated, "They should be wrapped securely."	F 371	Manager, or designee q day x7 for 4 weeks then 3 x week for 4 weeks then weekly inspections on an ongoing basis. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, SSD, AD, BOM, Laundry/Housekeeping Manager, Maintenance Manager, Therapy Manager, Restorative CNA, Medical Director, and any staff member who whishes to attend. Dietary staff was in-serviced 3-21-16 and 3-22-16 by the Dietary Manager on wrapping all food products securely. The cookies were removed from freezer and rewrapped securely by the Dietary Manager 3-21-16. Compliance will be monitored by the Account Manager, Dietary Manager, or designee daily 7 x week x 4 weeks, then 3 x week x 4 weeks then weekly inspections ongoing. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, SSD, AD, BOM, Laundry/Housekeeping Manager, Maintenance Manager, Therapy Manager, Restorative CNA, Medical Director, and any staff member who whishes to attend. The exterior door that was open was closed immediately. All staff members were in-serviced 3-21-16 & 3-22-16 on keeping exterior door closed at all times by the Account Manager. Compliance will be monitored by the Account Manager, Dietary Manager, or designee daily on an ongoing basis.	

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F 371	Continued From page 15 4. Observations in the kitchen on 3/21/16 at 5:30 PM, revealed the back exterior entry door was open and the screen door was open. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable for the door and the screen door in the kitchen to be left open. The District Manager stated, "No, ma'am." 5. Review of the facility's "...Staff Attire..." policy documented, "...all staff members have their hair... confined in a hair net..." Observations in the kitchen on 3/21/16 at 5:40 PM, revealed DA #1 wore a hair restraint, but her hair was not completely covered. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have hair exposed when working in the kitchen. The District Manager stated, "No, ma'am." 6. Observations in the kitchen on 3/21/16 at 5:45 PM, revealed the grease was black and dirty with food crumbs around and on top of the grease in the deep fat fryer. Interview with the DM on 3/21/16 at 5:47 PM, in the kitchen, the DM was asked if the deep fat fryer was dirty. The DM stated, "Yes."	F 371	Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, SSD, AD, BOM, Laundry/Housekeeping Manager, Maintenance Manager, Therapy Manager, Restorative CNA, Medical Director, and any staff member who whishes to attend. Proper hair restraint was applied immediately on staff member who did not have all of their hair under her hair net. 1 on 1 education was given on the proper use of hair nets. All staff were in-serviced 3-21-16 & 3-22-16 on the responsibility for making sure there are no loose strands of hair hanging out of hair net at any time. Compliance will be monitored daily x 4 weeks, then 3 x week x 4 weeks, then weekly on an ongoing basis by the Account Manager, Dietary Manager or designee.	
F 441 SS=E	483.65 INFECTION CONTROL, PREVENT SPREAD, LINENS The facility must establish and maintain an Infection Control Program designed to provide a	F 441		

F 371 cont'd

Findings will be reported to the
QA Committee quarterly on
an ongoing basis. The QA
Committee consist of
Administrator, DON, ADON,
MDS nurse, SSD, AD, Therapy
Manager, Restorative CNA, Maintenance
Director, BOM, Dietary Manager, Housekeeping/
Laundry Manager, Medical Director, and any
staff member who wishes to attend.
The deep fryer was cleaned 3-21-16 by the
Dietary Manager. All Dietary staff was in-serviced
By Dietary Manager 4-6-16 & 4-7-16 on the weekly
and/or prn cleaning of deep fryer. Compliance
will be monitored by the Dietary Manager, Account
Manager, or designee q week on an ongoing basis
to ensure that cleaning has been done.
Findings will be reported to the
QA Committee quarterly on
an ongoing basis. The QA
Committee consist of
Administrator, DON, ADON,
MDS nurse, SSD, AD, Therapy
Manager, Restorative CNA, Maintenance
Director, BOM, Dietary Manager, Housekeeping/
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F 371	Continued From page 15 4. Observations in the kitchen on 3/21/16 at 5:30 PM, revealed the back exterior entry door was open and the screen door was open. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable for the door and the screen door in the kitchen to be left open. The District Manager stated, "No, ma'am." 5. Review of the facility's "...Staff Attire..." policy documented, "...all staff members have their hair... confined in a hair net..." Observations in the kitchen on 3/21/16 at 5:40 PM, revealed DA #1 wore a hair restraint, but her hair was not completely covered. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have hair exposed when working in the kitchen. The District Manager stated, "No, ma'am." 6. Observations in the kitchen on 3/21/16 at 5:45 PM, revealed the grease was black and dirty with food crumbs around and on top of the grease in the deep fat fryer. Interview with the DM on 3/21/16 at 5:47 PM, in the kitchen, the DM was asked if the deep fat fryer was dirty. The DM stated, "Yes."	F 371		
F 441 SS=E	483.65 INFECTION CONTROL, PREVENT SPREAD, LINENS The facility must establish and maintain an Infection Control Program designed to provide a	F 441	The facility will provide an infection control program that will provide a safe, sanitary and comfortable environment and help prevent the development and transmission of disease and infection.	4-14-16

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING ____ B. WING ____	(X3) DATE SURVEY COMPLETED
	445352		03/23/2016

NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
F 441	Continued From page 16 safe, sanitary and comfortable environment and to help prevent the development and transmission of disease and infection. (a) Infection Control Program The facility must establish an Infection Control Program under which it - (1) Investigates, controls, and prevents infections in the facility; (2) Decides what procedures, such as isolation, should be applied to an individual resident; and (3) Maintains a record of incidents and corrective actions related to infections. (b) Preventing Spread of Infection (1) When the Infection Control Program determines that a resident needs isolation to prevent the spread of infection, the facility must isolate the resident. (2) The facility must prohibit employees with a communicable disease or infected skin lesions from direct contact with residents or their food, if direct contact will transmit the disease. (3) The facility must require staff to wash their hands after each direct resident contact for which hand washing is indicated by accepted professional practice. (c) Linens Personnel must handle, store, process and transport linens so as to prevent the spread of infection. This REQUIREMENT is not met as evidenced by: Based on policy review, observation, and interview, the facility failed to ensure proper	F 441	All residents have the potential to be affected by this deficiency. Staff was in-serviced 3-23-16 by the DON on proper infection control practices to prevent the spread of infection to include the cleaning of stethoscopes before and after use. 1 on 1 education was given by the Administrator 4-6-16 to Nurse #1 and Nurse #3 on infection control practices and the proper cleaning of equipment before and after use. Compliance will be monitored q week x 4 then monthly during medication pass observation by Pharmacy RN, DON, or designee. Report will be made to the QA Committee quarterly on an ongoing basis. The QA committee consists of Administrator, DON, ADON, MDS nurse, SSD, AD, BOM, Therapy Manager, Maintenance Director, Dietary Manager, Restorative CNA, Medical Director, and any staff member who wishes to attend.	4-14-16

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING B. WING	(X3) DATE SURVEY COMPLETED
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F 441	Continued From page 17 infection control practices to prevent the spread of infection were maintained when 2 of 4 (Licensed Practical Nurse (LPN #1 and 3) nurses failed to clean the stethoscopes before or after use. The findings included: 1. The facility's "Cleaning and Disinfection of Resident-Care Items and Equipment" policy documented, "...d. Reusable items are cleaned and disinfected or sterilized between resident (...stethoscopes, durable medical equipment)..." 2. Observation in Resident #33's room on 3/21/16 at 6:12 PM, revealed LPN #1 took the stethoscope from the drawer of the medication cart and laid it on the top of the medication cart. LPN #1 then took the stethoscope into the room with her, laid the stethoscope on the over bed table without cleaning the table. LPN #1 picked up the stethoscope, put the ear piece in her ears, auscultated for placement of the gastrostomy tube with the stethoscope touching Resident #33's abdomen. LPN #1 then put the stethoscope around her neck and went back to the medication cart and laid it on top of the Medication Administration Record (MAR) and supplies on the medication cart. LPN #1 never cleaned the stethoscope before or after use. 3. Observations in Resident #17's room on 3/22/16 at 7:00 AM, revealed LPN #3 took the stethoscope from the medication cart, carried the stethoscope into the room and place the stethoscope on the over bed table. LPN #3 set up the medications and then picked up the stethoscope and put the earpieces into her ears: LPN #3 placed the stethoscope on Resident	F 441		

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F 441	Continued From page 18 #17's abdomen and verified tube placement, then placed the stethoscope on the bed. LPN #3 used the stethoscope 2 more times and each time laid the stethoscope on the bed. When LPN #3 finished with the medication administration in Resident 17's room, LPN #3 took the stethoscope out and placed it on the top of the medication cart. LPN #3 never cleaned the stethoscope before or after use or before placing it back into the drawer of the medication cart. 4. Interview with the Director of Nursing (DON) on 3/22/16 at 4:48 PM, in the DON office, the DON was asked what are your expectations for cleaning the stethoscope during medication administration. The DON stated, "I would expect them to pick it up and clean it before using."	F 441		

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING: B. WING	(X3) DATE SURVEY COMPLETED
	TN3502		03/23/2016

NAME OF PROVIDER OR SUPPLIER: PLEASANT VIEW HEALTH CARE CENTER

STREET ADDRESS, CITY, STATE, ZIP CODE: 214 NORTH WATER STREET, BOLIVAR, TN 38008

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X6) COMPLETE DATE
N 765	1200-8-6-.06(9)(i) Basic Services (9) Food and Dietetic Services. (I) Food shall be protected from dust, flies, rodents, unnecessary handling, droplet infection, overhead leakage and other sources of contamination whether in storage or while being prepared and served and/or transported through hallways. This Rule is not met as evidenced by: Type C Pending Penalty #22 Tennessee Code Annotated 68-11-804(c)22 Food shall be protected from dust, flies, rodents, unnecessary handling, droplet infection, overhead leakage and other sources of contamination whether in storage or while being prepared and served and/or transported through hallways. Based on policy review, observation, and interview, the facility failed to ensure food was stored, prepared, and served in a sanitary manner as evidenced by carbon build up on the stove and pans, expired food, open food items, kitchen door left opened, dirt deep fryer and 1 of 4 (Dietary Aide (DA) #1) dietary staff had exposed hair from hair restraint. The facility had a census of 50, with 48 of those residents receiving a meal tray from the kitchen. The findings included: 1. Review of the facility's "...Food: Preparation..." policy documented, "ensure that all utensils, food contact equipment... are cleaned... after every use..." Observations in the kitchen on 3/20/16 beginning at 8:45 AM, revealed carbon build up on top of	N 765	The facility will store, prepare, and serve food in a sanitary manner. All residents have the potential to be affected by this deficiency. The pots and pans that had carbon build up on them were removed from the department by the Account Manager 3-23-16. The stove that had carbon build-up on it was cleaned 3-23-26. The dietary staff was in-serviced on carbon build up on 3-21-16 and 3-22-16 by the Account Manager. In-service included cleaning stove after each use ensuring that any carbon on stove is removed, and notifying Account Manager or Dietary Manager when pots and pans with carbon build up on them are noted and any pots and/or pans with carbon build up on them will be removed immediately. Compliance will be monitored by the Dietary Manager, Account Manager, or Designee daily on an on going basis. Findings will be reported to the QA Committee quarterly x 2. The QA Committee consist of Administrator, DON, ADON, SSD, AD, MDS nurse, DM, BOM, Maintenance Director, Laundry/Housekeeping Supervisor, Therapy Director, Restorative CNA and any staff member who wishes to attend. The gallon container of thousand island dressing that was in the cooler was removed from the dietary department by the Dietary Manager. All staff were in-serviced 3-21-16 & 3-22-16 by the Account Manager on proper labeling and dating procedures, and checking expiration dates on all food products. Any expired food products are to be reported to the Dietary Manager and removed from Dietary department. Compliance will be monitored by Dietary Manager, Account	4-14-16

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____ B. WING _____	(X3) DATE SURVEY COMPLETED
	TN3502		03/23/2016

NAME OF PROVIDER OR SUPPLIER: PLEASANT VIEW HEALTH CARE CENTER

STREET ADDRESS, CITY, STATE, ZIP CODE: 214 NORTH WATER STREET, BOLIVAR, TN 38008

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N 765	Continued From page 1 the stove, 5 steam table pans, and 1 stock pan. Interview with the Dietary Manager (DM) on 3/20/16 at 8:45 AM the DM confirmed carbon build up on the stove and pans. Interview with the District Manager on 3/21/16 at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have carbon build up on the stove and pans. The District Manager stated, "No, ma'am." 2. Observations in the reach in cooler on 3/20/16 beginning at 8:45 AM, revealed a gallon container of Thousand Island dressing stored past expiration date of 11/11/15. Interview with the DM on 3/20/16 beginning at 8:45 AM the DM confirmed the Thousand Island dressing was out of date. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have expired food in the reach in cooler. The District Manager stated, No, ma'am." 3. Observations in the freezer room on 3/20/16 beginning at 8:45 AM, revealed, 2 boxes of cookies opened and not securely wrapped in the freezers. Interview with the DM on 3/20/16 beginning at 8:45 AM the DM confirmed the cookies were open and not sealed. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have open food items in the freezer that are not sealed.	N 765	Manager, or designee q day x7 for 4 weeks then 3 x week for 4 weeks then weekly inspections on an ongoing basis. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, SSD, AD, BOM, Laundry/Housekeeping Manager, Maintenance Manager, Therapy Manager, Restorative CNA, Medical Director, and any staff member who whishes to attend. All staff were in-serviced by the Dietary Manager on wrapping all food products securely. The cookies were removed from freezer and rewrapped securely by the Dietary Manager 3-21-16. All staff members were in-serviced on securely wrapping food products on 3-21-16 and 3-22-16 by the Dietary Manager. Compliance will be monitored by the Account Manager, Dietary Manager, or designee daily 7 x week x 4 weeks, then 3 x week x 4 weeks then weekly inspections ongoing. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, SSD, AD, BOM, Laundry/ Housekeeping Manager, Maintenance Manager, Therapy Manager, Restorative CNA, Medical Director, and any staff member who whishes to attend	

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N 765	Continued From page 2 The District manager stated, "They should be wrapped securely." 4. Observations in the kitchen on 3/21/16 at 5:30 PM, revealed the back exterior entry door was open and the screen door was open. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable for the door and the screen door in the kitchen to be left open. The District Manager stated, "No, ma'am." 5. Review of the facility's "...Staff Attire..." policy documented, "...all staff members have their hair... confined in a hair net..." Observations in the kitchen on 3/21/16 at 5:40 PM, revealed DA #1 wore a hair restraint, but her hair was not completely covered. Interview with the District Manager on 3/21/16 beginning at 5:50 PM, in the kitchen, the District Manager was asked if it is acceptable to have hair exposed when working in the kitchen. The District Manager stated, "No, ma'am." 6. Observations in the kitchen on 3/21/16 at 5:45 PM, revealed the grease was black and dirty with food crumbs around and on top of the grease in the deep fat fryer. Interview with the DM on 3/21/16 at 5:47 PM, in the kitchen, the DM was asked if the deep fat fryer was dirty. The DM stated, "Yes."	N 765	The exterior door that was open was closed immediately. All staff members were in-serviced 3-21-16 & 3-22-16 on keeping exterior door closed at all times by the Account Manager. Compliance will be monitored by the Account Manager, Dietary Manager, or designee daily on an ongoing basis. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, SSD, AD, BOM, Laundry/Housekeeping Manager, Maintenance Manager, Therapy Manager, Restorative CNA, Medical Director, and any staff member who whishes to attend. Proper hair restraint was applied immediately on staff member who did not have all of their hair under her hair net. 1 on 1 education was given on the proper use of hair nets. All staff were in-serviced 3-21-16 & 3-22-16 on the responsibility for making sure there are no loose strands of hair hanging out of hair net at any time. Compliance will be monitored daily x 4 weeks, then 3 x week x 4 weeks, then weekly on an ongoing basis by the Account Manager, Dietary Manager or designee.	

N 765 cont'd

Findings will be reported to the
QA Committee quarterly on
an ongoing basis. The QA
Committee consist of
Administrator, DON, ADON,
MDS nurse, SSD, AD, Therapy
Manager, Restorative CNA, Maintenance
Director, BOM, Dietary Manager, Housekeeping/
Laundry Manager, Medical Director, and any
staff member who wishes to attend.
The deep fryer was cleaned 3-21-16 by the
Dietary Manager. All Dietary staff was in-serviced
By Dietary Manager 4-6-16 & 4-7-16 on the weekly
and/or prn cleaning of deep fryer. Compliance
will be monitored by the Dietary Manager, Account
Manager, or designee q week on an ongoing basis
to ensure that cleaning has been done.
Findings will be reported to the
QA Committee quarterly on
an ongoing basis. The QA
Committee consist of
Administrator, DON, ADON,
MDS nurse, SSD, AD, Therapy
Manager, Restorative CNA, Maintenance
Director, BOM, Dietary Manager, Housekeeping/
Laundry Manager, Medical Director, and any
staff member who wishes to attend.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN BUILDING 01 B. WING	(X3) DATE SURVEY COMPLETED
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K 018 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Doors protecting corridor openings in other than required enclosures of vertical openings, exits, or hazardous areas shall be substantial doors, such as those constructed of 13/4 inch solid-bonded core wood, or capable of resisting fire for at least 20 minutes. Clearance between bottom of door and floor covering is not exceeding 1 inch. Doors in fully sprinklered smoke compartments are only required to resist the passage of smoke. There is no impediment to the closing of the doors. Hold open devices that release when the door is pushed or pulled are permitted. Doors shall be provided with a means suitable for keeping the door closed. Dutch doors meeting 19.3.6.3.6 are permitted. Door frames shall be labeled and made of steel or other materials in compliance with 8.2.3.2.1. Roller latches are prohibited by CMS regulations in all health care facilities. 19.3.6.3 This STANDARD is not met as evidenced by: Based on observations, the facility failed to maintain doors in corridor openings. The findings included: Observation on 3/21/16 at 9:40 AM, revealed 5 of 6 resident room doors on hall #1 had penetrations around the hardware in the following rooms: a. resident #12 b. resident #13 c. resident #14 d. resident #15 e. resident #16	K 018	The facility will maintain doors in corridor openings. All residents have the potential to be affected by this deficiency. The doors to resident room # 13,14,15, & 16 with penetrations around the hardware have been replaced with new doorknobs and hardware 4-7-16 by the Maintenance Director. There are no penetrations around the new hardware. The Maintenance Director will check all doors by 4-14-16 for penetrations and replace/repair as needed. Door hardware will be checked monthly for penetrations on an ongoing basis. Compliance will be monitored by Administrator or designee. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, BOM, SSD, AD, Dietary Manager, Therapy Manager, Laundry/ Housekeeping Manager, Restorative CNA, Medical Director, and staff who wishes to attend.	4-14-16

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE TITLE (X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

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K 018	Continued From page 1 These findings were verified during the survey by the maintenance director and acknowledged by the administrator during the exit conference on 3/21/16.	K 018		
K 020 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Stairways, elevator shafts, light and ventilation shafts, chutes, and other vertical openings between floors are enclosed with construction having a fire resistance rating of at least one hour. An atrium may be used in accordance with 8.2.5, 8.2.5.6, 19.3.1.1 This STANDARD is not met as evidenced by: Based on observations, the facility failed to protect stairways. The findings included: Observation on 3/21/16 at 9:20 AM, revealed a penetration around a sprinkler line in the stairway above the door on hall #3. National Fire Protection Association (NFPA) 101, 8.2.5.2 (2000 Ed.) This finding was verified during the survey by the maintenance director and acknowledge by the administrator during the exit conference on 3/21/16.	K 020	The facility will protect stairways from penetrations. All residents have the potential to be affected by this deficiency. The Maintenance Director repaired the penetration on hall #3 above the door around the sprinkler line in the stairway 4-6-16. The Maintenance Director and/or designee will check all sprinkler lines for penetrations on a monthly basis. Compliance will be monitored by Administrator, DON, or designee. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consists of the Administrator, DON, ADON, MDS Nurse, SSD, AD, BOM, AD, Maintenance Director, Dietary Manager, Laundry/House-keeping, Restorative CNA, Medical Director, and any staff member who wishes to attend.	4-14-16
K 025 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Smoke barriers shall be constructed to provide at least a one half hour fire resistance rating and constructed in accordance with 8.3. Smoke barriers shall be permitted to terminate at an atrium wall. Windows shall be protected by fire-rated glazing or by wired glass panels and steel frames. 8.3, 19.3.7.3, 19.3.7.5	K 025	Smoke barriers will be constructed to provide at least a one half hour fire resistance rating and constructed in accordance with 8.3. All residents have the potential to be affected by this deficiency. The ceiling penetrations around the conduit above the 2 electrical panels in #4 hall electrical have been mudded and taped with fire caulk by the Maintenance department 3-31-16. The upstairs conference room seams in the dry wall ceiling have been	4-14-16

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K 025	Continued From page 2 This STANDARD is not met as evidenced by: Based on observations, the facility failed to maintain the smoke barriers. The findings included: 1. Observation on 2/21/16 at 11:20 AM, revealed ceiling penetrations around the conduits above the 2 electrical panels in the the #4 hall electrical room. National Fire Protection Association (NFPA) 101, 8.2.3.2.3.1 (2000 Ed.) 2. Observation on 3/21/16 at 11:50 AM, revealed the seams in the dry wall ceiling were not taped and finished with dry wall mud in the upstairs conference room. NFPA 101, 8.2.3.2.3.1 (2000 Ed.) 3. Observation on 3/21/16 at 12:15 PM, revealed penetrations in the basement ceiling with unapproved fire stop methods in the shop area and in the toilet room, the tape on the drywall seams was not secured, and the water line was not sealed. NFPA 101, 8.2.3.2.3.1 (2000 Ed.) 4. Observation on 3/21/16 at 12:40 PM, revealed the seams in the dry wall ceiling were not taped and finished with dry wall mud in the upstairs nursing supply room. NFPA 101, 8.2.3.2.3.1 (2000 Ed.) 5. Observation on 3/21/16 at 12:42 PM, revealed the seams in the dry wall ceiling were not taped and finished with dry wall mud in the upstairs storage room. NFPA 101, 8.2.3.2.3.1 (2000 Ed.) 6. Observation on 3/21/16 at 12:46 PM, revealed the upstairs linen closet had seams in the dry wall ceiling that were not taped and finished with	K 025	taped and finished with dry wall mud by the maintenance department 3-31-16. The Maintenance Director and/or designee will make monthly rounds checking for any penetrations in the facility. Compliance will be monitored by the Administrator, DON, or designee. Findings will be reported to the QA committee quarterly on an ongoing basis. The QA committee consists of Administrator, DON, ADON, MDS nurse, BOM, SSD, AD, Therapy Manager, Dietary Manager, Laundry/Housekeeping Manager, Maintenance Manager, Restorative CNA, Medical Director, and any staff who wishes to attend. The penetrations in the basement ceiling with unapproved fire stop methods in the shop area and in the toilet room, tape on drywall seams not secured, and the water line not sealed were repaired by Maintenance 3-27-16. The Maintenance Director and/or designee will monitor the facility monthly for penetrations in ceilings, walls, doors, and any other areas needed on an ongoing basis. Compliance will be monitored by the Administrator, DON, or designee. Findings will be reported to the QA committee quarterly on an ongoing basis. The QA committee consists of Administrator, DON, ADON, MDS nurse, BOM, SSD, AD, Therapy Manager, Dietary Manager, Laundry/Housekeeping Manager, Maintenance Manager, Restorative CNA, Medical Director, and any staff who wishes to attend. The upstairs nursing supply rooms' seams in dry wall ceiling were taped and finished with mud by the Maintenance Department 3-28-16. The Maintenance Director and/or designee will monitor the facility monthly for penetrations in	

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NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
K 025	Continued From page 3 dry wall mud, 2 unapproved fire stop methods used in the ceiling, and a penetration in the wall. NFPA 101, 8.2.3.2.3.1 (2000 Ed.) 7. Observation on 3/21/16 at 12:50 PM, revealed a penetration with an unapproved fire stop method located above the door inside the upstairs central supply room. NFPA 101, 8.2.3.2.3.1 (2000 Ed.) 8. Observation on 3/21/16 at 12:55 PM, revealed a penetration above the door on the inside of the upstairs break room. NFPA 101, 8.2.3.2.3.1 (2000 Ed.) 9. Observation on 3/21/16 at 1:00 PM, revealed a penetration in the ceiling and around the sprinkler line hanger. NFPA 101, 8.2.3.2.3.1 (2000 Ed.) These findings were verified by the maintenance director and acknowledged by the administrator during the exit conference on 3/21/16.	K 025	seams in drywall. Compliance will be monitored by the Administrator, DON, or designee on an ongoing basis. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA committee consists of Administrator, DON, ADON, MDS nurse, BOM, SSD, AD, Therapy Manager, Dietary Manager, Laundry/Housekeeping Manager, Maintenance Manager, Restorative CNA, Medical Director, and any staff who wishes to attend. The seams in the dry wall ceiling in the upstairs storage room have been taped and mudded by the Maintenance Department 3-28-16. The Maintenance Director and/or designee will monitor the walls and ceilings in the facility for tape and mud in seams in rooms monthly on an ongoing basis. The Administrator, DON, or designee will monitor monthly for compliance on an on going basis.	
K 046 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Emergency lighting of at least 1 1/2 hour duration is provided automatically in accordance with 7.9. 18.2.9.1, 19.2.9.1. This STANDARD is not met as evidenced by: Based on observations and interview, the facility failed to provide emergency lighting in all areas. The findings included: Observation on 3/21/16, revealed the facility had outdoor egress lighting connected to photo cells, the maintenance director did not know if the exterior lighting was connected to the emergency generator. National Fire Protection Association	K 046	The facility will provide emergency lighting in all areas. The facility has outdoor egress lighting that is connected to the emergency generation. This was verified on 4-1-16 by owner of building.	

K025 cont'd

The seams in the dry wall ceiling
in the upstairs linen closet have
been taped and mudded by the
Maintenance Department 3-29-16.
The Maintenance Director and/or
Designee will monitor the ceilings
for tape and mud monthly on an
ongoing basis. Compliance will be
monitored by the Administrator,
DON, and/or designee. Findings
will be reported to the QA committee
quarterly on an ongoing basis.
The QA Committee consist of
Administrator, DON, ADON, MDS
Nurse, SSD, AD, Dietary Manager,
Laundry/Housekeeping Manager,
Maintenance Manager, Therapy Manager,
Restorative CNA, Medical Director, and
any staff who whishes to attend.
The penetration with an unapproved fire stop
method located above the door inside
the upstairs central supply room has
been repaired by the Maintenance
Department 3-28-16. The Maintenance

K025 cont'd page 2

Director or designee will monitor monthly
for penetrations and unapproved fire
Stops on an ongoing basis. Compliance
will be monitored by the Administrator,
DON, or designee monthly on an ongoing basis.
Findings will be reported to the QA committee
quarterly on an ongoing basis.
The QA Committee consist of
Administrator, DON, ADON, MDS
Nurse, SSD, AD, Dietary Manager,
Laundry/Housekeeping Manager,
Maintenance Manager, Therapy Manager,
Restorative CNA, Medical Director, and
any staff who whishes to attend.
The penetration above the door on the inside
Of the upstairs break room was repaired
by the Maintenance Department 3-28-16.
The Maintenance Director or designee will
monitor monthly for penetrations in walls
and ceilings in the facility on an ongoing
basis.
Compliance
will be monitored by the Administrator,
DON, or designee monthly on an ongoing basis.

Findings will be reported to the QA committee
quarterly on an ongoing basis.
The QA Committee consist of
Administrator, DON, ADON, MDS
Nurse, SSD, AD, Dietary Manager,
Laundry/Housekeeping Manager,
Maintenance Manager, Therapy Manager,
Restorative CNA, Medical Director, and
any staff who whishes to attend.
The penetration in the ceiling and
and around the sprinkler line hanger have
been repaired by the Maintenance Department
4-6-16. The Maintenance Director or designee will
monitor monthly for penetrations in walls
and ceilings in the facility on an ongoing
basis.
Compliance
will be monitored by the Administrator,
DON, or designee monthly on an ongoing basis.
Findings will be reported to the QA committee
quarterly on an ongoing basis.
The QA Committee consist of
Administrator, DON, ADON, MDS

Nurse, SSD, AD, Dietary Manager,

Laundry/Housekeeping Manager,

Maintenance Manager, Therapy Manager,

Restorative CNA, Medical Director, and

any staff who whishes to attend.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A BUILDING 01 - MAIN BUILDING 01 B. WING	(X3) DATE SURVEY COMPLETED
	445352		03/21/2016

NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
K 046	Continued From page 4 (NFPA) 101, 7.9.1.1 (2000 Ed.) This finding was verified and acknowledged by the maintenance director and the administrator during the exit conference on 3/21/16.	K 046		
K 050 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Fire drills include the transmission of a fire alarm signal and simulation of emergency fire conditions. Fire drills are held at unexpected times under varying conditions, at least quarterly on each shift. The staff is familiar with procedures and is aware that drills are part of established routine. Responsibility for planning and conducting drills is assigned only to competent persons who are qualified to exercise leadership. Where drills are conducted between 9:00 PM and 6:00 AM a coded announcement may be used instead of audible alarms. 18.7.1.2, 19.7.1.2 This STANDARD is not met as evidenced by: Based on records review, the facility failed to conduct quarterly fire drills. The findings included: During the record review on 3/21/16 at 12:00 PM, the facility could not provide documentation of a fire drill conducted for the 2nd shift of the 3rd quarter in 2015. National Fire Protection Association (NFPA) 101, 19.7.1.2 (2000 Ed.) This finding was verified and acknowledged by the maintenance director and the administrator during the exit conference on 3/21/16.	K 050	The facility will conduct quarterly fire drills on each shift. The Maintenance Director will provide a quarterly fire drill schedule to the Administrator at the beginning of the quarter on an ongoing basis. The fire drill schedule will include 1 fire drill every month rotating the 3 shifts to ensure that there is a fire drill on each shift. The fire drill schedule will be kept confidential. The Administrator, DON, or Designee will monitor for compliance monthly on an ongoing basis. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse,SSD, AD, BOM, Laundry/Housekeeping Supervisor, Maintenance Supervisor,Therapy Manager, Restorative CNA,Dietary Manager, Medical Director and any staff member who wishes to attend.	
K 062 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD	K 062	The facility maintains an automatic sprinkler system in a reliable operating condition and sprinklers are inspected and tested periodically. All residents	4-22-16

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN BUILDING 01 B. WING	(X3) DATE SURVEY COMPLETED
	445352		03/21/2016

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PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

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K 062	Continued From page 5 Required automatic sprinkler systems are continuously maintained in reliable operating condition and are inspected and tested periodically. 19.7.6, 4.6.12, NFPA 13, NFPA 25, 9.7.5 This STANDARD is not met as evidenced by: Based on observations, the facility failed to maintain sprinklers. The findings included: Observation on 3/21/16 at 9:35 AM revealed 54 of 62 corroded and painted sprinklers in the following areas. National Fire Protection Association (NFPA) 25, 2-2.1.1 (1998 Ed.) 1. 1 of 1 corroded sprinkler under the outside canopy by resident room # 11. 2. 2 of 2 corroded sprinklers under the outside canopy by resident room #21. 3. 1 of 1 painted sprinkler inside the director of nursing office. 4. 5 of 5 corroded sprinklers in resident room #25. 5. 1 of 1 corroded sprinkler outside the nurses station by resident room #25. 6. 1 of 1 corroded sprinkler in resident room #32. 7. 1 of 1 corroded sprinkler in resident room #33. 8. 1 of 1 corroded sprinklers in the #3 hall women's restroom.	K 062	have the potential to be affected by this deficiency. The sprinkler heads in rooms #11, 21, nursing office, #25, outside nurses station by room #25, #32, #33, #3 hall women's restroom, hall #3 soiled utility room, women's restroom by nurses station, men's restroom by nurses station room #39, kitchen, center hall between 3 & 4, enteral supply closet, activity directors' office, emergency shower room, dining room closet, room #49, hall outside room #49, women's restroom #402, men's restroom #403, room #42, room #43, room #45, room #46, #4 hall shower room, hall #5 entrance foyer, room #55, room #56, room #58, upstairs conference room closet, upstairs copy room, upstairs medical records office, upstairs break room and all sprinklers both inside the facility and on the covered porches have been inspected by the Maintenance Director and a fire protection service company on 3-29-16. All sprinkler heads that were not maintained in a reliable, operating condition are to be replaced as soon as possible. The sprinkler heads have been ordered by the fire protection company 3-29-16 and are being shipped 4-12-16 The sprinkler heads will be installed, as soon as possible, after being received by the fire protection company. The maintenance director and/or fire protection company will inspect all sprinkler heads quarterly on an ongoing basis to ensure that they are being maintained in a reliable operating condition. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, AD, SSD, Therapy Manager, Maintenance Director,	

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PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

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K 062	Continued From page 6 9. 1 of 1 painted sprinkler in the #3 hall soiled utility room. 10. 1 of 1 corroded sprinkler in the women's restroom by the nurses station. 11. 1 of 1 painted sprinkler in the men's restroom by the nurses station. 12. 6 of 6 corroded sprinklers in resident room #39. 13. 6 of 6 corroded sprinklers in the kitchen. 14. 1 of 1 corroded sprinkler in the center hall between 3 and 4. 15. 1 of 1 corroded sprinkler in the enteral supply closet. 16. 1 of 1 painted sprinkler outside the activity directors' office. 17. 1 of 1 corroded sprinkler in the emergency shower room. 18. 1 of 1 corroded sprinkler in the dining room closet. 19. 1 of 1 corroded sprinkler in resident room #49. 20. 2 of 2 painted sprinklers in the hall outside resident room #49. 21. 1 of 1 corroded sprinkler in the women's restroom #402.	K 062	BOM, Restorative CNA, Laundry/Housekeeping Manager, Dietary Manager, Medical Director, and any staff member who wishes to attend.	

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PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

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K 062	Continued From page 7 22. 1 of 1 corroded sprinkler in the men's restroom #403. 23. 2 of 2 painted sprinklers in resident room #42. 24. 1 of 1 corroded sprinkler in resident room #43. 25. 1 of 1 corroded sprinkler in resident room #45. 26. 2 of 2 corroded sprinklers in resident room #46. 27. 1 of 1 corroded sprinkler in the #4 hall shower room. 28. 1 of 1 painted sprinkler in the entrance foyer of hall #5. 29. 1 of 3 corroded sprinklers in resident room #55. 30. 1 of 3 corroded sprinklers in resident room #56. 31. 1 of 3 corroded sprinklers in resident room #58. 32. 1 of 1 corroded sprinkler in the upstairs conference room closet. 33. 2 of 3 painted sprinklers in the upstairs copy room. 34. 1 of 2 painted sprinklers in the upstairs medical records office.	K 062		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN BUILDING 01 B. WING	(X3) DATE SURVEY COMPLETED
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PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

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K 062	Continued From page 8 35. 1 of 1 painted sprinkler in the upstairs break room. These findings were verified during the survey with the maintenance director and acknowledged by the administrator during the exit conference on 3/21/16.	K 062		
K 064 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Portable fire extinguishers shall be installed, inspected, and maintained in all health care occupancies in accordance with 9.7.4.1, NFPA 10. 18.3.5.6, 19.3.5.6 This STANDARD is not met as evidenced by: Based on observations, the facility failed to maintain 2 of 21 fire extinguishers. The findings included: 1. Observation on 3/21/16 at 11:00 AM, revealed the the fire extinguisher in the outdoor freezer room was obstructed by the freezer. 2. Observation on 3/21/16 at 11:20 AM, revealed the 6 year maintenance inspection had not been performed on the fire extinguisher in the outdoor mechanical room. These findings were verified during the survey by the maintenance director and acknowledged by the administrator during the exit conference on 3/21/16.	K 064	The facility maintains portable fire extinguishers with installation, and inspection. All residents have the potential to be affected by this deficient practice. The Maintenance Director relocated the fire extinguisher that was being obstructed by the freezer, to an unobstructed wall in the freezer room 3-29-16. The Maintenance Director replaced the portable fire extinguisher in the outdoor mechanical room with a new fire extinguisher 3-28-16. All fire extinguisher will be monitored monthly on an ongoing basis for location and date of inspection by the Maintenance Director and/or designee. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consist of Administrator, DON, ADON, MDS nurse, BOM, AD, SSD, Dietary Manager, Therapy Manager, Restorative CNA, Laundry/Housekeeping Manager, Maintenance Director, Medical Director and any staff member who whishes to attend.	4-14-16
K 067 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Heating, ventilating, and air conditioning comply	K 067		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A BUILDING 01 - MAIN BUILDING 01 B. WING _____	(X3) DATE SURVEY COMPLETED
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NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
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K 064	Continued From page 9 room was obstructed by the freezer. 2. Observation on 3/21/16 at 11:20 AM, revealed the 6 year maintenance inspection had not been performed on the fire extinguisher in the outdoor mechanical room. These findings were verified during the survey by the maintenance director and acknowledged by the administrator during the exit conference on 3/21/16.	K 064		
K 067 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Heating, ventilating, and air conditioning comply with the provisions of section 9.2 and are installed in accordance with the manufacturer's specifications. 19.5.2.1, 9.2, NFPA 90A, 19.5.2.2 This STANDARD is not met as evidenced by: Based on records review, the facility failed to provide maintenace to fusible link dampers. The findings included: During the review of records on 3/21/16 at 12:00 PM, the facility could not provide documentation of a 4 year fusible link dampers inspection. National Fire Protection Association (NFPA) 90A, 3-4.7 Maintenance. This finding was acknowledged by the maintenance director and the administrator during the exit conference on 3/21/16.	K 067	The facility provides heating, ventilating, and air conditioning complying with the provisions of section 9.2 and are installed in accordance with manufacture's specifications. The facility does not have fusible link dampers. The duct work has smoke detectors that shut the a/c/heating units off when smoke is detected . The smoke detectors are inspected biannually with all other fire alarm/detector systems. The last inspection by an alarm & detection equipment company 1-13-16.	
K 147 SS=D	NFPA 101 LIFE SAFETY CODE STANDARD Electrical wiring and equipment shall be in accordance with National Electrical Code. 9-1.2	K 147		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN BUILDING 01 B. WING	(X3) DATE SURVEY COMPLETED
	445352		03/21/2016

NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
PLEASANT VIEW HEALTH CARE CENTER	214 NORTH WATER STREET BOLIVAR, TN 38008

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K 147	Continued From page 10 (NFPA 99) 18.9.1, 19.9.1 This STANDARD is not met as evidenced by: Based on observations, the facility failed to maintain electrical equipment in accordance with the National Fire Protection Association (NFPA) 70, National Electrical Code. The findings included: 1. Observation on 3/21/16 at 11:40 AM, revealed an extension cord was connected to a power strip in the medical records office. National Fire Protection Association (NFPA) 70, 305-3. (1999) 2. Observation on 3/21/16 at 1:00 PM, revealed a power strip was connected to a power strip in the upstairs copy room. NFPA 70, 305-2. (B) (1999) These findings were verified by the maintenance director during the survey and acknowledged by the administrator during the exit conference on 3/21/16.	K 147	The extension cord connected to a power strip in the medical records office was unplugged and removed from the room by the ADON 3-21-16. The power strip connect to a power strip in the copy room was removed by the Dietary Account Manager 3-22-16. Staff was inserviced 4-6-16 by the Administrator on the improper use of extension cords and power strips in the facility and the only acceptable use of power strips in the facility. The Maintenance Director and/or designee will inspect facility monthly for power strips and/or extension cords being used improperly and will remove immediately. Compliance will be monitored by the Administrator, DON, and/or Designee. Findings will be reported to the QA Committee quarterly on an ongoing basis. The QA Committee consists of Administrator, DON, ADON, MDS nurse, BOM, AD, SSD, Therapy Manager, Maintenance Director, Laundry/ Housekeeping Manager, Restorative CNA, Medical Director, and any staff who wishes to attend.	4-14-16

DEC 12 '17 AM11:22

PRINTED: 04/04/2016
FORM APPROVED

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION	(X3) DATE SURVEY COMPLETED
	TN3502	A. BUILDING: 01 - MAIN BUILDING 01 B. WING	03/21/2016

NAME OF PROVIDER OR SUPPLIER: PLEASANT VIEW HEALTH CARE CENTER

STREET ADDRESS, CITY, STATE, ZIP CODE: 214 NORTH WATER STREET, BOLIVAR, TN 38008

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N 002	1200-8-6 No Deficiencies This Rule is not met as evidenced by: Based on observations and record review on 3/21/16, this facility was found to be in compliance with the requirements of the Tennessee Department of Health, Board for Licensing Health Care Facilities, Chapter 1200-08-06, Standard for Nursing Homes.	N 002		

Division of Health Care Facilities
LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE | TITLE | (X6) DATE

State of Tennessee
Health Services and Development Agency
Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

January 3, 2018

Jerry Taylor, Esq.
Burr and Forman, LLP
222 2nd Avenue South, Suite 2000
Nashville, TN 37201

RE: Certificate of Need Application – Christian Care Center of Bolivar, f/k/a Pleasant View Health Care Center- CN1712-036
The relocation of Christian Care Center of Bolivar and the construction of a 67 skilled bed replacement facility. The current facility, which is in an inactive status, is located at 214 North Water Street, Bolivar (Hardeman County), TN and the location of the proposed replacement facility is an undeveloped site on State Highway 64 at the intersection of Lucy Black Road in or near the city limits of Bolivar (Hardeman County), TN. The applicant is owned by Christian Care Center of Bolivar, LLC. The estimated project cost is $9,702,271.11.

Dear Mr. Taylor:

This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need. Please be advised that your application is now considered to be complete by this office.

Your application is being forwarded to Trent Sansing at the Tennessee Department of Health for Certificate of Need review by the Division of Policy, Planning and Assessment. You may be contacted by Mr. Sansing or someone from his office for additional clarification while the application is under review by the Department. Mr. Sansing's contact information is Trent.Sansing@tn.gov or 615-253-4702.

In accordance with Tennessee Code Annotated, §68-11-1607, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project began on January 3, 2018. The first 60 days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the 60-day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review. You will receive a copy of their findings. The Health Services and Development Agency will review your application on April 25, 2018.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

(1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.

(2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,

Melanie M. Hill
Executive Director

cc: Trent Sansing, TDH/Health Statistics, PPA

State of Tennessee
Health Services and Development Agency
Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

MEMORANDUM

TO: Trent Sansing, CON Director
Office of Policy, Planning and Assessment
Division of Health Statistics
Andrew Johnson Tower, 2nd Floor
710 James Robertson Parkway
Nashville, Tennessee 37243

FROM: Melanie M. Hill
Executive Director

DATE: January 3, 2018

RE: Certificate of Need Application
Christian Care Center of Bolivar, - CN1712-036

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on January 3, 2018 and end on March 1, 2018.

Should there be any questions regarding this application or the review cycle, please contact this office.

Enclosure

cc: Jerry Taylor, Esq.

LETTER OF INTENT
TENNESSEE HEALTH SERVICES AND DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Bolivar Bulletin Times which is a newspaper of general circulation in Hardeman County, Tennessee, on or before December 7, 2017 for one day.

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This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.,* and the Rules of the Health Services and Development Agency, that Christian Care Center of Bolivar, LLC, a Tennessee Limited Liability Company which will have a consulting agreement with Care Centers Management Consulting, Inc., intends to file an application for a Certificate of Need for the relocation of Pleasant View Health Care Center and the construction of a replacement facility. The facility is currently located at 214 North Water Street, Bolivar, Tennessee. The location for the proposed replacement facility is an undeveloped site on State Highway 64 at the intersection of Lucy Black Road in or near the city limits of Bolivar, Tennessee in Hardeman County. Pleasant View Health Care Center is currently licensed for 67 skilled nursing beds by the Tennessee Board for Licensing Health Care Facilities, and the beds and facility will retain this licensure status. No new services are being initiated, and no additional beds are sought. The total estimated project cost is $9,750,000.00.

The anticipated date of filing the application is December 12, 2017.

The contact person for this project is Jerry w. Taylor, Attorney who may be reached at: Burr & Forman, LLP, 511 Union Street, Suite 2300, Nashville, Tennessee, 37219, 615-724-3247; jtaylor@burr.com

Signature

12-7-17
Date

The published Letter of Intent contains the following statement: Pursuant to T.C.A. § 68-11-1607(c)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

==========

*

HF0051 (Revised 05/03/04 – all forms prior to this date are obsolete)

Supplemental #1

Christian Care Center of Bolivar

CN1712-036

Supplemental #1
December 20, 2017
10:09 am

SUPPLEMENTAL REPONSES

CERTIFICATE OF NEED APPLICATION

FOR

CHRISTIAN CARE CENTER OF BOLIVAR

The Relocation and Replacement of a 67 Bed Skilled Nursing Facility

Project Number CN1712-036

Hardeman County, Tennessee

December 20, 2017

Contact Person:

Jerry W. Taylor, Esq.
Burr & Forman, LLP
222 2nd Avenue South, Suite 2000
Nashville, Tennessee 37201
615-724-3247

Supplemental #1
December 20, 2017
10:09 am

1. **Section A, Applicant Profile, A.1, Page 1**

   The address of the proposed project is listed as the current location of Pleasant View Health Care. Please correct with the proposed location address and submit a replacement page 1 (R-1).

   A Replacement Page 1 is attached following this response.

State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

CERTIFICATE OF NEED APPLICATION

SECTION A: APPLICANT PROFILE

1. *Name of Facility, Agency, or Institution*

Christian Care Center of Bolivar, f/k/a Pleasant View Health Care Center
Name

Unaddressed site on Highway 64 and Lucy Black Road — Hardeman
Street or Route — County

Bolivar — TN — 38008
City — State — Zip Code

Website address: N/A

*Note: The facility's name and address **must be** the name and address of the project and **must be** consistent with the Publication of Intent.*

2. *Contact Person Available for Responses to Questions*

Jerry W. Taylor — Attorney
Name — Title

Burr & Forman, LLP — jtaylor@burr.com
Company Name — Email address

511 Union Street, Suite 2300 — Nashville — TN — 37219
Street or Route — City — State — Zip Code

Attorney — 615-724-3247 — 615-724-3248
Association with Owner — Phone Number — Fax Number

NOTE: ***Section A*** is intended to give the applicant an opportunity to describe the project. ***Section B*** addresses how the project relates to the criteria for a Certificate of Need by addressing: Need, Economic Feasibility, Contribution to the Orderly Development of Health Care, and the Quality Measures.

Please answer all questions on ***8½" X 11" white paper, clearly typed and spaced, single or double-sided, in order and sequentially numbered. In answering, please type the question and the response.*** All questions must be answered. If an item does not apply, please indicate *"N/A" (not applicable)*. ***Attach appropriate documentation as an Appendix at the end of the application and reference the applicable Item Number on the attachment, i.e., Attachment***

Supplemental #1
December 20, 2017
10:09 am

2. **Section A, Executive Summary, Overview, A.1. Overview**

Please describe the experience the applicant has in operating a skilled nursing home.

The applicant is a newly formed entity and has no direct experience in operating a SNF. However its sole member is J. R. "Randy" Lewis who has over 35 years of experience in owning and operating nursing homes through affiliated companies.

CCC of Bolivar will have a management consulting agreement with Care Centers Management Consulting, Inc. The sole shareholder of Care Centers Management, Inc. is Diversified Ventures, Inc. The sole shareholder of Diversified Ventures, Inc. is J. R. "Randy" Lewis.

Cares Centers Management Consulting, Inc. and its affiliates are experienced owners and operators of long term care facilities, owning and/or operating seven skilled nursing facilities in Tennessee, and one in Kentucky. Care Centers' affiliated SNFs average 2.2 annual survey deficiencies.

A company biography of Care Centers Management Consulting is attached following the response to Question 3, below.

It is noted Pleasant View was acquired by Christian Care Center of Boliver, LLC on September 1, 2017 with operations voluntarily suspended and the licensed placed in inactive status. Please indicate the number of patients that were residing in Pleasant View Nursing Home on September 1, 2017 and where the patients transitioned to?

The previous owner of Pleasant View consulted and collaborated with the Tennessee Department of Health in transitioning all patients so that as of September 1, 2017 there were no patients in facility.

Please provide a copy of the letter from the Department of Health thereby placing the license of Christian Care Center of Boliver into inactive status.

A copy is attached following this response.

Supplemental #1
December 20, 2017
10:09 am

October 18, 2017

Cynthia Milenski
President
Cornerstone Health Services Group, Inc.
113 State Avenue #103
Clayton, TN 27503

RE: Inactive Status - Pleasant View Health Care, Bolivar License #116

Dear Ms. Milenski:

The Board for Licensing Health Care Facilities met on October 4, 2017. The following request was granted:

> **TO ALLOW PLEASANT VIEW HEALTH CARE CENTER, BOLIVAR, LICENSE #116, TO BE GRANTED AN INACTIVE STATUS UNTIL THE OCTOBER 2018 BOARD FOR LICENSING HEALTH CARE FACILITIES MEETING.**

Board action was taken in accordance with Section 68-11-206, Chapter 11, Tennessee Code Annotated, which gives the Board authority to place a license in an inactive status for a period determined by the Board upon finding that:

- the licensee has a need to temporarily suspend operations;
- the licensee intends to continue operations for a period of suspension.

Any facility that has not placed its license back in an active status before the expiration of the inactive timeframe will then notify the Board for Licensing Health Care Facilities in writing requesting an extension. The inactive status extension request will be presented at the next scheduled Board meeting.

Facilities that have been granted an inactive status and who are now wishing for their license to be placed back in an active status shall notify the Board for Licensing Health Care Facilities in writing that they are now meeting all requirements.

Sincerely,

Ann Rutherford Reed, RN, BSN, MBA
Director of Licensure
Division of Health Care Facilities

ARR/weh

cc: WTRO
Lonnie Matthews
Trent Sansing
Cheryl Hines
Dolores Willis
File

How did the applicant come to the conclusion the condition of the physical facility was poor and believed to be unsafe for SNF patients?

This conclusion was reached after representatives of Care Centers Management Consulting visited the facility and conducted a due diligence inspection. The physical plant was not originally designed to be a nursing facility. The combination of repurposed old structures and age contributed to the applicant's conclusion of an overall unsafe environment for frail SNF patients.

A very cursory summary of some areas of significant deficiencies was provided in the application. A more detailed summary follows:

Hallways / Corridors / Doorways– existing hallways/corridors are only 6 ft. wide in several wings of the facility, and as such do not meet current safety code. Hallways will not safely accommodate wheelchairs passing.

Nurses Station - The current structure has only one nurses station and it does not allow site of all resident rooms. In fact, the wings are completely out of site of the nurses' station which is a safety compliance issue.

Bathrooms – Private rooms do not currently have bathroom/restroom accommodations which is substandard to current code. The applicant perceives the lack of private restrooms to be a resident dignity concern.

Shower Units – There are only 3 shower units in the current facility, whereas current code requires a minimum of 5 shower units based on the number of licensed beds. The applicant perceives this shortfall of needed bathing facilities as capable of negatively impacting patient hygiene services provided by the SNF.

Room Sizes – Current room sizes of the facility are substandard to accommodate residents as code would require. The applicant perceives the current room sizes to create a potential entrapment issue as they do not have three (3) open sides to beds. Current private room size of 100 sq. ft. and semiprivate room size of 192 sq. ft. is very inadequate in space. The new construct proposes private room size as 230 sq. ft. and semiprivate as 314 sq. ft. and eliminates the entrapment concern.

Ambulance Access – Current ambulance access is very insufficient due to the proximity of the facility and the main roadway. The current facility is located on a busy main road with very little yard frontage and virtually nothing more than

front curb parking. The curb parking on occasion can obstruct and delay ambulance access.

HVAC, Electrical and Plumbing - Very outdated HVAC, electrical and plumbing. In parts of the original structure, none of these elements have been updated. The applicant perceives these outdated systems to potentially be fire and general health concerns.

Generator - The current facility's generator is very outdated, showing corrosion and leaks and is located inside the facility structure sitting below resident rooms. And as such is perceived to be hazardous.

Therapy - The current facility's designated therapy space is very inadequate, and consists of only about 100 sq. ft. This does not allow for the full array of therapy equipment needed to provide rehab services to residents.

Court Yard and Smoking Accommodations - The current structure does not have a secured court yard for residents to enjoy the outdoor areas. The only outdoor access is an existing unsecured covered patio for smoking residents. This patio is very inadequate and is believed to be hazardous to the patients.

As of September 1, 2017 was Christian Care Center of Boliver under any deficiencies and corrective action for life safety measures?

No.

Please provide a description of the amenities provided by the proposed facility that promotes resident independence, organized activities, resident privacy, and a residential home-like environment, while at the same time maximizing safety. Also, please provide a brief description of the physical plant and the type of rehabilitation services available.

The proposed amenities listed below are designed to allow residents freedom of movement, outdoor enjoyment, independence, personal space and privacy, and spiritual wellbeing. Christian Care Center of Bolivar will feature spacious rooms with a home-like environment, accompanied by state of the art healthcare services to include occupational, speech and physical therapy services, respiratory program, specialized pharmacy services, nutritional, mental wellness, & wound care services. Christian Care Center of Bolivar contracts with many specialty services, bringing as many of those on site as possible, enhancing the convenience of those services for our residents. Such services may include dental, optometry, podiatry and mobile radiology services.

Proposed Amenities include:

2 Court Yards

Putting Green

2 Dayrooms with game tables, supervised crafting

Covered Patio

Courtyard Gazebo

39 Private Room Accommodations with private restrooms

28 Semiprivate Beds

Bariatric Patient Accommodations

State of the Art Therapy Room, Equipment & Services

Chapel with Services to Residents

Fireplaces in common areas

Spacious accommodations – increasing size form the current 20,000 sq.ft to the proposed at 41,200 sq. ft.;

Increased room sizes – current private rooms from 100 sq. ft. to the proposed 230 sq. ft.; semiprivate rooms from 192 sq. ft. to the proposed 314 sq. ft.

Designer decorated to create home-like atmosphere; encourage personal décor (that complies with safety standards) to enhance home-like atmosphere.

Situated on 6.804 acres allowing for outdoor activities on site

Courtyard Gardening – for those outdoors gardening lovers

Designated Areas for resident/family privacy

Technology friendly facility – offering facility wide internet; televisions in all resident rooms, dayrooms with a vast selection of channel sources.

Beauty/Barber Shop services

Using Medicare Nursing Home Compare, please complete the following chart. The data can be found at the following web-site: https://www.medicare.gov/nursinghomecompare/search.html

The requested information is shown below. Please keep in mind the applicant was not the owner or operator, and had no management involvement with Pleasant View when the evaluations resulting in these were conducted.

Supplemental #1
December 20, 2017
10:09 am

Nursing Home	Overall Star Rating	Star Rating Health of Inspections	Star Rating of Staffing	Star Rating of Quality Measures
Pleasant View Health Center	1	2	1	1
Pine Meadows Health and Rehabilitation Center	2	2	2	2

3. **Section A, Project Details, Item 5. Management/Operating Entity**

Please provide a brief overview of Care Centers Management Consulting, Inc. and their experience in managing nursing homes.

Cares Centers Management Consulting, Inc. and its affiliates are experienced owners and operators of long term care facilities, owning and/or operating seven skilled nursing facilities in Tennessee, and one in Kentucky. Care Centers' affiliated SNFs average 2.2 annual survey deficiencies.

A company biography of Care Centers Management Consulting is attached following this response.

THE MANAGEMENT COMPANY

Care Centers Management Consulting, Inc. was founded in 1988 by Mr. J.R. Lewis.

Care Centers, now beginning its thirtieth year of operation, is successfully managing / consulting seven skilled nursing facilities located in Tennessee and one in Kentucky. Consulting services include, but are not limited to clinical compliance and management, billing, accounting, plant operations, risk management and other miscellaneous administrative duties.

Care Centers Management Consulting is a full service long-term care company providing financial, accounting reimbursement consulting, staff development and quality assurance services to nursing facilities. Utilizing a highly-organized and controlled approach, we maintain a consistent high quality patient care while providing facility owners with a dependable and reasonable rate of return on their investments.

OUR MISSION STATEMENT

Care Centers Management Consulting, Inc. is "Committed to Caring" for our residents. We strive to economically provide superior quality management / consulting services while maintaining an atmosphere pleasant to the residents. We truly believe that even though our current technology has been critical in the advancement of the long-term care industry, people still make the difference. Our mission is to find that intricate balance between technology and humanity, to combine their strengths, and produce superior healthcare with a quality of life focus.

Care Centers Management Consulting expects each and every facility employee and consultant employee to demonstrate the philosophy - "Committed to Caring". This can best be accomplished by focusing on economically providing the highest possible quality of life for each individual resident. Quality of life for every cognizant human being includes but is not limited to the following elements:

- Maintenance of the resident's best possible physical condition with a minimal amount of discomfort and pain;
- Regular exercise and movement of the resident's body parts to maintain maximum daily living functional potential;
- Maximum personal control by involvement of the resident in self-care and the decision making regarding one's self;
- Demonstration of total respect by all staff for the resident in an atmosphere of kindness and cheerfulness with ample opportunities provided to the resident for relating with others in a respectful, serious, supportive, positive and

constructive way;

- As best we can in a congregate living environment provide maximum resident privacy and personal space with time for introspection as well as one-on-one and group social interactions;

- Provision of personal grooming and dress that not only provides for proper hygiene but also projects a resident's preferred personal look and style;

- Provision of activities and educational opportunities according to the resident's needs and the resident's personal interests, hobbies, etc.;

- Provision of nourishing food the meets the dietary needs of the resident and that, as best we possibly can within prescribed dietary guidelines, is also tasty and pleasing to the resident;

- Never stop trying to please and to satisfy the unique individual desires and needs of each and every resident.

No one person or one department can successfully meet all the needs of an individual resident. Teamwork is an absolute necessity if the facility is to provide a high quality of life. Every department and each employee is a vital and integral part of the total effort. Indeed each employee contributes greatly to the superior quality of life the residents can expect when managed by Care Centers Management Consulting.

ORGANIZATION STRUCTURE

The Care Centers Management Consulting staff are highly skilled individuals with numerous years experience tailored specifically to the long-term care industry.

Using the expertise of each individual within Care Centers Management Consulting, facility development is obtained using the following approach:

- Visibility - Maintaining complete operational visibility at all times. This ensures quick management / consulting response time and maintains control from the top down. All departments report independently and directly to the President.

- Departmental Independence - Ensures proper internal control and provides for integrity of information flow.

- Service Safety Net - Providing a safety net of services ensuring all facets of the nursing facility operation are effectively addressed thus preventing the "slipped through the crack" syndrome. As the industry requirements and needs of the individual facilities evolve, Care Centers Management Consulting makes appropriate strategically and organizational changes to

ensure the quality and compliance of the facility's services are maintained at a superior level.

- High Personnel Standards - Care Centers Management Consulting's standards are well disciplined and exceptionally high. We only employ appropriately educated individuals with required levels of experience required for the position. Our requirements ensure the facility and its residents consistently receive the higher caliber services they deserve.

Supplemental #1
December 20, 2017
10:09 am

4. **Section A, Project Details, Item 6A. Legal Interest**

   Please provide a copy of the property deed held by The Albert L. Keller Trust.

   The property that is the site of the proposed replacement facility was conveyed to the seller, The Albert L. Keller Trust, as part of a multi-tract conveyance. A copy of the deed is attached following this response. The relevant tract is denoted as the "Black Farm" on Deed Book page 76 of the attachment.

Supplemental #1

December 20, 2017

10:09 am

THIS INSTRUMENT PREPARED
WITHOUT BENEFIT OF ABSTRACT
OR TITLE EXAMINATION

A. STEPHEN McDANIEL
5521 MURRAY AVENUE
MEMPHIS, TN 38119
Telephone (901) 767-8200

WARRANTY DEED

FOR AND IN CONSIDERATION of the sum of Ten Dollars, cash in hand paid by the hereinafter named Grantee and other good and valuable considerations, the receipt and sufficiency of which is hereby acknowledged, I, ALBERT L. KELLER and wife, ALICE V. KELLER, hereinafter called Grantor, have bargained, sold and by these presents do transfer and convey unto **ALBERT L. KELLER and ALICE V. KELLER, CO-TRUSTEES OF THE ALBERT L. KELLER and ALICE V. KELLER LIVING TRUST dated September 25, 2000**, hereinafter called the Grantee, their heirs and assigns, a certain tract or parcel of land in Hardeman County, State of Tennessee, and described as follows:

FOR A COMPLETE LEGAL DESCRIPTION, SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED BY REFERENCE AS THOUGH COPIED HEREIN VERBATIM.

TO HAVE AND TO HOLD the said tract or parcel of land, with the appurtenances, estate, title and interest thereto belonging to the Grantee, their heirs and assigns forever; and we do covenant with the said Grantee that we are lawfully seized and possessed of said land in fee simple, have a good right to convey it and the same is unencumbered, unless otherwise herein set out; and we do further covenant and bind ourselves, our heirs and representatives, to warrant and forever defend the title to the said land to the said Grantee, their heirs and assigns, against the lawful claims of all persons whomsoever. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

The Grantor states that the purpose of this Deed is to transfer their entire right, title and interest in and to said real property to the ALBERT L. KELLER and ALICE V. KELLER LIVING TRUST. The trust is a revocable grantor trust established pursuant to the laws of the State of Tennessee. The Trustee and Successor Trustees are granted all right, power and authority, pursuant to Section 3, Chapter 110 of the Tennessee General Assembly of 1963, Tenn. Code Ann. Section 35-50-110 (including any amendments thereto) and further have the full discretionary power to purchase, sell, convey, alter, repair, improve, partition and mortgage or otherwise encumber any real estate, and to make and execute any leases thereon for any period, however long, and beyond the term of any trust, and to execute and deliver any deeds, conveyances, mortgages, deeds of trust, transfers and assignments, without the approval of any court, joinder of any beneficiary, and without disclosing any beneficiary of any trust.

In addition, the trust specifically provides that no person dealing with the Trustee in the capacity of purchaser, seller, acquirer, lender, tenant, lessor, lessee, contractant or otherwise shall be bound to inquire into the capacity to act on the part of the Trustee, or into the authority for, or the propriety of, any act thereof, or to see to the application or disposition of any money, or other property, paid, delivered or loaned to the Trustee.

This is a transfer into a Revocable Living Trust by the Grantor. No actual monetary consideration is given by the Grantor and this conveyance is exempt from recordation tax under Tenn. Code Ann. Section 67-4-409(a)(3)(F). This trust contains spendthrift provisions.

WITNESS our hands this 12 day of June, 2001.

Albert L. Keller
ALBERT L. KELLER, Grantor

Alice V. Keller
ALICE V. KELLER, Grantor

Deed Book
J17 Pg 167

Supplemental #1

D8-

December 20, 2017
10:09 am

PARCEL I: Tax Parcel ID#s: 042-002; 034IA-005; 034-056.02; 034-054.02

Pursuant to survey prepared by Goodrum Land Surveying Company dated 4/27/2001

This is to certify that I have surveyed the following described property situated in the 8th Civil District of Hardeman County, Tennessee, to wit:

Being a boundary survey of a composite tract of land consisting of the property or portions thereof conveyed to Albert L. Keller by deeds of record in Deed Books T-3, page 39; U-3, page 477; U-3, page 639; W-3, page 207; Y-3, page 96; Y-3, page 102; Y-3, page 111; Z-3, page 482; X-9, page 262; V-13, page 280; V-13, page 287; W-13, page 68; N-14, page 341; Q-15, page 163; I-17, page 198; and I17, page 204, in the Register's Office of Hardeman County Tennessee. The survey is described as follows:

Beginning at an axle as found in the south line of Johnny M. Lambert (Deed Book L-13, Page 151), on the northeast corner of Murray K. Stroupe (Deed Book A-15, Page 1), thence with Lambert, South 88 degrees 30 minutes 0 seconds East, along and by old fence, 845.00 feet to a point in the east side of Tyson Road, this point witnessed by an iron rod set westerly 38.44 feet on the last described line; thence North 1 degrees 0 minutes 0 seconds West 30.96 feet to a point in said road; thence with Lambert, Steve R. Walton (Deed Book C-9, Page 347), and J. R. Walton (Deed Book C-5, Page 340), along and by old fence, South 72 degrees 9 minutes 33 seconds East, passing an iron rod set at 23.96 feet and on for a total of 2514.75 feet to an iron rod set by a fence corner; thence with J. R. Walton along and by old fence, North 1 degrees 10 minutes 8 seconds East 2782.58 feet to an iron pipe as found; thence with Redic Roebuck (Q-3, Page 518) along and by old fence, South 89 degrees 44 minutes 56 seconds East 762.60 feet to an iron rod set; thence with Edward Simer (Deed Book N-7, Page 446) and old fence, South 9 degrees 55 minutes 33 seconds East 125.62 feet to an iron rod set; thence with Simer, South 88 degrees 19 minutes 55 seconds East 653.68 feet to the center of Keller Road, this point witnessed by an iron rod set westerly 25.20 feet on the last described line; thence with the center of said road the following calls: 1) South 1 degrees 59 minutes 21 seconds East 69.58 feet; 2) South 2 degrees 26 minutes 24 seconds West 51.41 feet; 3) South 5 degrees 18 minutes 11 seconds West 142.03 feet; 4) South 7 degrees 33 minutes 19 seconds West 61.38 feet; 5) South 13 degrees 18 minutes 25 seconds West 60.53 feet; 6) South 18 degrees 41 minutes 2 seconds West 200.49 feet; 7) South 14 degrees 10 minutes 21 seconds West 61.59 feet; 8) South 9 degrees 4 minutes 42 seconds West 68.81 feet; 9) South 4 degrees 19 minutes 46 seconds West 300.04 feet; 10) South 6 degrees 50 minutes 37 seconds West 115.18 feet; 11) South 8 degrees 35 minutes 38 seconds West 100.60 feet; 12) South 10 degrees 58 minutes 9 seconds West 104.49 feet; 13) South 12 degrees 57 minutes 16 seconds West 97.88 feet; 14) South 14 degrees 13 minutes 52 seconds West 474.08 feet; 15) South 15 degrees 27 minutes 42 seconds West 76.60 feet; 16) South 17 degrees 6 minutes 33 seconds West 256.13 feet; 17) South 14 degrees 22 minutes 44 seconds West 283.09 feet; 18) South 11 degrees 52 minutes 44 seconds West 357.38 feet; 19) South 13 degrees 39 minutes 49 seconds West 548.44 feet; 20) South 12 degrees 24 minutes 23 seconds West 74.39 feet to a spindle; thence with Kilgore Corporation (Deed Book Y-14, Page 571), South 42 degrees 7 minutes 20 seconds East 1914.90 feet to a steel fence post found; thence with Kilgore Corporation, North 30 degrees 16 minutes 33 seconds East 3132.24 feet to an iron rod set; thence with Kilgore Corporation, North 6 degrees 27 minutes 10 seconds East 741.61 feet; thence with Kilgore Corporation, North 14 degrees 42 minutes 50 seconds West 2171.08 feet to a point north of Keller Road, this point witnessed by a spike as found in said road bearing southerly 26.72 feet on the last described line; thence along the north side of said road, North 77 degrees 5 minutes 44 seconds East 441.48 feet to an iron pipe as found; thence with James Edward Macon (Deed Book J-11, Page 130), South 10 degrees 26 minutes 13 seconds East, crossing Keller Road, 210.00 feet to an iron rod set; thence with Macon and a fence, North 77 degrees 24 minutes 23 seconds East 130.00 feet to an iron pipe as found; thence with Macon, North 6 degrees 12 minutes 52 seconds West, crossing Keller Road, 209.69 feet to an iron pipe as found; thence South 88 degrees 45 minutes 11 seconds East 274.50 feet to a point in Keller Road; thence with said

Exhibit "A"

Book 1391 Page 160

road, South 79 degrees 31 minutes 19 seconds East 98.31 feet to a point in center of said road; thence with Tommie Blevins (Deed Book Z-16, Page 641), South 1 degrees 13 minutes 32 seconds East, passing a steel post as found at 21.34 feet and on for a total of 236.96 feet to an iron rod set; thence with A. L. Keller lot, South 50 degrees 1 minutes 17 seconds West 53.84 feet; thence with said lot, South 19 degrees 24 minutes 34 seconds West 20.00 feet; thence with said lot and Donnie Davis (Deed Book M-16, Page 848), South 12 degrees 23 minutes 53 seconds West 218.50 feet to an angle iron as found; thence with Joe Jones (Deed Book A-4, Page 310), South 12 degrees 51 minutes 57 seconds West 206.91 feet to an iron rod set; thence with Jones, North 85 degrees 22 minutes 44 seconds East 401.00 feet to the center of Keller Road, this point witnessed by an iron rod set westerly 53.25 feet on the last described line; thence with the center of said road the following 8 calls: 1) South 46 degrees 53 minutes 56 seconds East 101.32 feet; 2) South 36 degrees 58 minutes 1 seconds East 96.46 feet; 3) South 29 degrees 7 minutes 33 seconds East 94.24 feet; 4) South 25 degrees 29 minutes 43 seconds East 40.08 feet; 5) South 23 degrees 31 minutes 24 seconds East 59.76 feet; 6) South 37 degrees 35 minutes 51 seconds East 62.37 feet; 7) South 54 degrees 2 minutes 17 seconds East 22.87 feet; 8) South 84 degrees 31 minutes 39 seconds East 44.01 feet; thence South 63 degrees 1 minutes 11 seconds East 39.28 feet to an iron rod as found in the west boundary line of Albert L. Keller's railroad property from Finney (Deed Book V-13, Page 287); thence with said tract along a 2085.00 feet radius curve to the Right (chord bears North 28 degrees 6 minutes 11 seconds East 217.95 feet) 218.05 feet to an iron rod as found; thence with said tract, North 85 degrees 10 minutes 46 seconds West 52.90 feet; thence with said tract, North 27 degrees 44 minutes 14 seconds East 211.00 feet; thence South 20 degrees

59 minutes 56 seconds East, to and with the center of Highway 138, a distance of 400.46 feet; thence Murdaugh and Pugh Creek the following calls: 1) South 43 degrees 6 minutes 3 seconds West 124.11 feet; 2) South 30 degrees 53 minutes 17 seconds West 152.89 feet; 3) South 45 degrees 32 minutes 42 seconds West 304.87 feet; thence with Murdaugh and the east line of Keller's Illinois Central railroad property the following calls: 1) South 25 degrees 5 minutes 44 seconds West 2674.39 feet; 2) South 23 degrees 38 minutes 1 seconds West 98.09 feet; 3) South 20 degrees 42 minutes 35 seconds West 97.45 feet; 4) South 17 degrees 47 minutes 9 seconds West 97.45 feet; 5) South 15 degrees 24 minutes 2 seconds West 62.54 feet to an iron rod set; thence with Murdaugh, South 55 degrees 23 minutes 28 seconds East 551.70 feet to a buggy axle as found; thence with Murdaugh and a fence as the boundary of a 5.36 acre tract Keller claims by right of possession the following 3 calls: 1) North 56 degrees 37 minutes 23 seconds East 609.96 feet; 2) South 71 degrees 37 minutes 12 seconds East 143.57 feet; 3) South 8 degrees 56 minutes 26 seconds West with Leroy Carter (Deed Book K-10, page 439) 671.92 feet to a post oak tree; thence with Carter, South 9 degrees 24 minutes 24 seconds West 1202.29 feet to an iron pipe on the north bank of Mill Creek, the northeast corner of a 1.00 acre strip along the north side of said creek recently conveyed to Albert L. Keller by Billy Ray Leathers (Deed Book I-17, Page 198); thence with the residue Leathers, South 0 degrees 13 minutes 51 seconds West 16.93 feet to the center of Mill Creek; thence with creek and Leathers residue the following 2 calls: 1) South 86 degrees 35 minutes 58 seconds West 73.64 feet; 2) North 83 degrees 5 minutes 25 seconds West 742.38 feet to a point in creek in the east line of said railroad property, this point witnessed by an iron rod set bearing North 2 degrees 9 minutes 10 seconds West 30.03 feet; thence with Leathers, Calvin Green (Deed Book A-4, Page 212), and Thomas Leon King (Deed Book T-16, page 242), South 2 degrees 9 minutes 10 seconds East 2609.80 feet to an iron rod set, the northeast corner of a 4.35 acres strip of the Illinois Central Railroad abandoned right-of-way recently conveyed to Albert L. Keller by Doug E. Howell (Deed Book I-17, Page 204); thence along the east boundary line of said abandoned railroad property with King, Richard Nuckolls (Deed Book E-12, page 392), and Roland E. Howell the following 2 calls: 1) South 2 degrees 9 minutes 10 seconds East 1841.51 feet; 2) South 0 degrees 18 minutes 47 seconds 52.44 feet to the southeast corner of said 4.35 acres; thence with Doug Howell residue, North 89 degrees 33 minutes 29 seconds West 100.00 feet to the west boundary line of said abandoned railroad property; thence with Howell residue the following 6 calls: 1) South 1 degrees 10 minutes

31 seconds West 49.70 feet; 2) South 3 degrees 20 minutes 6 seconds West 97.50 feet; 3) South 6 degrees 12 minutes 0 seconds West 98.75 feet; 4) South 6 degrees 12 minutes 0 seconds West 101.25 feet; 5) South 3 degrees 20 minutes 6 seconds West 101.40 feet; 6) South 1 degrees 40 minutes 0 seconds West 21.31 feet to an iron rod set; thence with Ernest Anderson, South 89 degrees 9 minutes 44 seconds West to and along and by old fence, 674.25 feet to an iron rod set; thence with Anderson (Deed Book D-10, page 428), North 0 degrees 25 minutes 31 seconds West along and by old fence 3023.49 feet to an iron rod set; thence with Anderson along and by old fence, North 88 degrees 13 minutes 16 seconds West 3124.64 feet to an iron rod set; thence with Anderson, South 1 degrees 44 minutes 3 seconds West 577.11 feet to an iron rod set; thence with Anderson, North 88 degrees 17 minutes 7 seconds West 1468.50 feet to an iron rod set; thence with Clyde Dellinger (Deed Book V-16, page 301), North 0 degrees 17 minutes 46 seconds East 858.00 feet to an iron rod set 12 feet northeast of fence corner; thence with Dellinger running mostly north of new fence, North 87 degrees 52 minutes 14 seconds West 528.00 feet to an iron rod set on east side of fence corner; thence with Dellinger along and by fence, North 0 degrees 45 minutes 54 seconds East, crossing Keller road and on with Dale Ervin (Deed Book G16, page 787) a distance of 2697.00 feet to an iron rod found; thence with Ervin, South 88 degrees 54 minutes 36 seconds East 181.50 feet to an iron rod found; thence with Ervin, North 1 degrees 5 minutes 24 seconds East 297.00 feet to an iron rod found; thence with Ervin, South 87 degrees 20 minutes 16 seconds West 784.70 feet to an iron rod found; thence with Ervin, South 1 degrees 7 minutes 58 seconds West 542.46 feet to an iron rod found; thence with Ervin, North 88 degrees 10 minutes 22 seconds West 182.91 feet to the center of Cloverport Road, this point witnessed by an iron rod found bearing easterly 67.86 feet on the last described line; thence with the center of said road the following calls: 1) North 73 degrees 10 minutes 37 seconds West 74.26 feet; 2) North 84 degrees 33 minutes 6 seconds West 121.84 feet; 3) North 88 degrees 58 minutes 53 seconds West 99.63 feet; 4) South 88 degrees 12 minutes 4 seconds West 196.75 feet; 5) South 86 degrees 26 minutes 9 seconds West 412.06 feet; 6) South 84 degrees 39 minutes 50 seconds West 97.71 feet; 7) South 89 degrees 51 minutes 49 seconds West 70.15 feet; 8) North 86 degrees 18 minutes 57 seconds West 69.49 feet; 9) North 83 degrees 27 minutes 34 seconds West 122.26 feet; 10) North 73 degrees 41 minutes 49 seconds West 47.08 feet; 11) North 59 degrees 58 minutes 54 seconds West 42.49 feet; 12) North 41 degrees 59 minutes 5 seconds West 47.28 feet; 13) North 28 degrees 52 minutes 47 seconds West 50.66 feet; 14) North 16 degrees 20 minutes 27 seconds West 49.62 feet; 15) North 10 degrees 24 minutes 39 seconds West 268.06 feet; 16) North 5 degrees 27 minutes 25 seconds West 61.72 feet; 17) North 0 degrees 31 minutes 37 seconds East 61.93 feet; 18) North 7 degrees 49 minutes 7 seconds East 125.68 feet; 19) North 4 degrees 40 minutes 14 seconds East 162.26 feet; 20) North 1 degrees 31 minutes 3 seconds East 98.62 feet; 21) North 3 degrees 47 minutes 4 seconds West 101.68 feet; 22) North 5 degrees 23 minutes 39 seconds West 226.19 feet; 23) North 2 degrees 47 minutes 59 seconds West 122.40 feet; 24) North 0 degrees 59 minutes 42 seconds East 121.30 feet; 25) North 7 degrees 15 minutes 35 seconds West 61.75 feet; 26) North 22 degrees 20 minutes 34 seconds West 61.62 feet; 27) North 38 degrees 49 minutes 31 seconds West 39.23 feet; 28) North 50 degrees 1 minutes 23 seconds West 51.54 feet to a point in the center of road; thence with Murray K. Stroupe (Deed Book A-15, page 1), South 88 degrees 52 minutes 39 seconds East, passing on iron rod set at 77.65 feet and on for a total of 1507.62 feet to an axle as found; thence with Stroupe, North 0 degrees 57 minutes 14 seconds West 809.46 feet to the point of beginning containing 887.20 acres more or less, including but expressly excluding a 4.56 acre tract conveyed to the Town of Toone by deed of record in Deed Book I-4, page 446 and 2 small tracts totaling 2.77 acres conveyd to the City of Toone by deeds of record in Deed Book D-17, page 714 and Deed Book D-17, page 720, leaving 879.87 acres more or less.

Together with and subject to covenants, easements, and restrictions of record and all right-of-way rights to public roads included within the above description.

Supplemental #1

December 20, 2017
10:09 am

Sain Farm
Deeded by Melvin D. Sain and wife, Shelby J. Sain
Recorded in deed book Z-6 Page 65
1/2/78

TRACT NO. 1: About three miles north of Toone, Tennessee, and being that portion of what is known as "Young Road" recently abandoned by the County on the tract of land known as the "Malcolm P (Pat) Young" place, and being all of that portion of said old road situated on the said land, and lying northwest of said road. This deed made with compliance of an order of the County Court at its January Session of 1969.

TRACT No. 2: BEGINNING at a hickory, hickory and white oak pointers, the S. W. corner of a 157 acre tract owned by T. M. Pyles, and runs with the S. B. L. of same East 208.2 poles to a stake just south of a bridge, one black gum pointer, a corner of said Pyles 157 acre tract; thence South with same 53 poles to a stake in a branch; elm, sweetgum and willow pointers, the S. W. corner of Mabe Richmond's 200 acre tract, and the N. E. corner of a 95 acre tract conveyed by J. A. Jones and wife to D. W. Tate; thence with the same West crossing public road at 80.4 poles, in all 130 poles to a stake in a field, the N. W. corner of the said 95 acres; thence with the same South 120 poles to a stake, red oak, hickory and 2 dogwood pointers, on the N. B. L. of T. W. Tate's estate; thence West 28.4 poles to a stake, two white oak and two hickory pointers, a corner of E. B. L. of a tract conveyed by J. C. Yarbrough to J. C. Pirtle; thence with the same North 61 poles to a stake at a corner of fence, red oak, red bud and four hickory pointers; thence with the same West 49.8 poles to a stake S. 8° links from a red oak pointer and dogwood pointer, the corner of same; thence with same North passing the S. E. corner of a tract belonging to J. J. Anderson, in all 99.6 poles to the beginning, containing 94-1/2 acres, more or less.

TRACT NO. 3: BEGINNING at atake Bradford's line runs West 108 poles to a stake; thence North 37 poles to a stake in field; thence East 108 poles to stake, red oak pointer in Bradford's W. B. L.; thence South with Bradford's line 37 poles to the beginning, containing 25 acres, more or less.

Being the same three tracts of land conveyed by Annie P. Young, widow, and Clara Ruth Lee, her daughter, to Melvin D. Sain and wife, Shelby J. Sain, by warranty deed dated August 16, 1976, of record in Deed Book N-6, page 176 of the Register's Office of Hardeman County, Tennessee.

Outlaw Farm
Deeded by Fred C. Outlaw and wife Inez Outlaw
Recorded in deed book K-4 Page 403
2/3/69

TRACT 1: Bounded on the north by the lands of Upton, McNeil and heirs of John Johns; on the East by the lands of Cannovan and Nuckolls; On the South by the lands of Pyles and Anderson; and on the West by the lands of J. J. Anderson now T. E. Anderson, and containing 222 acres, more or less. Same being the farm known as the Joe Mercer farm and which was bought from J. H. Pyles by J. A. Williams on the 26th. day of September 1917 and recorded in record book C-3 Page 459, and is the same land sold to C.R.Young & wifeby J. A. Williams on February 19, 1919 and recorded in record book E-3 Page 152, February 24, 1919, and is the same land sold to the undersigned by C. R. Young and wife, Maggie Young on January 20, 1943, and recorded in record book O-3 page 598 January 21, 1943, in Registers Office, Hardeman County, Tennessee.

TRACT 2: Bounded on the North by the lands of G. I. Maroney; on the East by the land of G. I. Maroney; on the South by the land of King and Pyles; on the West by the land of C. R. Young containing 72 acres more or less, and is the same land deeded to Merchants & Planters Bank, by D. W. Tate, January 6, 1938, and is the same land deeded to the undersigned on February 18, 1942 and registered in Book O-3, Page 291 in Register's Office in Hardeman County, Tennessee.

Deed Book
J17 Pg 171

Supplemental #1

December 20, 2017
10:09 am

M.I. Young Farm
Deeded by M.I. Young
Recorded in deed book D-4 page 536
3/22/66

TRACT I.
Bounded on the north by the lands of D. W. Tate; south by the lands of Bradford; east by the lands of Bradford; west by the lands of Curry and Anderson; containing 246 acres, more or less. This being the same land conveyed Melvin I. Young by D. W. Tate, et al, as shown of record in Deed Book K-3, Page 405, Register's Office of Hardeman County, Tenn.
TRACT II.
Beginning on a red oak with spanish, white and red oak pointers, northeast corner entry No. 71 for 200 acres Thos Whitford, and runs south with same 40 poles to a small post oak with white oak and hickory pointers, N.W. corner of entry No. 4x17 for 37½ acres; thence east with the same 70 poles to a white oak; thence north 160 poles to a stake, white oak, black oak and chestnut pointers on the south line entry No. 1092 for 200 acres; thence west with the same on entry No. 2226 for 33½ acres, in all 70 poles to a stake; thence south 120 poles to the beginning, containing 70 acres more or less, this being the same land conveyed to M. I. Young by Joseph M. Butler, as shown of record in Book M-3, Page 541, Register's Office of Hardeman County, Tennessee.
TRACT III.
Beginning at or on a red oak with spanish, white oak and red oak pointers northeast corner of Entry No. 71 for 200 acres Thos. Whitford; thence north 120 poles to a stake; thence east 40 poles to a stake; thence south 120 poles to a stake and the beginning, containing 30 acres more or less, and is the remainder of a 100 acre tract deeded to M. I. Young by Tillman E. Young, as shown of record in Book R-3, Page 319, Register's Office of Hardeman County, Tennessee.
TRACT IV.
Bounded on the North and West by public road; South and East by M. I. Young, containing 1 acre by estimation. Being the same land conveyed to M. I. Young by Geo. W. Cooper, as shown of record in Book U-3, Page 45, Register's Office of Hardeman County, Tennessee.

Note: To include and exclude 15A West of public road overton loop as recorded in deed book page Sold off land house & acres 15?A Bill Tysom.

Wilbur F. Lee Farm
Deeded by Wilbur F. Lee and Clara Ruth Lee
Recorded in deed book C-7 Page 438 D08-018-011

Beginning at a stake with mulberry, black gum, and 3 maple pointers 43 poles north of the S. W. corner of Mabe Richman tract of land and runs west 203 poles to a hickory stump, with white oak, two red oak and two hickory pointers; thence north 43 poles to a stake with chestnut and white oak pointers; thence east 73 poles to a black oak; thence North 87 poles to a stake with two dogwood pointers; thence east 128 poles to a stake two sassafras pointers; thence south 15 poles to a stake with spanish oak and hickory and post oak pointers; thence east 58 poles to a stake excluding 4 acres on this corner to Jess Pyles; thence south 154 poles to a stake white and black oak pointers; thence west to the S.W. corner of a 200 acre tract in the name of Mathews Brooks; thence north 43 poles to the beginning said tract containing 157 acres, more or less.
This being the same conveyed to Wilbur R. Lee and wife, Clara Ruth Lee by Annie P. Young, et al, as shown of record in Book N-6, Page 180, Register's Office of Hardeman County, Tennessee.

Supplemental #1

December 20, 2017
10:09 am

Agee Farm
Deeded by Katie Agee
Recorded in deed book R-11 page 402 D08-023-016
12/29/87

Bounded on the North by the lands of George Cooper (now Billy J. Tyson); bounded on South by lands of Bradford & Pyles (now Babb Estate) bounded on the East by lands of Hardy Pyles Estate (now A. L. Keller and Babb Estate); and bounded on the West by Melvin Young (now Lois Jones) and Public Road, containing 45 acres, more or less.

It being the same property conveyed to Edwin L. Agee and wife, Katie Agee, by R. J. Leathers, et ux., by deed as found of record in Deed Book E-4, page 490, in the Register's Office of Hardeman County at Bolivar, Tennessee. The said Edwin L. Agee is now deceased leaving Katie Agee the owner of said property as suviving tenant by the entirety.

Babb Farm
Deeded by James Roy Babb, Ernest L.Babb, Ola Mae Babb
Recorded in deed book R G-13 page 343 D08-023-013
2/26/90

This tract of land is a portion of the land North of Hwy #100 described in Deed Book F-6,P-271,belonging to Earnest L.Babb, James Roy Babb, and Ola Mae Babb. The point of beginning is a concrete highway marker 52 feet North of Hwy #100 and runs as follows:

Hugh F. Miller
HUGH F. MILLER,
Registered Land Surveyor,
Tennessee License #310

1) North 9° 15' West 20 feet with Hwy R/W to a concrete marker at Elder's S.E. corner and with Elder's line 488.16 feet to a iron post and then with Roy Babb's line for a total of 1754.45 feet to a iron pin, thence
2) West 1404 feet with Roy Babb's line to a iron pin, thence
3) North 1171.5 feet with Robert Mathis' line to a iron pin, thence
4) East 2445.2 feet with Albert L.Keller's line to a iron pin, thence
5) South 3208.0 feet to a stake 52' from center of Hwy #100, thence
6) North 68° 07' West 815.0 feet with Hwy R/W to point of beginning.

containing 104.02 acres.

Mason Cooper Farm
Deeded by Mason Cooper and wife, Velma Cooper
Recorded in deed book M-8 Page 319 D08-023-002
7/20/81

Beginning at a stake and runs east 130 poles to a stake with pointers; thence north 120 poles to a stake with pointers; thence west 130 poles to a stake; thence south 120 poles to the beginning, containing 95 acres, more or less.

Being the same tract of land conveyed by D. W. Tate and wife, Mrs. D. W. Tate, to Mason Cooper and wife, Velma Cooper, by warranty deed dated November 8, 1949, of record in Deed Book T-3, page 452 of the Register's Office of Hardeman County, Tennessee.

Said land is bounded on the north by Albert Keller; south by Albert Keller; east by Albert Keller, and west by Albert Keller and Billy Tyson.

INCLUDED IN THE FOREGOING DESCRIPTION BUT EXPRESSLY EXCLUDED FROM THIS CONVEYANCE is the following one acre:

Beginning at a point in the edge of the Vanbrough Grave-yard at a black-jack stump, runs thence north 225 feet to a stake; thence west 125 feet to a stake; thence south 195 feet to a stake; thence east 195 feet to the beginning, containing one acre, more or less.

Being the same one acre conveyed by M. M. Cooper and wife, Velma Cooper, to Joe T. Smith and wife, Jettie Smith, by deed dated January 17, 1958, of record in Book Y-3, page 474 of the said Register's Office.

LEAVING 94 ACRES, more or less, in the tract herein conveyed.

Deed Book
J17 Pg 173

Supplemental #1

December 20, 2017
10:09 am

Moss Farm
Deeded by Luther Ray Moss and Sara Davis Moss
Recorded in deed book F-9 Page 123 D08-018-010
4/20/83

TRACT 1: BOUNDED ON THE NORTH BY THE LANDS OF Upton, McNeil and heirs of John Johns; on the east by the lands of cannovan and Nuckolls; on the south by the lands of Pyles and Anderson; and on the west by the lands of J. J. Anderson now T. E. Anderson, and containing 222 acres, more or less. Same being the farm known as the Joe Mercer farm and which was bought from J. H. Pyles by J. A. Williams on the 26th day of September 1917 and recorded in record Book C-3 Page 459, and is the same land sold to C. R. Young and wife by J. A. Williams on February 19, 1919 and recorded in record book E-3 Page 152, February 24, 1919, and is the same land sold to F. C. Outlaw by C. R. Young and wife, Maggie Young on January 20, 1943 and recorded in record book C-3 page 598 January 21, 1943, in Registers Office and is the same land sold to the undersigned by Fred C. Outlaw and wife Inez Outlaw on January 30, 1969 and recorded in record book K-4 Page 403, in Registers Office, Hardeman County, Tennessee.

TRACT 2: Bounded on the North by the lands of G. I. Maroney; on the East by the land of G. I. Maroney; on the South by the land of King and Pyles; on the West by the land of C. R. Young containing 72 acres more or less, and is the same land deeded to Merchants and Planters Bank, by D. W. Tate, January 6, 1938, and is the same land deeded to Fred C. Outlaw and wife on February 18, 1942 and registered in Book C-3, Page 291 and is the same land sold to the undersigned by Fred C. Outlaw and wife Inez Outlaw on January 30, 1969 and recorded in record book K-4 Page 403, and is the same land sold to Luther R. Moss and wife Sara D. Moss on April 9, 1969, and recorded in record book L-4, Page 303, in Registers Office in Hardeman County, Tennessee. Recent survey recorded in Deed Book K-8, Page 210 in Registers Office in Hardeman County, Tennessee.

Note: Bought whole-Sold 1/2 interest to brother in law Ray Moss then bought back whole. New description filed.

Hooper Farm
Deeded by Tony Hooper and Larry R. Hooper
Recorded in deed book V-13 Page 284 D08-018-010.02
12/7/90

TRACT 5:
Commencing at an iron rod in an old road bed on the northwest corner of Tract 4 for 49.70 acres, thence with old road, North 56 degrees 42 minutes West 147.5 feet; thence with old road, North 12 degrees 19 minutes West 172.0 feet; thence with old road, North 11 degrees 19 minutes West 140.0 feet; thence with old road, North 31 degrees 14 minutes West 143.0 feet to the point of beginning, said point being a common corner of Albert L. Keller and the T.F. Canovan Estate; thence with Keller and continuing with old road, North 54 degrees 4 minutes West 236.0 feet to an iron rod set; thence Keller and old road, South 74 degrees 41 minutes West 123.0 feet to an iron rod set; thence with Keller and old road, South 70 degrees 26 minutes West 329.0 feet to an iron rod set; thence with Keller and old road, North 83 degrees 49 minutes West 767.0 feet to an iron rod set in a ditch; thence with Keller and ditch, North 0 degrees 16 minutes East 1199.0 feet to an iron rod set, hickory pointer; thence with Keller, North 88 degrees 57 minutes East 695.6 feet to an iron rod set, a northwest corner of said Canovan Estate; thence with same, South 0 degrees 23 minutes West 725.9 feet to an iron rod set; thence with same, South 67 degrees 36 minutes East 792.3 feet to an iron rod set; thence with same, South 10 degrees 1 minute West 266.4 feet to the point of beginning containing 25.64 acres more or less.

Deed Book
J17 Pg 174

Supplemental #1

December 20, 2017
10:09 am

Thomas Farm
Deeded by Wayne Jones and Betty Jones
Recorded in deed book G-12 page 160
10/12/88

D08-007-003

Containing by estimation 140 acres be the same, more or less, and bounded as follows: BEGINNING at a white oak and two dogwood pointers Jacob Outlaw's corner running with his line 147 poles to a stake and hickory and post oak pointers T.F. Canavan's corner; thence South 85° East 12 poles to a stake and post oak and 2 hickory pointers; thence South 13° West 25 poles to a stake a dogwood and white oak pointers; thence east 126 poles to a stake, a hickory and 2 dogwood pointers are the East Boundary Line of the original tract; thence North 175 poles a stake a white oak and 2 post oak pointers; thence West to the beginning, containing 140 acres be the same, more or less.

INCLUDED IN THE ABOVE DESCRIPTION AND EXCLUDED FROM THIS CONVEYANCE a one-half acre tract of land described by survey as follows: BEGINNING at a fence corner, being the most northern N.W. corner of a 93 acre tract of the Clyde Thomas Estate, runs thence N. 71° 20' West along the north margin of Teague Road to the true point of beginning, thence with the north margin of said road N. 71° 20' West 168 ft. to an iron stake, thence N. 25° 15' East 130 ft. to an iron stake, thence S. 77° 56' East 181.7 ft. to a 10" White Oak Tree, thence S. 28° 45' West 153.3 ft. to an iron stake the true point of beginning, containing 0.55 acres.

This being the same property conveyed to Waymon G. Jones and wife, Betty R. Jones by deed of record in Deed Book M-9, Page 11, in the Register's Office of Hardeman County, Tennessee, and by Quitclaim Deed as found of record in Deed Book A-10, Page 14, in said Register's Office, and also by deed found of record in Deed Book 438, Page 656, in the Register's Office of Madison County, Tennessee, and by Quitclaim Deed as found of record in Deed Book 448, Page 819, in said Register's Office.

Deed Book
J17 Pg 175

Supplemental #1

December 20, 2017

10:09 am

Black Farm
Deeded by Luther Ray Moss and Sarah Davis Moss
Recorded in deed book Z-10 page 476
12/31/86

D01-061-010.01

Beginning at a stake, the southwest corner of the acre tract purchased by Thomas E. Moore from Paul T. Jones, in the north boundary of the tract of land conveyed by Mrs. L. A. Bills to the children of Paul T. Jones, runs north about 242 poles to said Moore's northeast corner of the north boundary of Grant No.18608 for 640 acres in the name of Calvin Jones, also the south boundary of W. R. Kearney's Harris tract; thence west 26-6/10 poles to a stake, the Northwest corner of said Grant No. 18608, a corner of said Kearney's land; thence south 100 poles to a stake, his south-east corner, also the northeast corner of Grant No. 1206 to Hezekiah West for 100 acres, and runs west with said Kearney's south boundary line 150 poles to the center of the road, H. W. Tate's northwest corner; thence south approximately 33 east 160 poles down the center of the Bolivar and Brownsville Road to a stake, the N.W. corner of land conveyed to Mrs. L. A. Bills and by her to the children of Paul T. Jones; thence east 84 poles to the beginning, containing 133 acres, be the same more or less.

Being the same tract of land conveyed by R. R. Black to John R. Black by deed dated January 7, 1894, of record in Deed Book I-I, page 541 of the Register's Office of Hardeman County, Tennessee. By the terms of the last Will and Testament of John R. Black, probated March 31, 1941, in Will Book 8, page 28 of the County Court of Hardeman County, Tennessee, said land was devised to his widow, Georgia Ann Black. Georgia Ann Black died intestate in 1942, leaving as her only children and heirs-at-law, Lucy Ann Black and Alma Black Hewes; Lucy Ann Black died intestate on November 4, 1969, leaving as her sole heir-at-law the undersigned Alma Black Hewes, her sister, who is the fee simple owner of said real estate.

Sally Watson Farm
Deeded by Sally Watson
Recorded in deed book X-14 page 536
10/19/92

D01-061-010
D01-061-010.01
D01-061-011.01

This tract of land is taken from Sally Ruth Watson's property located in the Second Civil District, shown on Map #61, Parcel #4 and the point of beginning is a iron pin at Albert Keller's interior corner of Parcel #10 and runs as follows: 1) West 702.0 feet with Keller to a large sand ditch; thence 2) North 25° 00' East 401.0 feet generally with ditch and residue to a point; thence 3) North 57° 29' East 631.6 feet generally with ditch and residue to Albert Keller's west line; thence 4) South 703.0 feet with Keller to the point of beginning, containing 7.23 acres

Per Certificate of Survey by Hugh Fred Miller, Hornsby, Tennessee, R.L.S. #310, dated October 3, 1992.

This being a portion of the property conveyed to Leonard C. Watson and wife, Sally Ruth Watson by deed of record in Deed Book Z-6, Page 24-A, Register's Office of Hardeman County, Tennessee. Leonard C. Watson is deceased, leaving Sally Ruth Watson as surviving tenant by the entirety.

B.W.

Deed Book
J17 Pg 176

Supplemental #1

December 20, 2017

10:09 am

Till Keller Farm
Deeded by Tillman J. Keller, Marvin Keller, Joe Keller, Ruth K. Clutts, Sarah K. McNeil
Recorded in deed book X-6 page 85
10/5/77

D08-034-020.001
D08-034-020.002

All that part of the 100 foot wide right-of-way of the Illinois Central Railroad Company's abandoned Central District commencing at the center of a ditch underlying a railroad bridge located at Mile point 491.6 of said abandoned right-of-way in the Town of Toone and running northward along the meander of said abandoned right-of-way approximately .97 miles to the center line of Tennessee Highway 100, being Mile Post 490.63 of the abandoned right-of-way. Said right-of-way is more specifically described as being 50 feet in width on either side of the center line of the Illinois Central Railroad Company's main track in Hardeman County and is the southernmost .97 miles of the portion of that right-of-way which the Illinois Central Railroad Company quit claimed to Transferor, NWI Land Management Corp., by deed dated April 28, 1989 and recorded in Deed Book 41, page 3 in the Register's Office of Hardeman County, Tennessee.

There is excepted and excluded from this Quit Claim Deed all the coal, oil, gas and other minerals underlying the premises and all rights and easements in favor of the owner of the mineral estate or any party claiming, by, through, or under said estate.

The purpose of this Quit Claim Deed is to quit claim all of Transferors' interest in that abandoned Illinois Central Railroad Company right-of-way which is contiguous with or encompassed by the First, Second, Third, Fourth, Fifth and Sixth tracts of land that were deeded to the Transferees by T. J. Keller, Jr., Marvin E. Keller, Joe M. Keller, Ruth K. Clutts and Sarah K. McNeil on the 17th day of September, 1977.

North 22 poles; thence East 10° South 12 poles; thence East 12° North 10 poles; thence East 15° South 34 poles; thence East 87° South 14 poles; thence South 39° East 16 poles; Thence East 27° South 8 poles; thenceEast 8° North 16 poles; thence East 34° North 8 poles; thence North 36° East 6 poles to Ragan's corner; thence North 40° East 12 poles; thence East 35° North 16 poles; thence North 37° 8 poles; thence North 23½° East 9 poles to a point 14 poles East of T. J. Keller's South East corner; thence West to and with the old boundary line 178 poles to the beginning, containing 18 acres, more or less.

Being the same tract of land conveyed by J. S. Anderson and wife, Hattie Anderson, to T. J. Keller, by deed dated March 14, 1913, of record in Deed Book Y-Y, page 575 of the Register's Office of Hardeman County, Tennessee.

FOURTH TRACT: Beginning at a black oak stump with black oak, chestnut and hickory pointers, the South east corner of Entry No. 77 for 200 acres in the name of Samuel Murdaugh, runs thence East 12 poles to a stake in a field; thence South 45 poles to a stake in a swamp with gum and elm pointers, the Southwest corner of 200 acres granted to B. M. Hillhouse by the State of Tennessee; thence with the south boundary of the same East 174 poles to a stake with black oak and post oak pointers, the southeast corner of the same; thence with its east boundary line North 95 poles to a black oak sapling, black oak and post oak pointers; thence West 84 poles to a stake on the Illinois Central Railroad; thence with said Illinois Central Railroad South 57° West 66 poles to a stake on same; thence West 44 poles to a stake, white oak, black oak and dogwood pointers on the west boundary line of said 200 acres granted to B. M. Hillhouse; thence with the same South 15 poles to the beginning, containing 91-3/8 acres, more or less.

Being the same tract of land conveyed by J. L. Hillhouse and wife, Maggie Hillhouse, to T. J. Keller, by deed dated March 1, 1905, of record in Deed Book Q-Q, page 426 of the Register's Office of Hardeman County, Tennessee.

Deed Book
J17 Pg 177

continued on page 2

FIFTH TRACT: A parcel of land containing two tracts in the 8th Civil District of Hardeman County, Tennessee, said tract containing about 40 acres, and consisting of a house and lot of about 5 acres, and 35 acres adjoining thereto, and bounded on the north by Keller, on the south by Smith; on the East by Overton; and on the west by I. C. R. R..

Being the same two tracts decreed to T. J. Keller, Sr. by the County Court of HardemanCounty, Tennessee, on or about June 16, 1941, in Cause No. 2021 R. D., styled Ran Marsh, et al. vs. Dorothy Overton, et al. Said two tracts are described as follows: (from Deed Book O-O, page 396, Register's Office).

5-acre tract: Situated in the town of Toone: Beginning at the Northeast corner of a one acre tract deeded to W. F. Robinson by T. J. Ruffin and runs thence with the same north 49° west 13 poles to the north corner of the same; thence north 45° east 13½ poles to a stake; thence south 38° east 12½ poles to a branch; thence down said branch with its meanderings to the beginning.

35 acre tract: Beginning at a stake in the center of a branch 18 poles and 20 links south of the East post of the 2nd Trestle on the I. C. R. R. at Toone and runs thence South 41° East to a stake "Poplar" with white oak and 3 red oak pointers; thence West 58 poles to a stake on west margin of a branch to J. M. Smith's corner; thence with the meanderings of the branch 53° East 21½ poles; 57° east 18 poles; North 4 poles and 20 links to the beginning.

INCLUDED IN THE FIFTH TRACT DESCRIPTION BUT EXPRESSLY EXCLUDED FROM THIS CONVEYANCE is a small strip of land conveyed by the grantors herein, heirs of T. J. Keller, deceased, to W. E. Brown, by deed dated July ____ 1968, of record in Deed Book M-4, page 160, Register's Office of Hardeman County, Tennessee:

Beginning at a stake in the east margin of the I. C. R. R. right-of-way, the northwest corner of the property conveyed to W. E. Brown by deed recorded in Deed Book No. C-4, page360, [redacted] with the I. C. R. R. right-of-way 12 feet to a stake; thence in a southeasterly direction to the northeast corner of the Brown tract mentioned above; thence north 51° west 13 poles with Brown's north boundaryline to the point of beginning.

SIXTH TRACT: Consisting of a tract of 1¼ acres and a tract of ½ acre, making a total of 1-3/4 acres:

Beginning at a stake in the east margin of the Right-of-Way of the I. C. Railway and 96 feet north of the northwest corner of the J. T. Marsh residence (now owned by T. J. Keller), runs in southeasterly direction to a stake in the west boundary line of the Marsh boundary 120 feet from the southeast corner of the A. S. Anderson lot (now owned by J. A. Overton) from which this lot is being transferred; thence in a northerly direction with the line of the said Marsh property to the I. C. Railway Right-of-Way; thence south with the line of said Right-of-Way of said Railway to the point of beginning, upon which lot was situated old residence known as the A. S. Anderson home from 1882 to 1920. The lot herein conveyed containing 1¼ acres, more or less by estimation. The said J. A. Overton retaining one-half acre at the southern end of the old Anderson home [redacted] T. J. Keller by deed dated Sept. 13, 1947, of record in Deed Book S-3, page 187 of the Register's Office of Hardeman County, Tennessee.

Beginning at the N. W. corner of Mrs. J. T. Marsh residence lot, runs in a southeasternly direction to and with her line to the center of a brach; thence in a northeasternly direction to and with the meanders of said branch to the Right-of-way of the Illinois Central Railroad Company; thence south to and with the line of Right-of-way of the said Railroad Company to the beginning corner. Upon which there is situated the residence of the late A. S. Anderson, and containing one and 3/4 acres, more or less.

There is in the above description but excluded from this conveyance a lot on the north end which has been deeded to W. M. Bridges which deed is of record in Deed Book P-3, page 459, Register's Office of Hardeman County, Tennessee. Leaving about ½ acre, more or less, on the south end of the lot.

Being the same lot conveyed by Max Frost and wife, Evelyn Frost, to T. J. Keller, by deed dated Nov. 9, 1948, of record in Deed Book T-3, page 43 of the Register's Office aforesaid.

Railroad Property from 100 to Ned Leathers
Deeded by MWI Land Management
Recorded in deed book J-14 Page 103
11/12/91

D08-034-020.00/
D08-034-020.002

All that part of the 100 foot wide right-of-way of the Illinois Central Railroad Company's abandoned Central District commencing at the center of a ditch underlying a railroad bridge located at Mile point 491.6 of said abandoned right-of-way in the Town of Toone and running northward along the meander of said abandoned right-of-way approximately .97 miles to the center line of Tennessee Highway 100, being Mile Post 490.63 of the abandoned right-of-way. Said right-of-way is more specifically described as being 50 feet in width on either side of the center line of the Illinois Central Railroad Company's main track in Hardeman County and is the southernmost .97 miles of the portion of that right-of-way which the Illinois Central Railroad Company quit claimed to Transferor, NWI Land Management Corp., by deed dated April 28, 1989 and recorded in Deed Book 41, page J in the Register's Office of Hardeman County, Tennessee.

There is excepted and excluded from this Quit Claim Deed all the coal, oil, gas and other minerals underlying the premises and all rights and easements in favor of the owner of the mineral estate or any party claiming, by, through, or under said estate.

The purpose of this Quit Claim Deed is to quit claim all of Transferors' interest in that abandoned Illinois Central Railroad Company right-of-way which is contiguous with or encompassed by the First, Second, Third, Fourth, Fifth and Sixth tracts of land that were deeded to the Transferees by T. J. Keller, Jr., Marvin E. Keller, Joe M. Keller, Ruth K. Clutts and Sarah K. McNeil on the 17th day of September, 1977.

Supplemental #1
December 20, 2017
10:09 am

Deed from Frost
Deed Book M6 438 008- 034I-B-012
7/30/76
Lot No. 76 on plan of Town of Toone on the north side of Brown Street: BEGINNING at a stake, the S.E. corner of S. B. Redfearn's estaet, runs thence east 2 poles to a stake, a corner of Vernon alley; thence with same alley south 41 deg. E. 207.5 feet to a stake, corner of Brown Street and said alley; thence with Brown Street south 49 deg. W. 93 feet to Williams Street; thence with said N. 41 deg. W. 143.5 feet to a stake; thence to the beginning.

Deed from First Tennessee Bank and James B. Keller Co., Trustees of Keller Trust dated 6/23/95
Deed Book Q15 163

Map 041, Parcel 1.02
Beginning at a stake ½ poles east of the southwest corner of the ½ acre lot sold by us to F.P. Yarbrough, runs thence south 9.5 poles to a stake in edge of an old road bed; thence South 70 degrees East 7 poles to a stake on Archie keller's west boundary line; thence north 13 poles to a stake; thence South 87 degrees West 6 poles to the beginning, containing 15/32 acres, more or less

Map 034I, Parcel 5
Beginning at a stake in the southeast corner, and runs West 8 degrees North 190 feet to a stake; thence North 21 degrees East 180 feet to a stake; thence West 11 degrees North 314 feet to a stake on bank of ditch; thence South 15 degrees East 134 feet to a stake; thence West 31 degrees South 2243 feet to the beginning, containing about 1-3/4 acres, more or less and known as the Potter Shop lot.

Map 041, Parcel 1.02
Beginning at a stake on the east margin of Illinois Central Railroad right of way near the north end of the curve trestle south of the Town of Toone; thence South 56.5 degrees East 74 poles to a forked post oak standing on the west boundary line of Wesley Deming land; thence South 8.5 degrees West with the same about 74 poles to the north boundary line of Nannie Buckner's land; thence with the east margin of the said road in northerly direction to the beginning, containing 30 acres, more or less.
And
Beginning at a post oak, the northeast corner of L.M. Bray's land on the west boundary of C.W. Deming's land and runs thence north 46 poles to a white oak on the said C.W. Deming boundary; thence south of west 22-4/11 poles to an elm; thence south of west 17-4/11 poles to a post oak on the east boundary of L.M.Bray's land; thence south of east 39.5 poles to the beginning, containing 3.5 acres, more or less.

Supplemental #1
December 20, 2017
10:09 am

First Tennessee Bank to Keller
11/24/93
F15 Page 111 D08-034I-C-005

BEGINNING at a R.R. spike in the south margin of Denmark alley and the west margin of Vernon alley, runs thence North 48° 50′ East 104.9 feet with the south margin of Denmark alley to a R.R. spike in the west margin of Hwy. 138, thence South 41° 10′ East 98.5 feet to a R.R. spike, being the Northeast corner of parcel #6, continuing on South 41° 10′ East 75 feet to a R.R. spike in the south edge of Hwy. #138, thence South 46° 06′ West 105.0 feet to a R.R. spike in Hwy. #138, thence North 41° 10′ West 75 feet to a P.K. nail, being the Northwest corner of parcel #6, thence continuing on North 41° 10′ West 103.5 feet with the east margin of Vernon alley to the point of beginning containing 18,470 square feet.

Per Certificate of Survey by L. Wayne Yates, R.L.S. #486, Bolivar, Tennessee, dated June 7, 1993.

Keller Homes to Keller
5/27/61
A4 392

Lot 1- One brick store building and lot being in the Town of Toone, County of Hardeman, being a part of lots 69 and 71 in block #3 on the plat of the said town of Toone, fronting 21 feet on Main Street and running back 62 feet to lot No. 67 owned by G. H. Pirtle and wife and bounded on the S. E. by lot now owned by Overton Bros; on N. W. by W. R. Keller's lot recorded in Book G-3, page 371, Register's Office of Hardeman County, Tennessee.

Lot 2- Being the S. E. part of lots 69 and 71 in Block #3 on the plat of said Town of Toone, fronting 23½ feet on Main Street and runs back with Denmark Alley 62 feet to lot No. 67 owned by Atlas Knott, the N. W. line of said lot; runs through the center of the partition wall between the brick store herein conveyed and the storehouse sold to John A. Overton, and it is agreed that one-half of the said partition wall is included in the sale.

It being the same lots conveyed to W. F. Overton by County Court Sale, Cause No. 1975 R. D., March 6, 1936. The grantees herein having inherited the same from the said W. F. Overton.

And being the same lots conveyed by Eunice Overton, widow, and Sarah Overton Smith and John William Overton, only children and heirs-at-law of W. F. Overton, dec'd. to Keller Homes, Inc., by deed dated Feb. 25, 1956, of record in Deed Book X-3, page 437 of the Register's Office of Hardeman County, Tennessee.

Lot 3- In Block No. 3, and being a part of Lots Nos. 69 and 71. Fronting 21½ feet on Main Street and runs back 62 feet and bounded on the north by Russell Keller, formerly A. W. Knott; on the south by Main Street; east by Keller Homes, Inc. (the above lots), formerly Overton; and west by A. C. Keller, Jr., formerly W. R. and M. L. Keller.

Deed Book
J17 Pg 181

Supplemental #1
December 20, 2017
10:09 am

Archie Keller to Keller
1/2/61
A4 234

On the west by Brown Street; south by Main Street; east by balance of Nos. 69 and 71; owned by J. L. Keller and M. R. Keller; on the north by lot No. 67, owned by Atlas Knott, deceased, and is part of Lots Nos. 69 and 71, and fronts Main Street, running back with Brown Street 62 feet.

It being the same lot conveyed to M. L. Keller by W. J. and G. L. Bradford on December 22, 1908, the said M. L. Keller having conveyed one-half undivided interest in said property to W. R. Keller, as shown of record in Book A-3, page 418, of the Register's Office of Hardeman County, Tennessee.

There is also included in this conveyance an undivided one-half interest in a certain brick wall and the land on which the said wall stands and is described as follows:

Situated on Lots Nos. 69 and 71, in Block No. 3, on the plat of said town and is the division wall between the store house of the said J. L. and W. R. Keller, and the blacksmith shop owned by W. R. and M. L. Keller fronting Main Street, and runs back across Lots 69 and 71 to Lot No. 67 in said Block No. 3 owned by Atlas Knott, deceased, and is two stories high.

Being the same conveyed by J. L. Keller and W. R. Keller to M. L. Keller, as shown of record in Book A-3, page 204, of said Register's Office.

C.R. Keller et ux to Keller
10/3/61
A4 504

Bounded on the North by Brown Street; on the East by Pipkin Street; on the South by Denmark Alley; and on the West by Albert L. Keller; It being all of Lot No. 67, in Block 3, in Town of Toone, Tennessee, fronting 31 feet on Brown Street, as described in the plat of the said Town of Toone.

Keller Homes to Keller
8/17/64
C4 404

Being lots 3, 5 and 7 of Block 1 of the plat of the Town of Toone, Tennessee, and being the property belonging to F. P. Yarbrough at the time of his death and bought by him by deeds of record in the Register's Office of Hardeman County, Tennessee, as found in deed Books LL, page 147, KK, page 261 and OO, page 128. Said property herein conveyed being 45½ feet front by 62 feet deep on which there is located a 2 story brick storehouse building and 1/4th interest in said property having been deeded to the said J. M. Yarbrough and wife, Rosa Yarbrough on June 1, 1937 by Mrs. Freddie Oliver and brother, Luther Mercer, now residents of the State of California.

Deed Book
J17 Ps 182

Burkhead to Keller
4/6/68
H4 190

Situated in Block No. 1 and bounded on the north by a lot that was deeded to E. Y. Burkhead by Mary F. Anderson, Ophelia A. Williams, and Hattie A. Sweeney, bounded on the east by Albert L. Keller's lot known as the old asaloon lot; on the south by Albert L. Keller known as F. P. Yarbrough building; West by Denmark alley, fronting thirty one (31) feet on said Denmark alley and runs 46½feet deep.

James Keller et ux to Keller
3/23/66
D4 542

It is known as Lot No. 9, in Block No. 1 in the plat of said Town of Toone, Beginning at the south east corner of W. H. Tate's lot, now owned by Dr. T. B. Bradford, fronting the I.C.Railway grounds 38-1/3 feet to the center of the brick wall on the south west side of the lot herein described and conveyed, and the Northeast boundary of the lot now owned by G. A. Black, runs thence, through the center of brick wall 46½ feet to a stake; thence northwest 38-1/3 feet to a stake on a lot, now owned by Dr. T. B. Bradford, thence northeast 46½ feet to the beginning, being the lot conveyed to G. A. Black by George Bradford and wife, A. C. Bradford on the 7th day of July, 1909 and also 7-1/3 feet of Lot No. 5 now owned by G. A. Black.

To have and to hold to them the said Albert L. Keller and wife Alice V. Keller, their heirs and assigns forever, with appurtenances and all interest thereunto belonging, including and excluding 1/2 interest in a part of Lot No. 9.

Beginning at the southeast corner of W. H. Tate's lot now owned by Dr. T. B. Bradford and runs west with same 46-1/2 feet; thence south 4 feet; thence east 46-1/2 feet; thence north 4 feet to the beginning, also a space of 4 feet inside of the brick building at the Northwest corner for the purpose of constructing a stairway to the hall above.

Also the major part of the second story, which is more fully described in a deed to Hickory Camp No. 219 W.O.W. by G. A. Black, in Record Book UU, Page 173 in Register's Office, Hardeman County, Tennessee.

Leathers to Keller
1/6/68
G4 141

Beginning at a point in the center of the brick wall of a store building conveyed by G. A. Black Sr. and wife to C. R. Keller then to James F. Keller then to Albert L.Keller and Wife, Alice V. Keller, it being the S.E. corner of said Keller's building, and runs with the center of said brick wall in a westerly direction 46½ feet; thence in a southerly direction 16-2/3 feet to the center of the wall of the brick building herein conveyed; thence in a easterly direction with the center of said brick wall and with the line of the T.J.Keller Lot 46½ feet to the street or grounds of the Illinois Central Railroad; thence in a northerly direction with said street 16-2/3 feet to the point of beginning.

Supplemental #1

December 20, 2017

10:09 am

McNeil to Keller
1/23/68
G4 236

One lot-Bounded on the east by I. C. Railroad; on the west by Wm. Smith now owned by Yarbroughs; on the north by T. J. Ruffin and now owned by M. R. Kelley and on the south by Main Street 31 feet by 46½ feet, this is known as lot No. 7 in cause No. 1600 R. D. in the County Court of Hardeman County, Tennessee, recorded in Minute Book No. 24, page 202 in the County Court's Clerk's Office at Bolivar, Tennessee.

Beginning at the southwest corner of a lot No. 1 of said plot on the north side of Main Street and known as the Keller lot and runs west 1 foot or six inches under the southwest corner of F. P. Yarbroughs brick building; thence north under said Yarbrough building 37 feet to the corner of same; thence east 12 inches to the west line of lot No. 5; thence south 37 feet with the west line of lots No. 1 and 5 to the beginning. Also a one-half interest in the brick wall of the said F. P. Yarbrough building from the southeast corner north 37 feet to the northeast corner, which was deeded to T. J. Keller by F. P. Yarbrough and wife, Kate Yarbrough April 20th, 1929 Registered in Register's Office, Bolivar, Tennessee May 8, 1929, Recorded in Book No. J-3, page 55.

Beginning at the northeast corner of lot No. 1 owned by T. J. Keller and runs northwest with same 46½ feet to F. P. Yarbrough lot; thence northeast with same 7 feet so as to include one-half of the southwest brick wall of the house now owned by G. A. Black; thence through the center of said wall 46½ feet to front street; thence southwest with same 7 feet to the beginning, this being a part of lot No. 5 in block No. 1 in the plat of the said Town of Toone. It is also understood and agreed that the said T. J. Keller is hereby given the authority and right to build the said west brick wall, as it now stands, to any height he may desire, provided all damage to the rest of the building, if any shall be adjusted. The right and privilege of the said G. A. Black and his heirs or assigns, to use the said wall for a second story room is hereby reserved.

The above land was deeded to Cecil P. Keller by T. J. Keller, as shown of record in Book Q-3, page 582, Register's Office of Hardeman County, Tennessee.

Woodmen of the World to Keller
5/13/68
H4 383

Beginning at the south west corner of E. Y. Burkheads store house lot and the south east corner of block no. one, and runs north east with 43 feet. Thence south west 4 feet to the north east corner of Albert L. Keller brick store house. Thence south east with the outside line of the wall of said brick house 43 feet to the south east corner of the same. Thence 4 feet to the beginning and being a part of lot No. 9 in block no. 1 on the plat of the Town of Toone, Tennessee, also a space 4 feet wide and ten feet long the said space being at the rear end and on the inside next to the back wall of the above named brick house; also the entire south east, north east and north west walls of the second story of said brick store house, measuring from the bottom joists on which is laid the second floor, and upwardto the upper ceiling including the floor and windows and upper ceiling, and also an undivided one half interest into and of the south west wall of the second story of said brick house measured in the same manner as the other wall, conveyed in this deed is measured the undivided one half interest into and of the pitch or top of said brick house from the upper ceiling up to the top of the house, except the outside half of the south west walls and including an undivided one half interest into and of the roof of said house and gutter fixtures of same.

Supplemental #1
December 20, 2017
10:09 am

STATE OF TENNESSEE
COUNTY OF Hardeman

BEFORE ME, a Notary Public in and for said State and County, duly commissioned and qualified, personally appeared ALBERT L. KELLER and wife, ALICE V. KELLER, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same for the purposes therein contained.

WITNESS my hand and notarial Seal at office 12th day of June, 2001.

Lesa Cox
NOTARY PUBLIC

My Commission expires:
4-20-05

Mail Tax Notice to:
Albert L. Keller and Alice V. Keller, Trustees
175 Keller Street
Toone, TN 38381

I, or we, hereby swear or affirm that to the best of affiant's knowledge, information and belief, the actual consideration for this transfer is $-0-.

Albert L. Keller
EXEMPT

New Owner:
Albert L. Keller and Alice V. Keller, Trustees
175 Keller Street
Toone, TN 38381

Subscribed and sworn to before me this 12th day of June, 2001.

Lesa Cox
NOTARY PUBLIC
My Commission expires:

Lily D. Barnes, Register
Hardeman County

Rec #:	12540	Instrument 17804
Rec'd:	76.00	MBk: 49 Ps 861
State:	0.00	
Clerk:	0.00	Recorded
EDP:	2.00	6/14/2001 at 12:15 PM
Total:	78.00	in Deed Book
		J17 Pages 167-185

The lease dated as of April 2014 for a 120 bed nursing facility is noted. However, please clarify if the lease is a ground lease or a turnkey lease.

The lease will be a turnkey lease and will include the land and the building.

Please provide a current fully executed lease for a 67 bed nursing home as described in the application.

A copy of the fully executed lese is attached following this response.

LEASE

THIS LEASE ("Lease" or "Agreement"), dated as of July 19, 2017, is made and entered into by and between HARDEMAN COUNTY REAL ESTATE INVESTORS, LLC, a Tennessee limited liability company ("Lessor"), and CHRISTIAN CARE CENTER OF BOLIVAR, LLC, a Tennessee limited liability company ("Lessee").

W I T N E S S E T H:

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, as hereinafter defined, for the term of this Lease and subject to the terms, covenants, agreements and conditions hereinafter set forth.

1. **Definitions**. The terms set forth below shall have the meanings respectively ascribed thereto, except as otherwise clearly required by the context:

1.1 "Additional Rent" means any and all sums payable by Lessee hereunder other than Base Rent.

1.2 "Agency" means the agency or department of the State of Tennessee or its successor agency or department having authority over the licensure of skilled nursing facilities in Tennessee.

1.3 "Agreement" means this Lease, as in effect from time to time.

1.4 "Base Rent" has the meaning ascribed thereto in Section 4.1 hereof.

1.5 "Facility" means the 67-bed nursing facility located on the Premises.

1.6 "FF&E" means the furniture, fixtures, and equipment located in the Facility on the date hereof.

1.7 "Financing Lease" means any lease of property, real or personal, the obligations of the lessee in respect of which are required in accordance with U.S. generally accepted accounting principles to be capitalized on a balance sheet of the lessee.

1.8 "Guaranty Obligation" means as to any person (the "guaranteeing person"), any obligation of (a) the guaranteeing person or (b) another person (including, without limitation, any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counterindemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third person in any manner, whether directly or indirectly.

1.9 "Hazardous Material" means any hazardous, toxic, or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of the comprehensive Environmental Response, Conservation and Recovery Act (42 of U.S.C. Section 6901 *et seq.*), as amended, or any other federal, state or local law, ordinance, rule or regulation applicable to the Premises, or any substance that is toxic, explosive, corrosive, flammable, infectious, radioactive,

carcinogenic, mutagenic, or otherwise hazardous to the environment or to human health or safety, or any substance which contains gasoline, oil, diesel fuel or other petroleum hydrocarbons or byproducts, polychlorinated bipheyls (PCBs), or radon gas, urea formaldehyde, asbestos or lead.

1.10 "Indebtedness" means, with respect to any person at any date, without duplication, (a) all indebtedness of such person for borrowed money (whether by loan or the issuance and sale of debt securities) or for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), (b) any other indebtedness of such person which is evidenced by a note, bond, debenture or similar instrument, (c) all obligations of such person under Financing Leases, (d) all obligations of such person in respect of letters of credit, acceptances or similar instruments issued or created for the account of such person and (e) all liabilities secured by any Lien on any property owned by such person even though such person has not assumed or otherwise become liable for the payment thereof.

1.11 "Infectious Waste" has the meaning assigned to the term "Biohazardous Waste" as such term is defined in applicable state statutes and rules.

1.12 "Inventory" shall mean the routine supplies located at the Facility.

1.13 "Lease" means this Lease, as in effect from time to time.

1.14 "Lessee" means Christian Care Center of Bolivar, LLC, a Tennessee limited liability company.

1.15 "Lessor" means Hardeman County Real Estate Investors, LLC, a Tennessee limited liability company.

1.16 "Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any Financing Lease having substantially the same economic effect as any of the foregoing), and the filing of any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction in respect of any of the foregoing.

1.17 "Mortgage Loan" has the meaning ascribed thereto in Section 4.1.1 hereof.

1.18 "Permitted Use" means the operation of a skilled nursing facility, the provision of ancillary or other health care items and services to the residents thereof and to members of the community, the provision of adult day care, psycho-social or similar services to members of the community, and any use or activity related to or associated with the operation of a skilled nursing facility, including, without limitation, any activity which, in accordance with accepted commercial practice, may now or hereafter be conducted at a skilled nursing facility, whether or not such activity relates to the provision of services to residents of such facility.

1.19 "Premises" means the property and improvements located at 214 North Water Street, Bolivar, TN 38008 and more fully described in Exhibit A attached hereto and incorporated herein.

1.20 "Property Taxes" shall mean the gross amount of all real estate taxes and governmental assessments attributed to the Premises, less any early payment or other discounts realized, specifically excluding inheritance taxes, gift taxes, transfer taxes, franchise taxes, excise taxes, and income taxes of Lessor.

1.21 "Rent" shall mean the sum of the Base Rent and Additional Rent.

1.22 "Skilled Nursing Facility" shall mean intermediate care and/or skilled care nursing facility.

1.23 "Regulatory Clearances" shall mean (i) receipt by Lessee of notice from the Agency to the effect that upon receipt of evidence of the consummation of the transactions contemplated hereby and commencement of the term of this Lease, the Agency will issue a license authorizing Lessee to operate the Facility as a skilled nursing facility; (ii) receipt by Lessee of all other governmental approvals that are required as a condition precedent for the lawful commencement of the term of this Lease and operation of the Facility by Lessee as a skilled nursing facility.

2. **Lease**. Lessor hereby leases to Lessee the Premises, including the Facility and the FF&E, on the terms and conditions herein provided.

3. **Term and Renewal**. The term of this Lease is Fifteen (15) years and shall commence on September 1, 2017 (the "Commencement Date").

4. **Rent**.

4.1 Base Rent. The base rent hereunder for each month of the term hereof (the "Base Rent") shall be paid by Lessee to Lessor in advance on the seventh (7th) day of each month during the term hereof, and shall be equal to the following::

4.1.1 Debt Service on Mortgage Loan. An amount equal to the payment in respect of principal and interest required to be made by Lessor in such month to its lender under its mortgage loan, if any (the "Mortgage Loan"); *plus*

4.1.2 Debt Service on Improvement Loan. An amount equal to the payment in respect of principal and interest required to be made by Lessor in such month to its lender under its improvement loan, if any (the "Improvement Loan"); *plus*

4.1.3 Debt Service - Other. An amount equal to the payment of principal and interest required to be made in such month in respect of any future debts incurred by Lessor in Lessor's needed renovation, replacements within and/or maintenance of the Facility, and/or in Lessor's expenditures required to maintain the Facility's physical compliance with local, state, and federal regulations; *plus*.

4.1.4 Fixed Return Amount. Only during utilization of the Premises for active delivery of licensed long-term/skilled nursing services, a fixed return amount, which shall be equal to Five Thousand Dollars ($5,000.00) during the Term hereof.

In addition to the foregoing, and included in the Base Rent, Lessee shall pay Lessor an amount in each month equal to any sales tax levied by local and/or state of Tennessee taxing authority on the foregoing, if levied.

4.1.5 Depreciation and Amortization Expense. Plus, only during utilization of the Premises for active delivery of licensed long-term/skilled nursing services, an amount equal to the greater of (a) depreciation and amortization expense incurred by Lessor, in accordance with generally accepted accounting principles (GAAP), less the amount of principal payments included in Sections 4.1.1, 4.1.2, and 4.1.3; or (b) zero.

4.2 Utilities and Property Taxes and Assessments.

4.2.1 In General. Lessee shall be responsible for all charges for the use of electric, gas, telephone, water, sewer, waste disposal, and all other utilities accruing during the Term of this Lease. Lessee shall pay or cause to be paid all Property Taxes attributable or assessed to the Premises accruing during the Term of this Lease. Lessee shall pay same when due with the maximum (real and personal) discount being utilized by Lessee. Lessee shall pay all assessments, whether general or specific, whether certified or pending, and shall pay all fees, costs, and other obligations when due to maintain all licenses to operate the Premises as a skilled nursing facility accruing during the Term of this Lease.

4.2.2 Hold Harmless. Lessee shall protect and hold Lessor and the Premises harmless from liability from any and all of the foregoing taxes, assessments, and charges, together with any interest, penalties, or other sums thereby imposed and from any sale or other proceeding to enforce payment thereof.

4.2.3 Right to Contest. Lessee shall have the right to contest or review by legal proceedings, as permitted under applicable law, any assessed valuation, real estate tax, or assessment. Lessor shall, if so requested by Lessee, join in any proceeding to contest or review such taxes or assessments at Lessee's cost and expense including reasonable attorney's fees. Should any of the proceedings result in reducing the Property Taxes for the Premises, Lessee shall be entitled to receive all refunds paid by the taxing authorities.

4.2.4 Limitation. Nothing contained in this Lease requires, or shall be construed to require Lessee, to pay any gift, estate, inheritance, or other tax assessed against Lessor, its heirs, successors, or assigns, or any income or other tax, assessment, charge, or levy on the rent payable by Lessee under this Lease to Lessor with the exception of Tennessee sales tax due, if any.

4.3 Additional Provisions.

4.3.1 Form and Manner of Payment. All sums due and payable pursuant to the terms and provisions of this Lease shall be paid by Lessee in lawful money of the United States of America. In addition, all such sums shall be paid to Lessor, and payment to Lessor shall

fully discharge Lessee with respect to the amount so paid, Lessee having no liability or responsibility with respect to the allocation or distribution of any such payment between the owners of Lessor.

5. Use of Premises; Maintenance; Alterations; Mechanic's Liens.

5.1 Use of Premises. The Premises shall be used in accordance with the Permitted Use and for no other purposes. Lessee shall not commit, or suffer to be committed, any waste on the Premises. The Premises shall not be used in any manner to create any nuisance, offensive activity or unsightly condition, nor to vitiate the insurance on the Premises nor violate any rules, regulations, orders, or other obligations of any federal, state, or local government or other agency that may affect in any way the licensing or use of the Premises as a skilled nursing facility. Lessee shall be responsible for obtaining and maintaining all licenses necessary to operate Lessee's business as a skilled nursing facility.

5.2 Renovation and Maintenance. Lessee, by occupancy hereunder, accepts the Premises as being in reasonable repair and condition; provided that Lessor agrees to when and as reasonably needed by the Facility renovate the premises, replace HVAC units, replace resident room furniture, replace the roof, redecorate the Facility, etc., which shall first be recommended and presented to Lessor by qualified building architects, engineers, and interior design consultants (as the case may require) reasonably acceptable to Lessor and Lessee. In the event that any maintenance issue arises that is by its nature Lessor's responsibility and that puts the Facility or any of its residents, employees, or guests in actual or anticipated jeopardy of physical injury or regulatory deficiency, Lessor shall immediately undertake to correct the situation and shall see that it is corrected within ten (10) days of notice of such situation, and, if Lessor fails to do so, Lessee shall have the right to undertake to correct such situation utilizing whatever laborers it, in its sole discretion, deems desirable and shall be expressly permitted to full reimbursement from Lessor for the cost of such correction by a set off in Rent.

Lessee shall routinely maintain the Premises and every part thereof, including the Personal Property, in as good a repair and condition as existed at the Premises on July 21, 2017, damages by causes beyond the control of the Lessee excepted.

Notwithstanding herein to the contrary, Lessor agrees to indemnify and hold harmless Lessee, its officers, agents, and employees from any loss, cost, damage, expense, attorney's fees, and liability by reason of bodily injury, property damages, or both of whatsoever nature or kind, arising out of or as a result of Lessor's non-compliance with federal, state, or municipal laws, regulations, or codes pertaining to Hazardous Substances.

5.3 Alterations. Lessee shall make no structural alterations without the prior approval of Lessor, which approval shall not be unreasonably withheld.

6. Damage or Destruction.

6.1 50% or More of the Replacement Cost. If by fire or other casualty, the Premises are totally destroyed or partially damaged or destroyed to the extent of fifty percent (50%) or more of the replacement cost thereof, Lessor shall have the option of terminating this Lease, or any renewal thereof, by serving written notice upon Lessee within thirty (30) days from the date of the casualty, and any prepaid Rent shall be prorated as of the time of destruction, and any unearned

Rent shall be refunded without interest. Nevertheless, should Lessor elect to repair such damage or destruction, then upon completion of such repairs this Lease shall be reinstated at the option of Lessee. In such event, Lessor shall give written notice to Lessee of the completion of such repair and Lessee shall have thirty (30) days within which to exercise its option to reinstate this Lease by written notice to Lessor, such reinstatement to be effective as of the date specified in such notice from Lessee, but not more than sixty (60) days after the date of such notice.

6.2 49% or Less of the Replacement Cost. If by fire or other casualty, the Premises is damaged or partially destroyed to the extent of forty-nine percent (49%) or less of the replacement cost thereof, then Lessor shall restore the Premises.

6.3 Abatement of Rent. In the event of restoration by Lessor, all Rent thereafter accruing shall be equitably and proportionately adjusted according to the nature and extent of the destruction or damage, pending completion of rebuilding, restoration, or repair. In the event the destruction or damage is so extensive as to make it infeasible for Lessee to conduct Lessee's business on the Premises, the Rent shall be completely abated until the Premises is restored by the Lessor, or until the Lessee resumes use and occupancy of the Premises, whichever shall first occur. The Lessor shall not be liable for any damage to, or any inconvenience or interruption of, the business of the Lessee or any of its employees, agents, or invitees occasioned by the fire or casualty.

6.4 Repair. If the Premises is to be repaired under this Section 6, Lessor shall make such repairs at its cost.

7. **Compliance With Legal Requirements**. Lessor shall, at its sole cost and expense, within reason comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force, or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises, insofar as any thereof relate to or affect the condition, use, or occupancy of the Premises, excluding requirements of structural changes not related to or affected by improvements made by or for Lessee or Lessee's acts.

8. **Assignment and Subletting**. Lessee shall have no right to assign or sublet this Lease without the prior written consent of Lessor.

9. **Entry by Lessor**. Lessor may enter the Premises upon reasonable notice to Lessee to (i) inspect the same, (ii) exhibit the same to prospective purchasers, lenders, or lessees, (iii) determine whether Lessee is complying with all of its obligations hereunder, (iv) supply any services to be provided by Lessor to Lessee hereunder, (v) post notices of non-responsibility, and (vi) make repairs required of Lessor under the terms hereof. Lessee hereby waives any claim for damages for any injury or inconvenience to or interference with Lessee's business, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by such entry.

10. **Events of Default and Lessor's Remedies**. All rights and remedies of the Lessor herein enumerated in the event of a default shall be cumulative, and nothing herein shall exclude any other right or remedy allowed hereunder, at law, or in equity.

10.1 Bankruptcy. If any voluntary or involuntary petition or similar proceeding under any section or sections of any bankruptcy act shall be filed by or against Lessee, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare Lessee insolvent or unable to pay Lessee's debts, and such petition or proceeding is not discharged or dismissed within ninety (90) days after the commencement thereof, then and in any such event Lessor may, if Lessor elects, but not otherwise, and with or without notice of election, forthwith terminate this Lease, and notwithstanding any other provisions of this Lease, Lessor shall forthwith, upon such termination, be entitled to recover damages in an amount equal to the then present value of the Rent, specified in Section 4 of this Lease, for the residue of the stated term hereof less the fair rental value of the Premises for the residue of the stated term hereof.

10.2 Payment, Etc. If the Lessee defaults in the payment of Base Rent or Additional Rent, or in the prompt and full performance of any provision of this Lease, or if the leasehold interest of the Lessee is levied upon under execution or is attached by process of law, or if the Lessee makes an assignment for the benefit of creditors, or if a receiver is appointed for any property of Lessee, or if the Lessee abandons the Premises, and if any such event is not cured within thirty (30) days after notice thereof from Lessor, then and in any such event the Lessor may, if the Lessor so elects, but not otherwise, upon three (3) days' written notice of such election, either forthwith terminate this Lease and the Lessee's right to possession of the Premises or without terminating this Lease, forthwith terminate the Lessee's right to possession of the Premises, but the Lessee shall remain liable for damages as permitted by law, and as provided for herein.

10.3 Surrender. Upon termination of this Lease, whether by lapse of time or otherwise, or upon any termination of the Lessee's right to possession without termination of the Lease, Lessee shall surrender possession and vacate the Premises immediately, and deliver possession thereof to the Lessor, subject, in the case of expiration or termination of this Lease without default by Lessee, to the performance by Lessor of its obligations hereunder in connection with the expiration or termination hereof.

11. Representations and Warranties Lessor. Lessor represents, warrants, and covenants to Lessee, as of the date hereof and as of the Commencement Date, as follows:

11.1 Authority. Lessor has the full legal capacity and authority to enter into, and to perform its obligations under, this Agreement and all other agreements and instruments to be executed by it pursuant to this Agreement. Lessor's execution, delivery, and performance of this Agreement and all other agreements, instruments, and certificates to be executed by it pursuant to this Agreement have been duly authorized by all necessary company actions and will not violate any provision of Lessor's charter documents, including its articles of incorporation or organization, its bylaws or operating agreement, or other similar documents. This Agreement is, and the other documents to be delivered by Lessor (when executed and delivered by it) will be, valid and enforceable obligations of the Lessor, binding in accordance with their terms.

11.2 Organization. Lessor is, and on the Commencement Date will be, a duly organized, validly existing Tennessee limited liability company in good standing with the legal power to own and operate its properties and assets and to carry on its intended business. Lessor has complied with all provisions of its charter documents.

11.3 Title. Lessor has good and marketable fee simple title to the Premises subject to easements, restrictions, limitations, and encumbrances of public record and the lien of the Mortgage Loan and the Improvement Loan.

11.4 No Condemnation Proceedings. There is no pending or, to the knowledge of Lessor, threatened condemnation or similar proceeding affecting the Premises or any portion thereof, and Lessor has not received any written notice, and has no knowledge, that any such a proceeding is contemplated.

11.5 Use. There are no restrictions, recorded or unrecorded, or existing rules, regulations, laws, ordinances, or orders of any governmental or quasi-governmental authority which would impair Lessee's use of the Premises for the Permitted Use. Lessor has no knowledge of any judicial or administrative action, or any action by adjacent landowners, that has not been disclosed in writing to Lessee and that would prevent, limit, impede, or render more costly the present or any future use of the Premises or the construction of any additions or improvements thereto in compliance with existing laws. Lessor is not aware of any other facts or circumstances that would materially and adversely affect Lessee's use or value of the Premises as a skilled nursing facility.

12. **Representations and Warranties of Lessee**. Lessee hereby represents and warrants as follows:

12.1 Organization. Lessee is a duly organized, validly existing Tennessee limited liability company in good standing with the legal power to own its properties and assets and to carry on its intended business.

12.2 Authorization. Lessee has the full power, legal capacity, and authority to enter into, and to perform its obligations under, this Agreement. Lessee's execution, delivery, and performance of this Agreement and all other agreements and instruments to be executed by it pursuant to this Agreement have been duly authorized by all necessary company actions. This Agreement is, and the other documents to be delivered by Lessee pursuant hereto (when executed and delivered by it) will be, valid and enforceable obligations of Lessee, binding on Lessee in accordance with their terms.

13. **Additional Covenants of the Parties**.

13.1 Governmental Approvals. To the extent not already accomplished, Lessee shall, promptly after the execution of this Agreement, submit to the Agency an application for an inactive license in the name of Lessee, to authorize Lessee to operate the Facility, and, when appropriate, applications for approval as a provider under the Medicare and Medicaid Programs. Thereafter, Lessee shall use reasonable efforts to pursue and/or maintain the issuance of such license and approvals. Lessor shall cooperate with and assist Lessee in the pursuit of such inactive and active licenses and approvals as requested by Lessee from time to time (both before and after the Commencement Date).

13.2 Maintenance of Existence, Etc. During the term of this Lease, Lessor shall maintain intact its entity existence, and, including with respect to its assets, shall not liquidate or dissolve, or enter into any merger, consolidation, or similar transaction (regardless of the survivor), or acquire or be acquired by any person or entity, except with the written consent of Lessee.

13.3 Loan Guarantee Fee. If either party hereto guarantees the repayment of a loan made to the other party, the party making the guaranty shall be entitled to an annual loan guarantee fee, payable on December 31st of each calendar year, in the amount of One Percent (1%) of the highest amount of debt so guaranteed during the preceding calendar year.

13.4 Purchase at Termination. On the expiration or termination of this Lease for any reason, Lessee shall sell, and Lessor shall purchase: (i) all leasehold improvements of the Premises made by or at the expense of Lessee (other than through payments of Rent hereunder); (ii) all furniture, fixtures and equipment then located at the Facility and purchased and owned by Lessee; and (iii) all supplies inventory then located at the Facility which has been purchased by Lessee. The purchase price for the foregoing shall be an amount equal to the net book value thereof as of such expiration or termination, as shown on the books of Lessee prepared in accordance with generally accepted accounting principles, and shall be paid in immediately available funds within thirty days of the date of such expiration or termination.

13.5 Operation by Lessee. Lessee hereby covenants and agrees to use best efforts to maintain the Premises and the Facility free and clear of all claims, actions, suits, or other proceedings which could affect the Facility's ability to operate as a skilled nursing facility during the term of this Lease. Lessee agrees to maintain the use of the Property and shall comply with all environmental laws. Notwithstanding the foregoing, Lessee shall not have any liability for violations of environmental laws that do not result from acts or omissions of Lessee.

13.6 Medicare, Medicaid Requirements. Lessee, when actively providing within the Premises long-term/skilled nursing services, hereby covenants and agrees to use its best efforts to maintain and comply with all applicable Medicaid and Medicare requirements or other Agency requirements, to maintain the Premises and its licenses and permits, to operate a skilled nursing facility upon the Premises, to comply with all rules and regulations as they may relate to residents and/or resident trust funds and to maintain such licenses and permits in good standing throughout the Term of this Lease. All Medicare and Medicaid cost reports, if any, required to be filed by Lessee shall be accurately completed in all material respects and timely filed. Any pending statement of deficiencies related to the Premises or the Facility after the Commencement Date issued by any agency shall be complied with in a timely manner.

13.7 Transfer of Licenses, etc. On the expiration or earlier termination of this Lease for any reason, Lessee (its successors, assigns, agents, trustees or receivers) shall transfer and relinquish to Lessor or Lessor's nominee and cooperate with Lessor or Lessor's nominee in connection with the processing by Lessor or such nominee or all licenses, operating permits, operating rights, certificates of need and other regulatory clearances or matters, including without limitation, a Certificate of Need, the Facility license, and any other contracts with governmental or quasi-governmental entities which may be necessary or appropriate for the operation of the Premises and Facility by Lessor or such nominee; provided that the costs and expenses of any such transfer or the processing of any such application shall be paid by Lessor or Lessor's nominee or assigns. Any such permits, licenses, certificates and/or contracts which are held in Lessor's name at the execution of this Lease or in the name of any lessee of Lessor at the termination of the Lease shall remain the property of Lessor, and Lessee is strictly prohibited from transferring the license to or having a new license issued at a location other than the Premises.

14. Conditions to Lessee's Obligations. The obligations of Lessee from and after the Commencement Date are subject to the following conditions, any one or any of which may be waived by Lessee:

14.1 Representations and Warranties. The representations of Lessor contained in this Agreement shall be true and accurate in all material respects on and as of the Commencement Date as if made on and as of the Commencement Date.

14.2 Absence of Adverse Changes. There shall not have occurred any material adverse change affecting the Facility or the use or operation thereof by Lessee after the Commencement Date.

14.3 Litigation. No litigation shall be pending or threatened that seeks to prevent the transactions contemplated hereby or damages from Lessor or Lessee in relation thereto.

15. Conditions to Lessor's Obligations. The obligations of Lessor from and after the Commencement Date are subject to the following conditions, any one or any of which may be waived by Lessor:

15.1 Representations and Warranties. The representations of Lessee contained in this Agreement shall be true and accurate in all material respects on and as of the Commencement Date as if made on and as of the Commencement Date.

15.2 Litigation. No litigation shall be pending or threatened that seeks to prevent the transactions contemplated hereby or damages from Lessor or Lessee in relation thereto.

16. Failure of Conditions. In the event that there is a material failure of any of the conditions to the obligations of a party hereunder, which is not waived by such party, then such party may terminate and abandon this Lease by written notice to the other party, and in the event of such termination neither party shall have any further liability or obligation under this Lease to the other party hereto.

17. Lessor's Right to Cure Defaults. All agreements and provisions to be performed by Lessee under any of the terms of this Lease shall be at its sole cost and expense and without any abatement of rental. If Lessee shall fail to pay any sum of money, other than the Rent, required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder, Lessor may, but shall not be obligated to, and without waiving or releasing Lessee from any obligations of Lessee, make any such payment or perform any such other act on Lessee's part to be made or performed as in this Lease provided. All sums so paid by Lessor and all necessary incidental costs shall be deemed Additional Rent hereunder and shall be payable to Lessor upon demand, and Lessor shall have (in addition to any other right or remedy of Lessor) the same rights and remedies in the event of the non-payment thereof by Lessee as in the case of default by Lessee in the payment of rental.

18. Eminent Domain. The terms "eminent domain," "condemnation," "taking" and the like in the following paragraphs include takings for public or quasi-public use and private purchases in place of condemnation by any authority authorized to exercise the power of eminent domain.

If the entire Premises or the portions of the Premises required for reasonable access to, or reasonable use of, the Premises are taken by eminent domain, the Lease shall automatically end on the earlier of:

(i) the date the title vests in the condemning authority; or

(ii) the date Lessee is dispossessed by the condemning authority.

If the taking of a part of the Premises materially interferes with Lessee's ability to continue its business operations in substantially the same manner, the Lease shall automatically end on the earliest of:

(i) the date when title vests;

(ii) the date Lessee is dispossessed by the condemning authority, or

(iii) sixty (60) days following notice to Lessee of the date when vesting or dispossession is to occur.

If there is a partial taking and the Lease continues, then the Lease shall end as to the part taken, and the Rent shall abate in proportion to the part of the Premises taken and Lessee's pro rata share shall be equitably reduced.

Lessee shall be permitted to make its own claim with the condemning authority for the value of its leasehold improvements and for the value of the unexpired term of the Lease.

19. No Merger. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor terminate all or any existing subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any or all such subleases or subtenancies.

20. Waiver. The waiver by Lessor or Lessee of any agreement, condition, or provision herein contained shall not be deemed to be a waiver of any subsequent or further breach of the same, or any other agreement, condition, or provision herein contained, nor shall any custom or practice that may arise between the parties in the administration of the terms hereof be construed to waive or to lessen the right of Lessor or Lessee to insist upon performance in accordance with said terms. The subsequent acceptance of Rent or Additional Rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any agreement, condition, or provision of this Lease, other than the failure of Lessee to pay the particular Rent or Additional Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Rent or Additional Rent.

21. Notices. All notices and demands that may or are required to be given by either party to the other hereunder shall be in writing and shall be deemed to have been fully given when deposited in the United States Mail, certified or registered, postage prepaid, or with a nationally recognized overnight courier, and addressed as follows: to Lessor, at 2020 Northpark, Suite 2D, Johnson City, TN 37604, Attention: General Counsel, or at such other place as Lessor may from time to time designate in writing to Lessee; to Lessee, at 2020 Northpark, Suite 2D, Johnson City,

Tennessee 37604, Attention General Counsel, or at such other place as Lessee may from time to time designate in writing to Lessor.

22. **Estoppel Certificate**. At any time and from time to time, but on not less than ten (10) days' prior written request by Lessor, Lessee will execute, acknowledge, and deliver to Lessor and any Mortgagee, promptly upon request, a certificate certifying (i) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification), (ii) the date, if any, to which Rent, Additional Rent, and any other sums payable hereunder have been paid, (iii) that no notice has been received by Lessee of any default that has not been cured, except as to defaults specified in said certificate, and (iv) such other matters as may be reasonably requested by Lessor. Any such certificate may be relied upon by a prospective purchaser or mortgagee of the Premises or any part thereof.

23. **Holding Over**. If, without objection by Lessor, Lessee holds possession of the Premises after the expiration of the term of this Lease, Lessee shall become a Lessee from month to month, upon the terms herein specified. Each party shall give the other written notice at least one (1) month prior to the date of termination of such monthly tenancy of its intention to terminate such tenancy. This Section shall in no way be deemed to give Lessee any right whatsoever to hold possession of the Premises after the expiration of the term hereof.

24. **Insurance**.

24.1 Lessee hereby agrees to use its best efforts to maintain in full force and effect at all times during the Term of this Lease, at its own expense, for the protection of Lessee and Lessor, as their interest may appear, policies of insurance issued by a responsible carrier or carriers that offer the following coverages:

(i) Comprehensive General Liability Insurance in an amount not less than $1,000,000 per claim and in the aggregate, and also, but only during utilization of the Premises for active delivery of licensed long-term/skilled nursing services, Professional Liability Insurance in an amount not less than $1,000,000 per claim and $3,000,000 in the aggregate;

(ii) Fire and Extended Coverage, Vandalism and Malicious Mischief (where applicable) insurance, to cover all the Premises; and

(iii) Worker's Compensation as required by Tennessee law; and

(iv) Business Interruption Insurance.

24.2 Lessee shall deliver to Lessor at least thirty (30) days prior to the time such insurance is first required to be carried by Lessee, and thereafter at least thirty (30) days prior to expiration of such policy, Certificates of Insurance evidencing the above coverage. Such Certificates shall name Lessor as an additional insured. Further, all Certificates shall provide that no less than thirty (30) days' prior written notice shall be given Lessor in the event of a material alteration to, or cancellation of, the coverages evidenced by such Certificates.

25. Quiet Enjoyment. Subject to the terms of this Lease and provided Lessee pays the Rent, Additional Rent, and any and all other sums due and payable hereunder, and performs all of the covenants and agreements herein contained, Lessee shall and may peaceably have, hold, and enjoy the Premises for the Term hereof.

26. Entire Agreement. There are no oral agreements between Lessor and Lessee affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements, and understandings, if any, between Lessor and Lessee or displayed by Lessor to Lessee with respect to the subject matter of this Lease. There are no representations between Lessor and Lessee other than those contained in this Lease.

27. Revision of Lease; Alteration. This Lease shall not be altered, changed, or amended except by an instrument in writing signed by both parties hereto.

28. Miscellaneous. The words "Lessor" and "Lessee" as used herein shall include the plural as well as the singular. Time is of the essence of this Lease and each and all of its provisions. Submission of this instrument for examination or signature by Lessee does not constitute a reservation of or option for Lease, and this instrument is not effective as a lease, or otherwise, until execution and delivery by both Lessor and Lessee. The agreements, conditions, and provisions herein contained shall, subject to the provisions herein as to assignment, apply to and bind the heirs, executors, administrators, successors, and assigns of the parties hereto. If any provision of this Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Lease, and all such other provisions shall remain in full force and effect. This Lease shall be governed by and construed pursuant to the laws of the State of Tennessee. The captions used herein are provided only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Lease or the intent of any provision thereof.

29. Liability for Previous Operations and Indemnification. Lessor shall indemnify and hold Lessee and the managers, directors, officers, shareholders, members, employees, and agents of Lessee harmless from all loss, costs, and expense, including reasonable attorneys and paralegals fees at all levels of proceeding, including appeals, resulting from claims asserted against Lessee relative to Lessor's previous operation of the facility prior to Commencement Date of this Lease. Lessor shall be responsible for but not limited to, insured and uninsured claims, personal injury, medical malpractice or other tort claims and any and all claims against the Lessee by any person, firm, entity or governmental agency relating to Lessor operations prior to the Commencement Date of this Lease. Lessor shall be liable for, and shall make prompt payment to Lessee of any charge backs or audit adjustments, etc. related to third party payor programs, including Medicare and Medicaid for periods prior to the Commencement Date of this Lease.

30. Schedules and Exhibits. The schedules, exhibits and addenda, if any, attached to this Lease are by this reference made a part hereof.

IN WITNESS WHEREOF, the parties have executed this Lease on the respective dates indicated below:

Supplemental #1
December 20, 2017
10:09 am

LESSEE

CHRISTIAN CARE CENTER OF BOLIVAR, LLC

By: Anita West
Name:

Date of Execution
By Lessee: 7-20-17

LESSOR

HARDEMAN COUNTY REAL ESTATE INVESTORS, LLC

By:
Name: J.R. Lewis, Chief Manager

Date of Execution
By Lessor: 7-20-17

EXHIBIT A

DESCRIPTION OF THE PREMISES

What party is responsible for the construction of the proposed 67 bed nursing home and where is that documented?

The building will be constructed by Hardeman County Real Estate Investors, LLC. This is documented by the fact that one of the funding letters is directed to Hardeman County Real Estate Investors, LLC for construction funds, and by the fact the lease is from Hardeman County Real Estate Investors, LLC as landlord and Christian Care Center of Bolivar as Tenant.

5. **Section B, Need, Item A (Specific Criteria –Construction, Renovation, Expansion, and Replacement) 2.a. Page 14**

   It is noted in the 2016 Joint Annual Report the current Pleasant View Health Care was built in 1953 with a major renovation in 2005. Please indicate if there have been any additions since 1953 and describe the major renovation that occurred in 2005.

   The information the applicant was provided by the former owner does not match up with what was reported in the JAR.

   According to the previous owner the original structure (not a nursing home construct) was built in 1955 with 11,706 sq. ft. An addition was added in 1986, a wing consisting of 2,664 sq. ft. Another wing was added in 1991 consisting of 2,442 sq. ft., and a detached laundry facility consisting of 800 sq. ft. was added in 2007.

   It should be noted all of this is on approximately 1.572 acres of land that literally sits within 40-50 ft. of a major road. The acreage size leaves no room for growth, parking for family, employees, etc. There have been no updates to the original construct which is the major portion of the facility since 1955 other than roof, flooring, windows, wall covering.

6. **Section B, Need, Item A (Specific Criteria –Construction, Renovation, Expansion, and Replacement) 2.b. Page 15**

   It is noted Pine Meadows Healthcare and Rehabilitation Center is located in Hardeman County. According to the 2016 Joint Annual Reports, what is the age of Pine Meadows Healthcare and Rehabilitation Center and has there ever been a major renovation of the nursing home?

   According to the 2016 Joint Annual Report, the original date of construction is 1974. There have been no major renovations to the facility.

Please discuss the square footage in the current private and semi-private rooms and how it compares to the square footage of the proposed private and semi-private rooms.

Current Facility:

Private Rooms:	100 sq. ft.
Semi-private Rooms:	192 sq. ft.

Proposed Replacement Facility:

Private Rooms:	230 sq. ft.
Semi-private Rooms:	314 sq. ft.

7. **Section B, Need Item 4.A, Page 22**

Your response to this item is noted. Using population data from the Department of Health, enrollee data from the Bureau of TennCare, and demographic information from the US Census Bureau, please revise the table in question 4.A. to reflect 2017 (Current Year) and 2021 (Projected Year).

The standards and criteria for Nursing Home Beds in the State Health Plan direct that the planning horizon is two years. That is why the current year is 2017 and the projected year is 2019 as reflected in the table. Those are also the current and projected years on the Department of Health's Bed Need Calculation Table which is Attachment B, Need, 1 (1) to the application.

A second table with the information requested is attached following this response.

Supplemental #1

December 20, 2017

10:09 am

Demographic Variable/ Geographic Area	Department of Health/Health Statistics							Bureau of the Census				TennCare	
	Total Population-Current Year (2017)	Total Population-Projected Year (2021)	Total Population-% Change	*Target Population (65+)-Current Year	*Target Population-Project Year	*Target Population-% Change	Target Population Projected Year as % of Total	Median Age	Median Household Income	Person Below Poverty Level*	Person Below Poverty Level as % of Total	TennCare Enrollees	TennCare Enrollees as % of Total
Hardeman County	27,287	27,274	-0.05%	4,774	5,272	10.43%	19%	39.8	$31,801	6,767	24.8%	6,904	25.3%
Primary Service Area Total	27,287	27,274	-0.05%	4,774	5,272	10.43%	19%	39.8	$31,801	6,767	24.8%	6,904	25.3%
State of TN Total	6,887,572	7,188,358	4.37%	1,133,025	1,314,803	16.04%	18%	38.4	$45,219	1,212,213	17.6%	1,565,932	22.7%

*The Census Bureau website does not provide the number of persons below poverty level. The totals in this column are calculated by percentage of below poverty level in 2015 divided by total population in 2017.

Sources: http://www.tn.gov/health/article/statistics-population; http://www.tn.gov/tenncare/topic/enrollment-data; http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml

Supplemental #1
December 20, 2017
10:09 am

Please clarify if the target population is 65 and over.

Yes, the target population is 65+ for purposes of the demographics table.

8. **Section B, Need, Item E.**

Your response is noted. Please complete the following tables:

Hardeman County Nursing Home Utilization-2016

Name	Lic. Beds	Beds-MCARE only-certified	Beds-Dually Certified	Beds Level 1 certified MCAID	Licensed Only Beds Non-Certified	SNF MCARE ADC	Level 2 MCAID ADC	skilled All other Payors ADC	Non-skilled ADC	Total ADC
Pine Meadows	134	0	44	90	0	14.4	2.5	13.4	107.3	125.3
Pleasant View	67	0	67	0	0	5	1.4	0	45.8	52.2
Total	201	0	111	90	0	14.9	3.9	13.4	153.1	177.5

Source: Nursing Home JAR, 2016 (legend: Medicare=MCARE; TennCare/Medicaid=MCAID)

Hardeman County Nursing Home Utilization Trends-2014-2016

Facility	Licensed Beds	2014 Patient Days	2015 Patient Days	2016 Patient Days	'14- '16 % change	2014 % Occupancy	2015 % Occupancy	2016 % Occupancy
Pine Meadows	134	46570	42486	45729	-1.8%	95.2%	86.7%	93.5%
Pleasant View	67	21648	21648*	19054	-11.9%	88.5%	88.5%	77.9%
Total	201	68218	64134	64783	-5%	91.9% (avg)	87.6%(avg)	85.7%(avg)

Source: Nursing Home JAR, 2013-2015

This is not an error on the writer's part; this is how it was reported on the JARs by the previous owner.

Service Area Patient Accommodation Mix-2016 JAR

Nursing Home	Licensed Beds	Total Private Beds	Total Semi-Private Beds	Total Companion Beds	Ward Beds
Pine Meadows	134	2	132	N/R*	0
Pleasant View	67	12	42	N/R	13
Total	201	14	174	N/R	13

* N/R means not reported on 2016 Joint Annual Reports

9. **Section B, Need, Item F.**

Your response to this item is noted. Please complete the following charts:

Projected Utilization

Year	Licensed Beds	*Medicare-certified beds	SNF Medicare ADC	Level 2 Medicaid ADC	SNF All other Payors	Non-Skilled ADC	Total ADC	Licensed Occupancy %

					ADC			
1	67	67	6	2	3	20	31	47%
2	67	67	8	4	5	43	60	90%

*** Includes dually-certified beds**

10. Section B, Economic Feasibility, Item B. Funding

The letter from the Bank of Tennessee verifying the applicant has $9,702,272 available for the proposed project is noted. However, please provide a revised letter that includes the anticipated term of the loan.

A revised funding letter with the anticipated term of the loan is attached following this response.

Supplemental #1
December 20, 2017
10:09 am

Bank of Tennessee

December 20, 2017

Hardeman County Real Estate Investors, LLC
2020 Northpark, Suite 2D
Johnson City, TN 37604

Dear Mr. Lewis,

We have had favorable preliminary discussions with Hardeman County Real Estate Investors, LLC regarding the planned construction of a 67 bed , skilled nursing facility in Bolivar, TN. Based on those discussions a proposed loan amount of $9,702,272 is being considered, with an interest rate of 5.50%. The proposed loan terms will consist of interest only during the construction period of 18 months, then converting to monthly principal and interest payments based on a 20 year amortization. These proposed terms are subject to the issuance of a Replacement Facility Certificate of Need and the standard restrictions and conditions of a Commitment Letter.

Sincerely,

Scarlett M. Dale, SVP
Carter County Bank A
Division of Bank of Tennessee

P.O. Box 4980 • Johnson City, Tennessee 37602-4980
Toll Free: (866) 378.9500 • bankoftennessee.com

11. Section B, Economic Feasibility, Item C - Historical Data Chart, Page 28

The Historical Data Chart is noted. However, the applicant reported figures twice (in the heading and sub-heading) for 2015 and 2016 for salaries and wages, rent, and management fees. Please correct and submit a revised page 28 (28-R).

The dual entries were not computed twice in the calculations of the Chart. The dual entries have been removed, and a revised Historical Data Chart is attached following this response.

Supplemental #1

December 20, 2017

10:00 am

HISTORICAL DATA CHART

___ Total Facility
___ Project Only

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in __January_____ (Month)

		Year: 12/31/16	Year: 12/31/15	Year: 12/31/14
A.	Utilization/Occupancy Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits)	19,054 patient days	20,743 patient days	Not Available
B.	Revenue from Services to Patients			
	1. Inpatient Services	$4,577,208.00	$4,765,739.00	
	2. Outpatient Services			
	3. Emergency Services			
	4. Other Operating Revenue	$269,272.00	$398,111.00	
	Specify: Miscellaneous Income			
	Gross Operating Revenue	$4,846,480.00	$5,163,850.00	$0.00
C.	Deductions from Operating Revenue			
	1. Contract Deductions	$1,209,833.00	$1,310,564.00	
	2. Provision for Charity Care			
	3. Provision for Bad Debt			
	Total Deductions	$1,209,833.00	$1,310,564.00	$0.00
NET OPERATING REVENUE		$3,636,647.00	$3,853,286.00	$0.00
D.	Operating Expenses			
	1. Salaries and Wages			
	a. Direct Patient Care	$895,102.00	$880,713.00	
	b. Non-Patient Care	$383,582.00	$421,045.00	
	2. Physicians' Salaries and Wages	$30,000.00	$30,000.00	
	3. Supplies	$193,554.00	$187,756.00	
	4. Rent			
	a. Paid to Affiliates	$227,733.00	$227,200.00	
	b. Paid to Non-Affiliates			
	5. Management Fees:			
	a. Fees to Affiliates	$363,705.00	$221,598.00	
	b. Fees to Non-Alffiliates			
	6. Other Operating Expenses	$1,664,513.00	$1,663,185.00	$0.00
	Total Operating Expenses	$3,758,189.00	$3,631,497.00	$0.00
E.	**Earnings Before Interest, Taxes, and Depreciation**	-$121,542.00	$221,789.00	$0.00
F.	Non-Operating Expenses			
	1. Taxes			
	2. Depreciation	$57,312.00	$63,603.00	
	3. Interest	$3,535.00	$3,685.00	
	4. Other Non-Operating Expenses			
	Total Non-Operating Expenses	$60,847.00	$67,288.00	$0.00
NET INCOME (LOSS)		-$182,389.00	$154,501.00	$0.00
G.	Other Deductions			
	1. Annual Principal Debt Repayment			
	2. Annual Capital Expediture			
	Other Total Deductions	$0.00	$0.00	$0.00
	NET BALANCE	-$182,389.00	$154,501.00	$0.00
	DEPRECIATION	$0.00	$0.00	$0.00
	FREE CASH FLOW (Net Blance + Depreciation)	-$182,389.00	$154,501.00	$0.00

Supplemental #1

December 20, 2017

10:09 am

HISTORICAL DATA CHART -- OTHER EXPENSES

___ Total Facility
___ Project Only

OTHER EXPENSE CATEGORY	Year _12/31/16___	Year _12/31/15__	Year ___
1. Professional Services Contracts	34462	34595	
2. Contract Labor	727781	670664	
3. Imagng Interpretation Fees			
(Itemize all others below)			
Bed taxes	307113	279019	
Payroll tax, empl. benefits	187394	205428	
Insurance	118411	130816	
All other expenses	289352	342663	
TOTAL OTHER EXPENSES	$ 1,664,513.00	$ 1,663,185.00	$ -

Please explain why there are no provisions for charity care.

The financial data provided to the applicant by the previous owner which was used to create the Historical data chart did not have a line item for charity care and thus it was not included as such on the Historical Data Chart. The data provided did had all expenses for bad debt and uncollectible accounts in "other expenses." Therefore these amounts are in the "All Other Expense" line of the "Other Expense Category" of the Historical Data Chart.

12. **Section B. Economic Feasibility Item E.1) Gross charge, average deduction from operating revenue, and average net charge Page 34**

    The 2015, Year One, and Year Two gross charges and deduction from revenue for Year Two appear incorrect. In addition, the % change for gross charge and average net charge (2016 to year one) appear incorrect. Please correct and submit a revised page 34 labeled as "34R".

    A corrected Replacement Page 34 is attached following this response.

Supplemental #1
December 20, 2017
10:05 AM

5. **A. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Projected Data Chart for Year 1 and Year 2 of the proposed project. Please complete the following table.**

	Previous Year (2015 - Former owner)	Current Year (2016 - Former owner)	Year One	Year Two	% Change (2016 Former owner to Yr. 1 2020)
Gross Charge *(Gross Operating Revenue/Utilization Data)*	$229.75	$240.22	$276.63	$258.96	15%
Deduction from Revenue *(Total Deductions/Utilization Data)*	$63.18	$63.49	$25.21	$25.54	-60%*
Average Net Charge *(Net Operating Revenue/Utilization Data)*	$185.76	$190.86	$251.63	$235.65	31.8%

* The reason the contractual adjustment is reflected as a large decrease is due to the fact Medicare RUG payments are included as gross revenue in the Projected Data Chart. These payments are higher than the private pay gross charge, and therefore there is no Medicare downward charge adjustments included in the Projected Data Chart.

B. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

The proposed charges are reflected above. Since the facility voluntarily suspended operations as of September 2017, there are no current charges.

For comparison purposes, the average charges for Pleasant View according to its 2016 and 2015 data are included above. The increase in the average charges is due to multiple factors, including 4 years of intervening time, Medicare rate adjustments, and payor mix. It should be noted the facility was operating at a financial loss when it was acquired by the applicant, whereas the new facility will be profitable by Year 2.

C. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Christian Care Center of Bolivar (Projected Year 1 -- 2020):

Average Gross Charge: $276.85

Pine Meadows Health & Rehab (2016)

Average Gross Charge: $210.96

The applicant's average gross charge includes Medicare RUG payment rates, which are higher than private pay and Medicaid gross charges. It should also be noted there are 4 intervening years separating the average charges being compared.

Supplemental #1
December 20, 2017
10:09 am

13. Section B. Economic Feasibility Item G., Payor Mix, Page 36

The Projected payor mix table is noted. Please use $3,177,082.13 as the figure to calculate the payor mix table and submit a revised page 36 labeled as "36R".

A Replacement Page 36 is attached following this response.

B. **Capitalization Ratio (Long-term debt to capitalization) – Measures the proportion of debt financing in a business's permanent (Long-term) financing mix. This ratio best measures a business's true capital structure because it is not affected by short-term financing decisions. The formula for this ratio is: Long Term Debt/(Long Term Debt + Total Equity) x 100.**

For the entity (applicant and/or parent company) that is funding the proposed project please provide the capitalization ratio using the most recent year available from the funding entity's audited balance sheet, if applicable. The Capitalization Ratios are not expected from outside the company lenders that provide funding.

N/A. Christian Care Center of Bolivar, LLC is a newly formed entity.

7. **Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. Additionally, report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payor classification for the first year of the project by completing the table below.**

Applicant's Projected Payor Mix, Year 1

Payor Source	Projected Gross Operating Rev.	As a % of total
Medicare/Medicare Managed Care	$1,102,447	34.70%
TennCare/Medicaid	$1,686,713	53.09%
Commercial/Other Managed Care	-	-
Self-Pay	$283,078	8.91%
Charity Care	$40,349	1.27%
Other (Specify) Hospice	$64,495	2.03%
Total	$3,177,082	100%

8. **Provide the projected staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTEs) positions for these positions. Additionally, please identify projected salary amounts by position classifications and compare the clinical staff salaries to prevailing wage patterns in the proposed service area as published by the Department of Labor & Workforce Development and/or other documented sources.**

Position Classification	Existing FTEs (N/A)	Projected FTEs Year 1	Average Wage (Contractual Rate)	Area Wide/Statewide Average Wage
A. Direct Patient Care Positions				
ADMINISTRATOR	N/A	1.00	$48.08	$46.60
NURSING ADMINISTRATION	N/A	3.00	$37.58	Not Listed
MEDICAL RECORDS	N/A	1.00	$19.23	$17.75
RN	N/A	4.20	$32.39	$30.00

Supplemental #1
December 20, 2017
10:09 am

14. Section B. Economic Feasibility Item H. Staffing, Page 37

The staffing chart on page 37 is noted. However, there appears to be a slight calculation error for total direct care in Section A. It appears the total staff figure is 40.05 rather than 40.5. Please verify and submit a replacement labeled "37R".

A replacement Page 37 is attached following this response.

Supplemental #1
December 20, 2017
10:09 am

LPN	N/A	7.00	$23.81	$20.20
C.N.A.	N/A	19.60	$13.55	$12.00
ACTIVITIES & CHAPLAIN	N/A	2.25	$17.57	Not Listed
MARKETING & SOCIAL SERVICES	N/A	2.00	$29.43	$28.00
Total Direct Patient Care Positions	N/A	40.05		
B. Non-Patient Care Positions				
OFFICE MGR. & H.R.	N/A	2.00	$19.65	$19.65
DIETARY	N/A	6.42	$13.25	$12.00
HOUSEKEEPING	N/A	4.94	$11.60	$9.85
LAUNDRY	N/A	1.40	$11.60	$9.85
Total Non-Patient Care Positions	N/A	14.76		
Total Employees *(A+B)*	N/A	55.26		
C. Contractual Staff				
Physical Therapist	N/A	1.40	$43.00	$42.75
Physical Therapist Assistant	N/A	2.80	$35.00	$34.10
Occupational Therapist	N/A	1.40	$41.00	$40.65
Certified Occupational Therapy Assistant	N/A	2.40	$35.00	Not Listed
Speech Therapist	N/A	1.40	$40.00	$36.95
Medical Director	N/A	0.05	$150.00	$138.40
Respiratory Therapist	N/A	0.50	$24.00	$23.80
Total Staff *(A+B+C)*	N/A	65.21		

7. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

A. Discuss the availability of less costly, more effective and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, justify why not, including reasons as to why they were rejected.

As discussed in the Need section of this application, the 67 licensed beds at Pleasant View are needed in the service area. The voluntary temporary suspension of operations does not obviate the need for these beds in the future.

Continuing operations in the existing facility is not practical, and in the applicants view, could be potentially hazardous to patients. Therefore, the relocation of the nursing home and the

Please complete the following chart reflecting the proposed number of direct care hours including nursing care hours per patient per day in Year One.

Direct Care (Non-Nursing) Hours	Nursing Hours	Total Direct Care Hours
0.95	6.31	7.26

15. Section B. Orderly Development, Item A Page 38

Please provide the referenced list of anticipated providers, vendors, and contractors in the applicant's network.

The list was included in the original application. Another copy is attached following this response.

Supplemental #1
December 20, 2017
10:09 am

Intended or potential vendor contracts and/or working relationships:

Milan General Hospital
4039 Highland Street
Milan, TN 38358

Jackson Madison County General Hospital
620 Skyline Drive
Jackson, TN 38301

West Tennessee Healthcare
620 Skyline Drive
Jackson, TN 38301

Tennova Healthcare Regional Jackson
367 Hospital Boulevard
Jackson, TN 38305

CHS Regional Hospital of Jackson
37 Sandstone Drive
Jackson, TN 38305

Medical Center Laboratory
620 Skyline Drive
Jackson, TN 38301

Atrium Pharmacy
260 West Main Street, #103
Hendersonville, TN 37075

LabCorp
159 North Star Drive
Jackson, TN 38305

Emergency Mobile Health Care
2692 North Highland Avenue
Jackson, TN 38305

Medical Center EMS
620 Skyline Drive
Jackson, TN 38301

Hardeman County Ambulance
735 Naylor Street
Bolivar, TN 38008

Quality Mobile XRay
640 Grassmere Park, #116
Nashville, TN 37211

Functional Pathways of Tennessee
10122 Sherrill Boulevard, #200
Knoxville, TN 3793
(PT & OT)

Wellness Solutions
73 White Bridge Road, #103-243
Nashville, TN 37205
(OP Behavioral Health Services)

Claxton Dietetic Solutions
7768 Devonshire Drive
Knoxville, TN 37919

Encore Healthcare
104b West Court Square
Livingston, TN 38570
(Respiratory Services)

Vohra Post Acute Physicians
3601 SW 160th Avenue, $250
Miramar, FL 33027
(Wound Care)

Supplemental #1
December 20, 2017
10:09 am

Reinhart Food Service
100 Harborview Plaza
La Crosse, WI 54601

InPatient Consultants of Tennessee
PO Box 844929
Los Angeles, CA 90084
(Medical Director Services)

360 Care
3255 Levis Common Boulevard
Perrysburg, OH 43551
(Optometrist, Dentist, Audiologist)

Medical Center Home Health
650 Nuckolls Road
Bolivar, Tn 38008

Amedisys (Home Health)
221 South Main Street, #5
Bolivar, Tn 38008

Aseracare (Home Health)
1386 Union University Drive, Ste. E
Jackson, Tn 38305

Avalon Hospice
1700 West Market Street, Ste. C
Bolivar, Tn 38008

16. Section B. Orderly Development, Item B. (1) Positive Effects Page 38

The applicant notes the inactive facility has 12 private beds and 55 semi-private beds. However, the 2016 JAR reflects 12 private, 42 semi-private, and 13 ward beds. Please clarify.

The JAR is correct.

17. Section B. Quality Measures

Please discuss the applicant's commitment to the proposal in meeting appropriate quality standards by addressing each of the following factors:

(a) Whether the applicant commits to maintaining an actual payor mix that is comparable to the payor mix projected in its CON application, particularly as it relates to Medicare, TennCare/Medicaid, Charity Care, and the Medically Indigent;

The applicant will do everything within its ability to do so.

(b) Whether the applicant commits to maintaining staffing comparable to the staffing chart presented in its CON application;

The applicant will always maintain appropriate staffing levels and remain compliant with all regulatory and quality control authorities. The exact number of staffing positions may fluctuate based on census, however.

(c) Whether the applicant will obtain and maintain all applicable state licenses in good standing;

The applicant commits to do so.

(d) Whether the applicant will obtain and maintain TennCare and Medicare certification(s), if participation in such programs was indicated in the application;

The applicant commits to do so.

(e) Whether an existing healthcare institution applying for a CON has maintained substantial compliance with applicable federal and state regulation for the three years prior to the CON application. In the event of

non-compliance, the nature of non-compliance and corrective action shall be considered;

The applicant is a new operator of the facility, effective September 1, 2017. A copy of the previous owner's most recent survey and accepted Plan of Correction are attached to the application as Attachment Section B, Orderly Development, 4, B.

(f) **Whether an existing health care institution applying for a CON has been decertified within the prior three years. This provision shall not apply if a new, unrelated owner applies for a CON related to a previously decertified facility;**

The applicant is a new, unrelated owner of the facility. To the applicant's knowledge, Pleasant View was not decertified within the past 3 years.

(g) **Whether the applicant will participate, within 2 years of implementation of the project, in self-assessment and external peer assessment processes used by health care organizations to accurately assess their level of performance in relation to established standards and to implement ways to continuously improve.**

The applicant will do so.

(h) **Whether the applicant will participate, within 2 years of implementation of the project, in self-assessment and external peer assessment processes used by health care organizations to accurately assess their level of performance in relation to established standards and to implement ways to continuously improve.**

The applicant will do so. (This appears to be repetitive of (g)).

This may include accreditation by any organization approved by Centers for Medicare and Medicaid Services (CMS) and other nationally recognized programs. The Joint Commission or its successor, for example, would be acceptable if applicable. Other acceptable accrediting organizations may include, but are not limited to, the following:

Christian Care Center of Bolivar will be accredited by the Joint Commission.

For Nursing Home projects, whether the applicant has documented its existing or proposed plan for data reporting, quality improvement, and outcome and

process monitoring systems, including in particular details on its Quality Assurance and Performance Improvement program. As an alternative to the provision of third party accreditation information, applicants may provide information on any other state, federal, or national quality improvement initiatives.

A copy of the Table of Contents of the applicant's Quality Assurance and Performance Improvement Program Manual is attached to the application as Attachment Section A, B, (3).

Supplemental #1
December 20, 2017
10:09 am

DEC 21 '17 AM 10:10

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Washington County

NAME OF FACILITY: Christian Care Center of Bolivar

I, Lisa M. Cawood, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Lisa M. Cawood
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 20th day of December 2017 witness my hand at office in the County of Washington, State of Tennessee.

Denise D. Eith
NOTARY PUBLIC

My commission expires October 29, 2019.

DENISE D. EITH
STATE OF TENNESSEE NOTARY PUBLIC
WASHINGTON COUNTY
My Commission Expires 10/29/19

HF-0043

Revised 7/02

30944231 v1

Supplemental #2

Christian Care Center of Bolivar

CN1712-036

Supplemental #A2
December 27, 2017
12:10 PM

SECOND SUPPLEMENTAL REPONSES

CERTIFICATE OF NEED APPLICATION

FOR

CHRISTIAN CARE CENTER OF BOLIVAR

The Relocation and Replacement of a 67 Bed Skilled Nursing Facility

Project Number CN1712-036

Hardeman County, Tennessee

December 27, 2017

Contact Person:

Jerry W. Taylor, Esq.
Burr & Forman, LLP
222 2nd Avenue South, Suite 2000
Nashville, Tennessee 37201
615-724-3247

Supplemental #A2
December 27, 2017
12:10 PM

1. **Section A, Project Details, Item 6A. Legal Interest**

   The fully executed lease for a 67 bed nursing home as described in the application is noted. However, Section 1.19 of the lease lists the address of the current facility (214 North Water Street, Bolivar, TN) not the proposed location. Please provide a revised lease (including Exhibit A) listing the correct address of the proposed project.

   An executed lease for the site for the replacement facility is attached following this response.

LEASE

THIS LEASE ("Lease" or "Agreement"), dated as of December 27, 2017, is made and entered into by and between **HARDEMAN COUNTY REAL ESTATE INVESTORS, LLC**, a Tennessee limited liability company ("Lessor"), and **CHRISTIAN CARE CENTER OF BOLIVAR, LLC**, a Tennessee limited liability company ("Lessee").

WITNESSETH:

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, as hereinafter defined, for the term of this Lease and subject to the terms, covenants, agreements and conditions hereinafter set forth.

1. **Definitions**. The terms set forth below shall have the meanings respectively ascribed thereto, except as otherwise clearly required by the context:

1.1 "Additional Rent" means any and all sums payable by Lessee hereunder other than Base Rent.

1.2 "Agency" means the agency or department of the State of Tennessee or its successor agency or department having authority over the licensure of skilled nursing facilities in Tennessee.

1.3 "Agreement" means this Lease, as in effect from time to time.

1.4 "Base Rent" has the meaning ascribed thereto in Section 4.1 hereof.

1.5 "Facility" means the 67-bed nursing facility located on the Premises.

1.6 "FF&E" means the furniture, fixtures, and equipment located in the Facility on the date hereof.

1.7 "Financing Lease" means any lease of property, real or personal, the obligations of the lessee in respect of which are required in accordance with U.S. generally accepted accounting principles to be capitalized on a balance sheet of the lessee.

1.8 "Guaranty Obligation" means as to any person (the "guaranteeing person"), any obligation of (a) the guaranteeing person or (b) another person (including, without limitation, any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counterindemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third person in any manner, whether directly or indirectly.

1.9 "Hazardous Material" means any hazardous, toxic, or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of the comprehensive Environmental Response, Conservation and Recovery Act (42 of U.S.C. Section 6901 *et seq.*), as amended, or any other federal, state or local law, ordinance, rule or regulation applicable to the Premises, or any substance that is toxic, explosive, corrosive, flammable, infectious, radioactive,

carcinogenic, mutagenic, or otherwise hazardous to the environment or to human health or safety, or any substance which contains gasoline, oil, diesel fuel or other petroleum hydrocarbons or byproducts, polychlorinated bipheyls (PCBs), or radon gas, urea formaldehyde, asbestos or lead.

1.10 "Indebtedness" means, with respect to any person at any date, without duplication, (a) all indebtedness of such person for borrowed money (whether by loan or the issuance and sale of debt securities) or for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), (b) any other indebtedness of such person which is evidenced by a note, bond, debenture or similar instrument, (c) all obligations of such person under Financing Leases, (d) all obligations of such person in respect of letters of credit, acceptances or similar instruments issued or created for the account of such person and (e) all liabilities secured by any Lien on any property owned by such person even though such person has not assumed or otherwise become liable for the payment thereof.

1.11 "Infectious Waste" has the meaning assigned to the term "Biohazardous Waste" as such term is defined in applicable state statutes and rules.

1.12 "Inventory" shall mean the routine supplies located at the Facility.

1.13 "Lease" means this Lease, as in effect from time to time.

1.14 "Lessee" means Christian Care Center of Bristol, LLC, a Tennessee limited liability company.

1.15 "Lessor" means Bristol Real Estate Investors, LLC, a Tennessee limited liability company.

1.16 "Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any Financing Lease having substantially the same economic effect as any of the foregoing), and the filing of any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction in respect of any of the foregoing.

1.17 "Mortgage Loan" has the meaning ascribed thereto in Section 4.1.1 hereof.

1.18 "Permitted Use" means the operation of a skilled nursing facility, the provision of ancillary or other health care items and services to the residents thereof and to members of the community, the provision of adult day care, psycho-social or similar services to members of the community, and any use or activity related to or associated with the operation of a skilled nursing facility, including, without limitation, any activity which, in accordance with accepted commercial practice, may now or hereafter be conducted at a skilled nursing facility, whether or not such activity relates to the provision of services to residents of such facility.

1.19 "Premises" means the property and improvements located at the intersection of Highway 64 and Lucy Black Road, Bolivar, Tennessee 38008, and more fully described in Exhibit A attached hereto and incorporated herein.

1.20 "Property Taxes" shall mean the gross amount of all real estate taxes and governmental assessments attributed to the Premises, less any early payment or other discounts realized, specifically excluding inheritance taxes, gift taxes, transfer taxes, franchise taxes, excise taxes, and income taxes of Lessor.

1.21 "Rent" shall mean the sum of the Base Rent and Additional Rent.

1.22 "Skilled Nursing Facility" shall mean intermediate care and/or skilled care nursing facility.

1.23 "Regulatory Clearances" shall mean (i) receipt by Lessee of notice from the Agency to the effect that upon receipt of evidence of the consummation of the transactions contemplated hereby and commencement of the term of this Lease, the Agency will issue a license authorizing Lessee to operate the Facility as a skilled nursing facility; (ii) receipt by Lessee of all other governmental approvals that are required as a condition precedent for the lawful commencement of the term of this Lease and operation of the Facility by Lessee as a skilled nursing facility.

2. Lease. Lessor hereby leases to Lessee the Premises, including the Facility and the FF&E, on the terms and conditions herein provided.

3. **Term and Renewal**. The term of this Lease is ten (10) years with an option to renew for a ten (10) year term. This term shall commence on the date on which the Premises is approved for occupancy and operation as a skilled nursing facility (the "Commencement Date").

4. Rent.

4.1 Base Rent. The base rent hereunder for each month of the term hereof (the "Base Rent") shall be paid by Lessee to Lessor in advance on the seventh (7th) day of each month during the term hereof, and shall be equal to the following::

4.1.1 Debt Service on Mortgage Loan. An amount equal to the payment in respect of principal and interest required to be made by Lessor in such month to its lender under its mortgage loan, if any (the "Mortgage Loan"); *plus*

4.1.2 Debt Service on Improvement Loan. An amount equal to the payment in respect of principal and interest required to be made by Lessor in such month to its lender under its improvement loan, if any (the "Improvement Loan"); *plus*

4.1.3 Debt Service - Other. An amount equal to the payment of principal and interest required to be made in such month in respect of any future debts incurred by Lessor in Lessor's needed renovation, replacements within and/or maintenance of the Facility, and/or in Lessor's expenditures required to maintain the Facility's physical compliance with local, state, and federal regulations; *plus*.

4.1.4 Fixed Return Amount. Starting with the thirteenth (13th) month and each month thereafter, a fixed return amount, which shall be equal to Eight Thousand and No/100 Dollars ($8,000.00) during the Term hereof.

In addition to the foregoing, and included in the Base Rent, Lessee shall pay Lessor an amount in each month equal to any sales tax levied by local and/or state of Tennessee taxing authority on the foregoing, if levied.

4.1.5 Depreciation and Amortization Expense. Plus, an amount equal to the greater of (a) depreciation and amortization expense incurred by Lessor, in accordance with generally accepted accounting principles (GAAP), less the amount of principal payments included in Sections 4.1.1, 4.1.2, and 4.1.3; or (b) zero.

4.2 Utilities and Property Taxes and Assessments.

4.2.1 In General. Lessee shall be responsible for all charges for the use of electric, gas, telephone, water, sewer, waste disposal, and all other utilities accruing during the Term of this Lease. Lessee shall pay or cause to be paid all Property Taxes attributable or assessed to the Premises accruing during the Term of this Lease. Lessee shall pay same when due with the maximum (real and personal) discount being utilized by Lessee. Lessee shall pay all assessments, whether general or specific, whether certified or pending, and shall pay all fees, costs, and other obligations when due to maintain all licenses to operate the Premises as a skilled nursing facility accruing during the Term of this Lease.

4.2.2 Hold Harmless. Lessee shall protect and hold Lessor and the Premises harmless from liability from any and all of the foregoing taxes, assessments, and charges, together with any interest, penalties, or other sums thereby imposed and from any sale or other proceeding to enforce payment thereof.

4.2.3 Right to Contest. Lessee shall have the right to contest or review by legal proceedings, as permitted under applicable law, any assessed valuation, real estate tax, or assessment. Lessor shall, if so requested by Lessee, join in any proceeding to contest or review such taxes or assessments at Lessee's cost and expense including reasonable attorney's fees. Should any of the proceedings result in reducing the Property Taxes for the Premises, Lessee shall be entitled to receive all refunds paid by the taxing authorities.

4.2.4 Limitation. Nothing contained in this Lease requires, or shall be construed to require Lessee, to pay any gift, estate, inheritance, or other tax assessed against Lessor, its heirs, successors, or assigns, or any income or other tax, assessment, charge, or levy on the rent payable by Lessee under this Lease to Lessor with the exception of Tennessee sales tax due, if any.

4.3 Additional Provisions.

4.3.1 Form and Manner of Payment. All sums due and payable pursuant to the terms and provisions of this Lease shall be paid by Lessee in lawful money of the United States of America. In addition, all such sums shall be paid to Lessor, and payment to Lessor shall fully discharge Lessee with respect to the amount so paid, Lessee having no liability or responsibility with respect to the allocation or distribution of any such payment between the owners of Lessor.

5. Use of Premises; Maintenance; Alterations; Mechanic's Liens.

5.1 Use of Premises. The Premises shall be used in accordance with the Permitted Use and for no other purposes. Lessee shall not commit, or suffer to be committed, any waste on the Premises. The Premises shall not be used in any manner to create any nuisance, offensive activity or unsightly condition, nor to vitiate the insurance on the Premises nor violate any rules, regulations, orders, or other obligations of any federal, state, or local government or other agency that may affect in any way the licensing or use of the Premises as a skilled nursing facility. Lessee shall be responsible for obtaining and maintaining all licenses necessary to operate Lessee's business as a skilled nursing facility.

5.2 Renovation and Maintenance. Lessee, by occupancy hereunder, accepts the Premises as being in reasonable repair and condition; provided that Lessor agrees to when and as reasonably needed by the Facility renovate the premises, replace HVAC units, replace resident room furniture, replace the roof, redecorate the Facility, etc., which shall first be recommended and presented to Lessor by qualified building architects, engineers, and interior design consultants (as the case may require) reasonably acceptable to Lessor and Lessee. In the event that any maintenance issue arises that is by its nature Lessor's responsibility and that puts the Facility or any of its residents, employees, or guests in actual or anticipated jeopardy of physical injury or regulatory deficiency, Lessor shall immediately undertake to correct the situation and shall see that it is corrected within ten (10) days of notice of such situation, and, if Lessor fails to do so, Lessee shall have the right to undertake to correct such situation utilizing whatever laborers it, in its sole discretion, deems desirable and shall be expressly permitted to full reimbursement from Lessor for the cost of such correction by a set off in Rent.

Lessee shall routinely maintain the Premises and every part thereof, including the Personal Property, in good repair and condition, damages by causes beyond the control of the Lessee excepted.

Notwithstanding herein to the contrary, Lessor agrees to indemnify and hold harmless Lessee, its officers, agents, and employees from any loss, cost, damage, expense, attorney's fees, and liability by reason of bodily injury, property damages, or both of whatsoever nature or kind, arising out of or as a result of Lessor's non-compliance with federal, state, or municipal laws, regulations, or codes pertaining to Hazardous Substances.

5.3 Alterations. Lessee shall make no structural alterations without the prior approval of Lessor, which approval shall not be unreasonably withheld.

6. Damage or Destruction.

6.1 50% or More of the Replacement Cost. If by fire or other casualty, the Premises are totally destroyed or partially damaged or destroyed to the extent of fifty percent (50%) or more of the replacement cost thereof, Lessor shall have the option of terminating this Lease, or any renewal thereof, by serving written notice upon Lessee within thirty (30) days from the date of the casualty, and any prepaid Rent shall be prorated as of the time of destruction, and any unearned Rent shall be refunded without interest. Nevertheless, should Lessor elect to repair such damage or destruction, then upon completion of such repairs this Lease shall be reinstated at the option of Lessee. In such event, Lessor shall give written notice to Lessee of the completion of such repair and

Lessee shall have thirty (30) days within which to exercise its option to reinstate this Lease by written notice to Lessor, such reinstatement to be effective as of the date specified in such notice from Lessee, but not more than sixty (60) days after the date of such notice.

6.2 49% or Less of the Replacement Cost. If by fire or other casualty, the Premises is damaged or partially destroyed to the extent of forty-nine percent (49%) or less of the replacement cost thereof, then Lessor shall restore the Premises.

6.3 Abatement of Rent. In the event of restoration by Lessor, all Rent thereafter accruing shall be equitably and proportionately adjusted according to the nature and extent of the destruction or damage, pending completion of rebuilding, restoration, or repair. In the event the destruction or damage is so extensive as to make it infeasible for Lessee to conduct Lessee's business on the Premises, the Rent shall be completely abated until the Premises is restored by the Lessor, or until the Lessee resumes use and occupancy of the Premises, whichever shall first occur. The Lessor shall not be liable for any damage to, or any inconvenience or interruption of, the business of the Lessee or any of its employees, agents, or invitees occasioned by the fire or casualty.

6.4 Repair. If the Premises is to be repaired under this Section 6, Lessor shall make such repairs at its cost.

7. **Compliance With Legal Requirements**. Lessor shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force, or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises, insofar as any thereof relate to or affect the condition, use, or occupancy of the Premises, excluding requirements of structural changes not related to or affected by improvements made by or for Lessee or Lessee's acts.

8. **Assignment and Subletting**. Lessee shall have no right to assign or sublet this Lease without the prior written consent of Lessor.

9. **Entry by Lessor**. Lessor may enter the Premises upon reasonable notice to Lessee to (i) inspect the same, (ii) exhibit the same to prospective purchasers, lenders, or lessees, (iii) determine whether Lessee is complying with all of its obligations hereunder, (iv) supply any services to be provided by Lessor to Lessee hereunder, (v) post notices of non-responsibility, and (vi) make repairs required of Lessor under the terms hereof. Lessee hereby waives any claim for damages for any injury or inconvenience to or interference with Lessee's business, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by such entry.

10. **Events of Default and Lessor's Remedies**. All rights and remedies of the Lessor herein enumerated in the event of a default shall be cumulative, and nothing herein shall exclude any other right or remedy allowed hereunder, at law, or in equity.

10.1 Bankruptcy. If any voluntary or involuntary petition or similar proceeding under any section or sections of any bankruptcy act shall be filed by or against Lessee, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare Lessee insolvent or unable to pay Lessee's debts, and such petition or proceeding is not discharged or dismissed within

ninety (90) days after the commencement thereof, then and in any such event Lessor may, if Lessor elects, but not otherwise, and with or without notice of election, forthwith terminate this Lease, and notwithstanding any other provisions of this Lease, Lessor shall forthwith, upon such termination, be entitled to recover damages in an amount equal to the then present value of the Rent, specified in Section 4 of this Lease, for the residue of the stated term hereof less the fair rental value of the Premises for the residue of the stated term hereof.

10.2 Payment, Etc. If the Lessee defaults in the payment of Base Rent or Additional Rent, or in the prompt and full performance of any provision of this Lease, or if the leasehold interest of the Lessee is levied upon under execution or is attached by process of law, or if the Lessee makes an assignment for the benefit of creditors, or if a receiver is appointed for any property of Lessee, or if the Lessee abandons the Premises, and if any such event is not cured within thirty (30) days after notice thereof from Lessor, then and in any such event the Lessor may, if the Lessor so elects, but not otherwise, upon three (3) days' written notice of such election, either forthwith terminate this Lease and the Lessee's right to possession of the Premises or without terminating this Lease, forthwith terminate the Lessee's right to possession of the Premises, but the Lessee shall remain liable for damages as permitted by law, and as provided for herein.

10.3 Surrender. Upon termination of this Lease, whether by lapse of time or otherwise, or upon any termination of the Lessee's right to possession without termination of the Lease, Lessee shall surrender possession and vacate the Premises immediately, and deliver possession thereof to the Lessor, subject, in the case of expiration or termination of this Lease without default by Lessee, to the performance by Lessor of its obligations hereunder in connection with the expiration or termination hereof.

11. Representations and Warranties Lessor. Lessor represents, warrants, and covenants to Lessee, as of the date hereof and as of the Commencement Date, as follows:

11.1 Authority. Lessor has the full legal capacity and authority to enter into, and to perform its obligations under, this Agreement and all other agreements and instruments to be executed by it pursuant to this Agreement. Lessor's execution, delivery, and performance of this Agreement and all other agreements, instruments, and certificates to be executed by it pursuant to this Agreement have been duly authorized by all necessary company actions and will not violate any provision of Lessor's charter documents, including its articles of incorporation or organization, its bylaws or operating agreement, or other similar documents. This Agreement is, and the other documents to be delivered by Lessor (when executed and delivered by it) will be, valid and enforceable obligations of the Lessor, binding in accordance with their terms.

11.2 Organization. Lessor is, and on the Commencement Date will be, a duly organized, validly existing Tennessee limited liability company in good standing with the legal power to own and operate its properties and assets and to carry on its intended business. Lessor has complied with all provisions of its charter documents.

11.3 Title. Lessor has good and marketable fee simple title to the Premises subject to easements, restrictions, limitations, and encumbrances of public record and the lien of the Mortgage Loan and the Improvement Loan.

11.4 No Condemnation Proceedings. There is no pending or, to the knowledge of Lessor, threatened condemnation or similar proceeding affecting the Premises or any portion thereof, and Lessor has not received any written notice, and has no knowledge, that any such a proceeding is contemplated.

11.5 Use. There are no restrictions, recorded or unrecorded, or existing rules, regulations, laws, ordinances, or orders of any governmental or quasi-governmental authority which would impair Lessee's use of the Premises for the Permitted Use. Lessor has no knowledge of any judicial or administrative action, or any action by adjacent landowners, that has not been disclosed in writing to Lessee and that would prevent, limit, impede, or render more costly the present or any future use of the Premises or the construction of any additions or improvements thereto in compliance with existing laws. Lessor is not aware of any other facts or circumstances that would materially and adversely affect Lessee's use or value of the Premises as a skilled nursing facility.

12. Representations and Warranties of Lessee. Lessee hereby represents and warrants as follows:

12.1 Organization. Lessee is a duly organized, validly existing Tennessee limited liability company in good standing with the legal power to own its properties and assets and to carry on its intended business.

12.2 Authorization. Lessee has the full power, legal capacity, and authority to enter into, and to perform its obligations under, this Agreement. Lessee's execution, delivery, and performance of this Agreement and all other agreements and instruments to be executed by it pursuant to this Agreement have been duly authorized by all necessary company actions. This Agreement is, and the other documents to be delivered by Lessee pursuant hereto (when executed and delivered by it) will be, valid and enforceable obligations of Lessee, binding on Lessee in accordance with their terms.

13. Additional Covenants of the Parties.

13.1 Governmental Approvals. To the extent not already accomplished, Lessee shall, promptly after the execution of this Agreement, submit to the Agency an application for a license in the name of Lessee, to authorize Lessee to operate the Facility, and applications for approval as a provider under the Medicare and Medicaid Programs. Thereafter, Lessee shall use reasonable efforts to pursue the issuance of such license and approvals. Lessor shall cooperate with and assist Lessee in the pursuit of such license and approvals as requested by Lessee from time to time (both before and after the Commencement Date).

13.2 Maintenance of Existence, Etc. During the term of this Lease, Lessor shall maintain intact its entity existence, and, including with respect to its assets, shall not liquidate or dissolve, or enter into any merger, consolidation, or similar transaction (regardless of the survivor), or acquire or be acquired by any person or entity, except with the written consent of Lessee.

13.3 Loan Guarantee Fee. If either party hereto guarantees the repayment of a loan made to the other party, the party making the guaranty shall be entitled to an annual loan guarantee fee, payable on December 31st of each calendar year, in the amount of One Quarter Percent (0.25%) of the highest amount of debt so guaranteed during the preceding calendar year.

13.4 Purchase at Termination. On the expiration or termination of this Lease for any reason, Lessee shall sell, and Lessor shall purchase: (i) all leasehold improvements of the Premises made by or at the expense of Lessee (other than through payments of Rent hereunder); (ii) all furniture, fixtures and equipment then located at the Facility and purchased and owned by Lessee; and (iii) all supplies inventory then located at the Facility which has been purchased by Lessee. The purchase price for the foregoing shall be an amount equal to the net book value thereof as of such expiration or termination, as shown on the books of Lessee prepared in accordance with generally accepted accounting principles, and shall be paid in immediately available funds within thirty days of the date of such expiration or termination.

13.5 Operation by Lessee. Lessee hereby covenants and agrees to use best efforts to maintain the Premises and the Facility free and clear of all claims, actions, suits, or other proceedings which could affect the Facility's ability to operate as a skilled nursing facility during the term of this Lease. Lessee agrees to maintain the use of the Property and shall comply with all environmental laws. Notwithstanding the foregoing, Lessee shall not have any liability for violations of environmental laws that do not result from acts or omissions of Lessee.

13.6 Medicare, Medicaid Requirements. Lessee hereby covenants and agrees to use its best efforts to maintain and comply with all applicable Medicaid and Medicare requirements or other Agency requirements, to maintain the Premises and its licenses and permits, to operate a skilled nursing facility upon the Premises, to comply with all rules and regulations as they may relate to residents and/or resident trust funds and to maintain such licenses and permits in good standing throughout the Term of this Lease. All Medicare and Medicaid cost reports, if any, required to be filed by Lessee shall be accurately completed in all material respects and timely filed. Any pending statement of deficiencies related to the Premises or the Facility after the Commencement Date issued by any agency shall be complied with in a timely manner.

13.7 Transfer of Licenses, etc. On the expiration or earlier termination of this Lease for any reason, Lessee (its successors, assigns, agents, trustees or receivers) shall transfer and relinquish to Lessor or Lessor's nominee and cooperate with Lessor or Lessor's nominee in connection with the processing by Lessor or such nominee or all licenses, operating rights, permits, certificates of need and other regulatory clearances or matters, including without limitation, a Certificate of Need, the Facility license, and any other contracts with governmental or quasi-governmental entities which may be necessary or appropriate for the operation of the Premises and Facility by Lessor or such nominee; provided that the costs and expenses of any such transfer or the processing of any such application shall be paid by Lessor or Lessor's nominee or assigns. Any such rights, permits, licenses, certificates and/or contracts which are held in Lessor's name or in the name of any lessee of Lessor at the termination of the Lease shall be the property of Lessor, and Lessee is strictly prohibited from transferring the license to or having a new license issued at a location other than the Premises.

14. Conditions to Lessee's Obligations. The obligations of Lessee from and after the Commencement Date are subject to the following conditions, any one or any of which may be waived by Lessee:

14.1 Representations and Warranties. The representations of Lessor contained in this Agreement shall be true and accurate in all material respects on and as of the Commencement Date as if made on and as of the Commencement Date.

14.2 Absence of Adverse Changes. There shall not have occurred any material adverse change affecting the Facility or the use or operation thereof by Lessee after the Commencement Date.

14.3 Litigation. No litigation shall be pending or threatened that seeks to prevent the transactions contemplated hereby or damages from Lessor or Lessee in relation thereto.

15. Conditions to Lessor's Obligations. The obligations of Lessor from and after the Commencement Date are subject to the following conditions, any one or any of which may be waived by Lessor:

15.1 Representations and Warranties. The representations of Lessee contained in this Agreement shall be true and accurate in all material respects on and as of the Commencement Date as if made on and as of the Commencement Date.

15.2 Litigation. No litigation shall be pending or threatened that seeks to prevent the transactions contemplated hereby or damages from Lessor or Lessee in relation thereto.

16. Failure of Conditions. In the event that there is a material failure of any of the conditions to the obligations of a party hereunder, which is not waived by such party, then such party may terminate and abandon this Lease by written notice to the other party, and in the event of such termination neither party shall have any further liability or obligation under this Lease to the other party hereto.

17. Lessor's Right to Cure Defaults. All agreements and provisions to be performed by Lessee under any of the terms of this Lease shall be at its sole cost and expense and without any abatement of rental. If Lessee shall fail to pay any sum of money, other than the Rent, required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder, Lessor may, but shall not be obligated to, and without waiving or releasing Lessee from any obligations of Lessee, make any such payment or perform any such other act on Lessee's part to be made or performed as in this Lease provided. All sums so paid by Lessor and all necessary incidental costs shall be deemed Additional Rent hereunder and shall be payable to Lessor upon demand, and Lessor shall have (in addition to any other right or remedy of Lessor) the same rights and remedies in the event of the non-payment thereof by Lessee as in the case of default by Lessee in the payment of rental.

18. Eminent Domain. The terms "eminent domain," "condemnation," "taking" and the like in the following paragraphs include takings for public or quasi-public use and private purchases in place of condemnation by any authority authorized to exercise the power of eminent domain.

If the entire Premises or the portions of the Premises required for reasonable access to, or reasonable use of, the Premises are taken by eminent domain, the Lease shall automatically end on the earlier of:

(i) the date the title vests in the condemning authority; or

(ii) the date Lessee is dispossessed by the condemning authority.

If the taking of a part of the Premises materially interferes with Lessee's ability to continue its business operations in substantially the same manner, the Lease shall automatically end on the earliest of:

(i) the date when title vests;

(ii) the date Lessee is dispossessed by the condemning authority, or

(iii) sixty (60) days following notice to Lessee of the date when vesting or dispossession is to occur.

If there is a partial taking and the Lease continues, then the Lease shall end as to the part taken, and the Rent shall abate in proportion to the part of the Premises taken and Lessee's pro rata share shall be equitably reduced.

Lessee shall be permitted to make its own claim with the condemning authority for the value of its leasehold improvements and for the value of the unexpired term of the Lease.

19. **No Merger**. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor terminate all or any existing subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any or all such subleases or subtenancies.

20. **Waiver**. The waiver by Lessor or Lessee of any agreement, condition, or provision herein contained shall not be deemed to be a waiver of any subsequent or further breach of the same, or any other agreement, condition, or provision herein contained, nor shall any custom or practice that may arise between the parties in the administration of the terms hereof be construed to waive or to lessen the right of Lessor or Lessee to insist upon performance in accordance with said terms. The subsequent acceptance of Rent or Additional Rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any agreement, condition, or provision of this Lease, other than the failure of Lessee to pay the particular Rent or Additional Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Rent or Additional Rent.

21. **Notices**. All notices and demands that may or are required to be given by either party to the other hereunder shall be in writing and shall be deemed to have been fully given when deposited in the United States Mail, certified or registered, postage prepaid, or with a nationally recognized overnight courier, and addressed as follows: to Lessor, at 300 East Bay, Largo, FL 33770, Attention: Chief Manager, or at such other place as Lessor may from time to time designate in writing to Lessee; to Lessee, at 2020 Northpark, Suite 2D, Johnson City, Tennessee 37604, Attention Vice President of Legal Affairs, or at such other place as Lessee may from time to time designate in writing to Lessor.

22. **Estoppel Certificate**. At any time and from time to time, but on not less than ten (10) days' prior written request by Lessor, Lessee will execute, acknowledge, and deliver to Lessor and any Mortgagee, promptly upon request, a certificate certifying (i) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification), (ii) the date, if any, to which Rent, Additional Rent, and any other sums payable hereunder have been paid, (iii) that no notice has been

received by Lessee of any default that has not been cured, except as to defaults specified in said certificate, and (iv) such other matters as may be reasonably requested by Lessor. Any such certificate may be relied upon by a prospective purchaser or mortgagee of the Premises or any part thereof.

23. **Holding Over**. If, without objection by Lessor, Lessee holds possession of the Premises after the expiration of the term of this Lease, Lessee shall become a Lessee from month to month, upon the terms herein specified. Each party shall give the other written notice at least one (1) month prior to the date of termination of such monthly tenancy of its intention to terminate such tenancy. This Section shall in no way be deemed to give Lessee any right whatsoever to hold possession of the Premises after the expiration of the term hereof.

24. **Insurance**.

24.1 Lessee hereby agrees to use its best efforts to maintain in full force and effect at all times during the Term of this Lease, at its own expense, for the protection of Lessee and Lessor, as their interest may appear, policies of insurance issued by a responsible carrier or carriers that offer the following coverages:

(i) Comprehensive General and Professional Liability Insurance in an amount not less than $1,000,000 per claim and $3,000,000 in the aggregate;

(ii) Fire and Extended Coverage, Vandalism and Malicious Mischief (where applicable) insurance, to cover all the Premises; and

(iii) Worker's Compensation as required by Tennessee law; and

(iv) Business Interruption Insurance.

24.2 Lessee shall deliver to Lessor at least thirty (30) days prior to the time such insurance is first required to be carried by Lessee, and thereafter at least thirty (30) days prior to expiration of such policy, Certificates of Insurance evidencing the above coverage. Such Certificates shall name Lessor as an additional insured. Further, all Certificates shall provide that no less than thirty (30) days' prior written notice shall be given Lessor in the event of a material alteration to, or cancellation of, the coverages evidenced by such Certificates.

25. **Quiet Enjoyment**. Subject to the terms of this Lease and provided Lessee pays the Rent, Additional Rent, and any and all other sums due and payable hereunder, and performs all of the covenants and agreements herein contained, Lessee shall and may peaceably have, hold, and enjoy the Premises for the Term hereof.

26. **Entire Agreement**. There are no oral agreements between Lessor and Lessee affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements, and understandings, if any, between Lessor and Lessee or displayed by Lessor to Lessee with respect to the subject matter of this Lease. There are no representations between Lessor and Lessee other than those contained in this Lease.

27. **Revision of Lease; Alteration**. This Lease shall not be altered, changed, or amended except by an instrument in writing signed by both parties hereto.

28. **Miscellaneous**. The words "Lessor" and "Lessee" as used herein shall include the plural as well as the singular. Time is of the essence of this Lease and each and all of its provisions. Submission of this instrument for examination or signature by Lessee does not constitute a reservation of or option for Lease, and this instrument is not effective as a lease, or otherwise, until execution and delivery by both Lessor and Lessee. The agreements, conditions, and provisions herein contained shall, subject to the provisions herein as to assignment, apply to and bind the heirs, executors, administrators, successors, and assigns of the parties hereto. If any provision of this Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Lease, and all such other provisions shall remain in full force and effect. This Lease shall be governed by and construed pursuant to the laws of the State of Tennessee. The captions used herein are provided only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Lease or the intent of any provision thereof.

29. **Liability for Previous Operations and Indemnification**. Lessor shall indemnify and hold Lessee and the managers, directors, officers, shareholders, members, employees, and agents of Lessee harmless from all loss, costs, and expense, including reasonable attorneys and paralegals fees at all levels of proceeding, including appeals, resulting from claims asserted against Lessee relative to Lessor's previous operation of the facility prior to Commencement Date of this Lease. Lessor shall be responsible for but not limited to, insured and uninsured claims, personal injury, medical malpractice or other tort claims and any and all claims against the Lessee by any person, firm, entity or governmental agency relating to Lessor operations prior to the Commencement Date of this Lease. Lessor shall be liable for, and shall make prompt payment to Lessee of any charge backs or audit adjustments, etc. related to third party payor programs, including Medicare and Medicaid for periods prior to the Commencement Date of this Lease.

30. **Schedules and Exhibits**. The schedules, exhibits and addenda, if any, attached to this Lease are by this reference made a part hereof.

IN WITNESS WHEREOF, the parties have executed this Lease on the respective dates indicated below:

LESSEE

CHRISTIAN CARE CENTER OF BOLIVAR, LLC

By: Anita B West
Name: Anita B. West, Secretary, CFO

Date of Execution
By Lessee: 12/27/2017

LESSOR

HARDEMAN COUNTY REAL ESTATE INVESTORS, LLC

By: _____
Name: J.R. Lewis, Chief Manager

Date of Execution
By Lessor: 12/27/2017

EXHIBIT A

DESCRIPTION OF THE PREMISES

2. **Section B, Need, Item E.**

   Your response is noted. However, it appears the skilled (All other Payors ADC) for Pine Meadows should be 1.10 rather than 13.4. Please correct and revise the following table:

Hardeman County Nursing Home Utilization-2016

lame	Lic. Beds	Beds-MCARE only-certified	Beds-Dually Certified	Beds Level 1 certified MCAID	Licensed Only Beds Non-Certified	SNF MCARE ADC	Level 2 MCAID ADC	skilled All other Payors ADC	Non-skilled ADC	Total ADC
ine Meadows	134	0	44	90	0	14.4	2.5	1.10	107.3	125.3
leasant View	67	0	67	0	0	5	1.4	0	45.8	52.2
otal	201	0	111	90	0	14.9	3.9	13.4	153.1	177.5

Source: Nursing Home JAR, 2016 (legend: Medicare=MCARE; TennCare/Medicaid=MCAID)

3. **Section B. Economic Feasibility Item E.1) Gross charge, average deduction from operating revenue, and average net charge Page 34**

   Please verify the following table. Please correct and submit a revised page 34 labeled as "34R2".

   The corrected table is reflected below. A Replacement Page 34-2 is attached following this response.

	Previous Year 2015	Current Year 2016	Year One	Year Two	% Change (Current Year to Year 2)
Gross Charge *(Gross Operating Revenue/Utilization Data)*	$248.94	$254.35	$276.85	$259.19	1.9%
Deduction from Revenue *(Total Deductions/Utilization Data)*	63.18	$63.49	$25.21	$23.54	-62.9%
Average Net Charge *(Net Operating Revenue/Utilization Data)*	185.76	$190.86	$251.63	$235.65	23.5%

Supplemental #A2
December 27, 2017
12:10 PM

5. **A. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Projected Data Chart for Year 1 and Year 2 of the proposed project. Please complete the following table.**

	Previous Year (2015 - Former owner)	Current Year (2016 - Former owner)	Year One	Year Two	% Change (2016 Former owner to Yr. 1 2020)
Gross Charge *(Gross Operating Revenue/Utilization Data)*	$248.94	$254.35	$276.85	$259.19	1.9%
Deduction from Revenue *(Total Deductions/Utilization Data)*	$63.18	$63.49	$25.21	$25.54	-62.9%
Average Net Charge *(Net Operating Revenue/Utilization Data)*	$185.76	$190.86	$251.63	$235.65	23.5%

* The reason the contractual adjustment is reflected as a large decrease is due to the fact Medicare RUG payments are included as gross revenue in the Projected Data Chart. These payments are higher than the private pay gross charge, and therefore there is no Medicare downward charge adjustments included in the Projected Data Chart.

B. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

The proposed charges are reflected above. Since the facility voluntarily suspended operations as of September 2017, there are no current charges.

For comparison purposes, the average charges for Pleasant View according to its 2016 and 2015 data are included above. The increase in the average charges is due to multiple factors, including 4 years of intervening time, Medicare rate adjustments, and payor mix. It should be noted the facility was operating at a financial loss when it was acquired by the applicant, whereas the new facility will be profitable by Year 2.

C. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Christian Care Center of Bolivar (Projected Year 1 -- 2020):

Average Gross Charge: $276.85

Pine Meadows Health & Rehab (2016)

Average Gross Charge: $210.96

The applicant's average gross charge includes Medicare RUG payment rates, which are higher than private pay and Medicaid gross charges. It should also be noted there are 4 intervening years separating the average charges being compared.

4. **Section B. Economic Feasibility Item H. Staffing, Page 37**

   The staffing chart on page 37 is noted. However, there appears to be a slight calculation error for total direct care in Section B (Total Employees A + B) and Section C (Total Staff A + B + C). Please correct and submit a replacement page labeled "37R2".

   A corrected Replacement Page 37-2 is attached following this response.

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12:10 PM

LPN	N/A	7.00	$23.81	$20.20
C.N.A.	N/A	19.60	$13.35	$12.00
ACTIVITIES & CHAPLAIN	N/A	2.25	$17.57	Not Listed
MARKETING & SOCIAL SERVICES	N/A	2.00	$29.43	$28.00
Total Direct Patient Care Positions	N/A	40.05		
B. Non-Patient Care Positions				
OFFICE MGR. & H.R.	N/A	2.00	$19.65	$19.65
DIETARY	N/A	6.42	$13.25	$12.00
HOUSEKEEPING	N/A	4.94	$11.60	$9.85
LAUNDRY	N/A	1.40	$11.60	$9.85
Total Non-Patient Care Positions	N/A	14.76		
Total Employees *(A+B)*	N/A	54.81		
C. Contractual Staff				
Physical Therapist	N/A	1.40	$43.00	$42.75
Physical Therapist Assistant	N/A	2.80	$35.00	$34.10
Occupational Therapist	N/A	1.40	$41.00	$40.65
Certified Occupational Therapy Assistant	N/A	2.40	$35.00	Not Listed
Speech Therapist	N/A	1.40	$40.00	$36.95
Medical Director	N/A	0.05	$150.00	$138.40
Respiratory Therapist	N/A	0.50	$24.00	$23.80
Total Staff *(A+B+C)*	N/A	64.76		

7. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

A. Discuss the availability of less costly, more effective and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, justify why not, including reasons as to why they were rejected.

As discussed in the Need section of this application, the 67 licensed beds at Pleasant View are needed in the service area. The voluntary temporary suspension of operations does not obviate the need for these beds in the future.

Continuing operations in the existing facility is not practical, and in the applicants view, could be potentially hazardous to patients. Therefore, the relocation of the nursing home and the

DEC 27 '17 PM 12:12

Supplemental #A2
December 27, 2017
12:10 PM

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Washington

NAME OF FACILITY: Christian Care Center of Bolivar

I, Lisa Cawood-Gray, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Lisa Cawood-Gray
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 27 day of December 2017, witness my hand at office in the County of Washington, State of Tennessee.

Denise D. Eith
NOTARY PUBLIC

My commission expires October 29, 2019.

DENISE D. EITH
STATE OF TENNESSEE NOTARY PUBLIC
WASHINGTON COUNTY
My Commission Expires 10/29/19

HF-0043

Revised 7/02

Supplemental #A3

Christian Care Center
Of Bolivar

CN1712-036

DEC 28 '17 AM 11:37

Supplemental #A3
December 28, 2017
11:37 AM

THIRD SUPPLEMENTAL REPONSES

CERTIFICATE OF NEED APPLICATION

FOR

CHRISTIAN CARE CENTER OF BOLIVAR

The Relocation and Replacement of a 67 Bed Skilled Nursing Facility

Project Number CN1712-036

Hardeman County, Tennessee

December 28, 2017

Contact Person:

Jerry W. Taylor, Esq.
Burr & Forman, LLP
222 2nd Avenue South, Suite 2000
Nashville, Tennessee 37201
615-724-3247

Supplemental #A3
December 28, 2017
11:37 AM

1. **Hardeman County Nursing Home Utilization-2016 Table still has errors. See the attached page with my calculations and submit a revised page.**

   A Replacement Page is attached following this response.

Supplemental #A3
December 28, 2017
11:37 AM

1. **Section B, Need, Item E.**

Your response is noted. Please complete the following tables:

Hardeman County Nursing Home Utilization-2016

Name	Lic. Beds	Beds-MCARE only-certified	Beds-Dually Certified	Beds Level 1 certified MCAID	Licensed Only Beds Non-Certified	SNF MCARE ADC	Level 2 MCAID ADC	skilled All other Payors ADC	Non-skilled ADC	Total ADC
Pine Meadows	134	0	44	90	0	14.4	2.5	1.10	107.0	125.0
Pleasant View	67	0	67	0	0	5.0	1.4	0	45.6	52.0
Total	201	0	111	90	0	19.4	3.9	1.1	152.6	177.0

Source: Nursing Home JAR, 2016 (legend: Medicare=MCARE; TennCare/Medicaid=MCAID)

Hardeman County Nursing Home Utilization Trends-2014-2016

Facility	Licensed Beds	2014 Patient Days	2015 Patient Days	2016 Patient Days	'14- '16 % change	2014 % Occupancy	2015 % Occupancy	2016 % Occupancy
Pine Meadows	134	46570	42486	45729	-1.8%	95.2%	86.7%	93.5%
Pleasant View	67	21648	21648*	19054	-11.9%	88.5%	88.5%	77.9%
Total	201	68218	64134	64783	-5%	91.9% (avg)	87.6%(avg)	85.7%(avg)

Source: Nursing Home JAR, 2013-2015

*This is not an error on the writer's part; this is how it was reported on the JARs by the previous owner.

Service Area Patient Accommodation Mix-2016 JAR

Nursing Home	Licensed Beds	Total Private Beds	Total Semi-Private Beds	Total Companion Beds	Ward Beds
Pine Meadows	134	2	132	N/R*	0
Pleasant View	67	12	42	N/R	13
Total	201	14	174	N/R	13

* N/R means not reported on 2016 Joint Annual Reports

2. **Section B, Need, Item F.**

Your response to this item is noted. Please complete the following charts:

Projected Utilization

Year	Licensed Beds	*Medicare-certified beds	SNF Medicare ADC	Level 2 Medicaid ADC	SNF All other Payors ADC	Non-Skilled ADC	Total ADC	Licensed Occupancy %

2. The gross charges, deductions from revenue, and average net charge per day and % changes all appear to be correct. If this has been answered elsewhere then just ignore the questions but there seems to be some unusual swings in the trends. Please provide an explanation for these swings

This was addressed to some extent in a footnote to the table on page 34 of the application, which reads:

"The reason the contractual adjustment is reflected as a large decrease is due to the fact Medicare RUG payments are included as gross revenue in the Projected Data Chart. These payments are higher than the private pay gross charge, and therefore there is no Medicare downward charge adjustments included in the Projected Data Chart."

a. Gross charges per day increase to $276.85 in Year 1 then drop back down to $259.19 in Year 2

Since the replacement facility will begin building from a zero census, the first year census is projected to be more heavily Medicare patients coming out of hospital stays. By Year 2 the census will normalize and level out into a larger share of Medicaid patients. Medicare pays higher rates than Medicaid, so the average charges decrease between Year 1 and Year 2.

A table reflecting projected payor mix for Year 1 and Year 2 is attached following this response.

The applicant cannot speak to the former owner's average charges, but notes the provisos owner was operating at a loss in the last year of its operation of the facility.

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Applicant's Projected Payor Mix, Year 1

Payor Source	Projected Gross Inpatient Revenue	As a % of total
Medicare/Medicare Managed Care	$1,101,661	34.70%
TennCare/Medicaid	$1,685,291	53.09%
Commercial/Other Managed Care	-	-
Self-Pay	$282,915	8.91%
Charity Care	$40,186	1.27%
Other (Specify) Hospice	$64,538	2.03%
Total	$3,174,591	100%

Applicant's Projected Payor Mix, Year 2

Payor Source	Projected Gross Inpatient Revenue	As a % of total
Medicare/Medicare Managed Care	$1,687,342	29.75%
TennCare/Medicaid	$3,547,518	60.96%
Commercial/Other Managed Care	-	-
Self-Pay	$364,784	6.43%
Charity Care	$74,092	1.31%
Other (Specify) Hospice	$87,600	1.54%
Total	$5,671,336	100%

b. Deductions from Revenue decline from $63.49 in 2016 to $25.21 in Year 1

Please see the explanation in the footnote on page 34 of the application, repeated above.

c. Average Net Revenue increases 31.8% from $190.86 in 2016 to $251.63 in Year 1 then decline to $235.65 in Year 2.

Please consider the explanations above. A Medicare day yields a greater net patient revenue than does a Medicaid day. Therefore the relative shift of census from Medicare to Medicaid results in a lower average net change.

DEC 28 '17 AM 11:37

Supplemental #A3
December 28, 2017
11:37 AM

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY: Christian Care Center of Bolivar

I, Jerry W. Taylor, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Signature/Title Atty.

Sworn to and subscribed before me, a Notary Public, this the 28th day of December, 2017, witness my hand at office in the County of Davidson, State of Tennessee.

NOTARY PUBLIC

NANCY JOHNSON STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY My Commission Expires MAR. 8, 2021

My commission expires _____, _____.

HF-0043

Revised 7/02